UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 20-F

☐ **REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR (g) OF THE SECURITIES EXCHANGE ACT OF 1934**

OR

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2022

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

OR

☐ **SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Commission File Number: 1-14728

LATAM Airlines Group S.A.
(Exact name of registrant as specified in its charter)

LATAM Airlines Group S.A.	**Republic of Chile**
(Translation of registrant's name into English)	**(Jurisdiction of incorporation or organization)**

Presidente Riesco 5711, 20th Floor
Las Condes
Santiago, Chile
(Address of principal executive offices)

Andrés del Valle
Tel.: 56-2-2565-3844 E-mail: InvestorRelations@latam.com
Presidente Riesco 5711, 20th Floor
Las Condes
Santiago, Chile
(Name, telephone, e-mail and/or facsimile number and address of company contact person)

Securities registered or to be registered pursuant to Section 12(b) of the Act:
None

Securities registered or to be registered pursuant to Section 12(g) of the Act:

Title of each class:	**Name of each exchange on which registered:**
American Depositary Shares (as evidenced by American Depositary Receipts), each representing one share of Common Stock, without par value	**Over The Counter (OTC) Markets**
Common Stock, without par value	**Santiago Stock Exchange**

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act:
None

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report: 605,231,854,725.

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☒

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one):

Large Accelerated filer ☒ Accelerated filer ☐ Non-Accelerated filer ☐

Emerging Growth Company ☐

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards† provided pursuant to Section 13(a) of the Exchange Act. ☐

*† **The term "new or revised financial accounting standard" refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.***

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP ☐ International Financial Reporting Standards as issued by the International Accounting Standards Board ☒ Other ☐

If "Other" has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow:

Item 17 ☐ Item 18 ☐

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. Yes ☒ No ☐

TABLE OF CONTENTS

EXPLANATORY NOTE

COVID-19 Pandemic

On March 11, 2020, the World Health Organization (the "WHO") declared COVID-19 a pandemic and, that same month, governments around the world, including those of the United States, Chile and most Latin American countries, declared states of emergency in their respective jurisdictions and implemented measures to halt the spread of the virus, including enhanced screenings, quarantine requirements and severe travel restrictions. The government-imposed travel restrictions (both domestic and international), flight cancellations, and a dramatic decline in worldwide air travel, resulted in a significant reduction in the group's passenger service, which comprises the vast majority of LATAM's operating revenues. By April of 2020, the group had reduced its operations to a mere 5.7% of the capacity (measured in ASKs) as compared to the same month of the prior year.

In 2022, the group saw a notable recovery of its passenger operations in line with the easing of travel restrictions both in the domestic markets and in the regions where the Company operates internationally. As a result, the recovery during the year was mainly driven by the ramp up of operations that had been lagging in the previous years, especially internationally. LATAM's consolidated operations in December 2022, reached 85.2% of December 2019 capacity levels (measured in ASKs).

In response to the pandemic, the Company has implemented numerous changes to its operations related to health safety, as well as modifications to commercial policies and customer relations. For more information regarding these changes and the economic impact of the pandemic on our operations, see "Item 4. Information of the Company-B. Business Overview-Passenger Operations-Passenger Marketing and Sales" and "Item 3. Key Information-D. Risk Factors-Risks Relating to our Company-*The continuing effects of COVID-19 are highly unpredictable and could be significant, and may have an adverse effect on the group's business and results of operations*."

Chapter 11 Proceedings

On May 26, 2020 (the "Initial Petition Date"), LATAM Airlines Group S.A. and 28 affiliates (collectively, the "Initial Debtors") filed their petitions for relief under Chapter 11 ("Chapter 11") of title 11 of the United States Code, 11 U.S.C. §§ 101-1532, (as amended, the "Bankruptcy Code"), with the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court"). On July 7, 2020 and July 9, 2020 (as applicable, the "Subsequent Petition Date"), nine additional affiliates of LATAM (the "Subsequent Debtors" and together with the Initial Debtors, the "Debtors") filed their petitions for relief under Chapter 11 of the Bankruptcy Code with the Bankruptcy Court. We refer to these proceedings in this annual report as our "Chapter 11 proceedings." As of November 3, 2022 (the "Effective Date"), the Plan (as defined below) was substantially consummated and the Debtors have each emerged from the Chapter 11 proceedings as the "Reorganized Debtors." The Bankruptcy Court continues to administer the Chapter 11 proceedings for the Reorganized Debtors on a consolidated basis in order to resolve the few remaining matters therein, including reconciling remaining claims. The information in this annual report is presented as of December 31, 2022, unless expressly stated otherwise, and is subject to and qualified in its entirety by our Chapter 11 proceedings and developments related thereto.

The following is a series of relevant milestones and chronological summary of LATAM's Chapter 11 proceedings:

As part of their overall reorganization process, the Reorganized Debtors have sought and received relief in certain non-U.S. jurisdictions. Parallel and ancillary proceedings were filed in the Cayman Islands, Chile and Colombia. On May 27, 2020, the Grand Court of the Cayman Islands granted the applications of certain of the Reorganized Debtors for the appointment of provisional liquidators pursuant to section 104(3) of the Companies Law (2020 Revision). On June 4, 2020, the 2nd Civil Court of Santiago, Chile issued an order recognizing the Chapter 11 proceedings with respect to the LATAM Airlines Group S.A., Lan Cargo S.A., Fast Air Almacenes de Carga S.A., Latam Travel Chile II S.A., Lan Cargo Inversiones S.A., Transporte Aéreo S.A., Inversiones Lan S.A., Lan Pax Group S.A. and Technical Training LATAM S.A. All remedies filed against the order have been rejected and the decision is, therefore, final. In addition, on June 12, 2020, the Superintendence of Companies of Colombia granted recognition to the Chapter 11 proceedings. On July 10, 2020, the Grand Court of the Cayman Islands granted the Reorganized Debtors' application for the appointment of JPLs to Piquero Leasing Limited.

On November 26, 2021, the Reorganized Debtors filed an initial proposed plan of reorganization under our Chapter 11 proceedings (as it has been and may be subsequently supplemented, revised or amended, or otherwise modified in accordance with its terms, the "Plan of Reorganization" or "Plan") resulting from the negotiation of a restructuring support agreement (as amended, restated, amended and restated, supplemented or otherwise modified, the "Restructuring Support Agreement" or "RSA"), also dated as of November 26, 2021, with an ad hoc group of LATAM Airlines Group S.A. general unsecured creditors, certain of the Reorganized Debtors' large existing equity holders, and Andes Aerea SpA, Inversiones Pia SpA and Comercial Las Vertientes (the "Eblen Group"). The Reorganized Debtors filed the solicitation version of the Plan of Reorganization on March 25, 2022.

In accordance with the RSA, on January 12, 2022 LATAM entered into a backstop commitment agreement with certain shareholders, which the group refers to as the "Shareholder Backstop Agreement" and the "Backstop Shareholders", respectively and certain of our creditors, which the group refers to as the "Creditor Backstop Agreement" and the "Backstop Creditors", respectively. The group refers to the Shareholder Backstop Agreement and the Creditor Backstop Agreement collectively as the "Backstop Agreements." On March 15, 2022, the Bankruptcy Court issued a memorandum decision approving the Reorganized Debtors' entry into the Backstop Agreements, and issued a corresponding order on March 22, 2022. On March 24, 2022, the Unsecured Creditors Committee ("UCC") and certain other creditors filed a notice to appeal this ruling to the United States District Court for the Southern District of New York.

Pursuant to the Backstop Agreements, the Backstop Shareholders agreed to backstop up to US$400 million of an issuance of new common stock by the Company and the placement of approximately US$1,373 million of New Convertible Notes Class B to be issued by the Company. The Backstop Creditors agreed to backstop the remaining US$400 million of the common stock issuance and up to approximately US$6,816 million of the New Convertible Notes Class C to be issued by the Company; which reflects a total cash commitment of approximately US$3,269 million, considering that a portion of the New Convertible Notes Class C was designed to be delivered as payment of claims held by the Backstop Creditors. According to the Plan, the Backstop Creditors agreed to receive a fee of 20% of the committed cash amount of their investment pursuant to the Creditor Backstop Agreement, whereas the Backstop Shareholders agreed not to receive a fee for the Shareholder Backstop Agreement. All new common stock and all new convertible notes were preemptively offered to LATAM's shareholders as required by applicable law. New Convertible Notes Class B and New Convertible Notes Class C, together with New Convertible Notes Class A (whose issuance was also contemplated by the Plan), are convertible into shares of the Company that, together with the new common stock issued by the Company according to the Plan, substantially diluted the equity interests of existing shareholders.

Furthermore, following execution of the RSA, we continued to engage in discussions with members of a separate ad hoc group of certain of the Reorganized Debtors' creditors, each of whom executed a joinder agreement to the RSA, effective as of February 10, 2022.

The Reorganized Debtors received objections to the Plan from certain parties, including the United States Trustee, the Official Committee of Unsecured Creditors (the "Committee"), Banco del Estado de Chile in its capacity as indenture trustee under certain Chilean local bonds issued by LATAM ("BancoEstado"), an ad hoc group of unsecured claimants and a group of holders of claims against LATAM affiliate TAM Linhas Aéreas S.A. Following the Plan objection deadline, the Reorganized Debtors participated in mediation with BancoEstado, the Committee and the parties to the RSA in an effort to resolve their objections to the Plan and related disputes, which proved successful. On May 11, 2022, the Reorganized Debtors filed a revised version of the Plan reflecting the terms of a settlement with the parties.

At a hearing held on May 17, 18 and 20, 2022, the Bankruptcy Court considered the remaining objections that had not been resolved pursuant to the settlement. On June 18, 2022, the Bankruptcy Court issued a memorandum decision approving the Plan and overruling all remaining objections (the "Memorandum Decision"), and entered an order confirming the Plan (the "Confirmation Order").

Certain parties in interest appealed the Bankruptcy Court's decisions. On June 21, 2022, the Ad Hoc Group of Unsecured Claimants filed a notice of appeal of the memorandum decision and order approving entry into the Backstop Agreements, as well as the Memorandum Decision approving the Plan and the Confirmation Order.

On June 27, 2022, the Ad Hoc Group of Unsecured Claimants filed a motion seeking to stay the Confirmation Order pending appeal. On July 16, 2022, the motion to stay was denied by the Bankruptcy Court. On June 23, 2022, the TLA Claimholders Group also filed a motion seeking to stay the Confirmation Order pending appeal or, in the alternative, an affirmative injunction requiring the Reorganized Debtors to fund an escrow account in the amount of the outstanding post-petition interest. On July 8, 2022, the Bankruptcy Court issued a bench memorandum and order denying the TLA Claimholders Group's motion to stay. On June 28, 2022, Columbus Hill Capital Management ("Columbus Hill") filed a notice of appeal of the Memorandum Decision and the Confirmation Order, which it later withdrew on July 5, 2022. On July 13, 2022, the Reorganized Debtors filed a motion to approve a settlement agreement with Columbus Hill, which was granted by the Bankruptcy Court on July 21, 2022, bringing full and final resolution to the Columbus Hill appeal and any other potential objections from this claimant.

On August 31, 2022, after briefing and oral argument by the parties, the District Court issued an opinion denying the appeals of both the Ad Hoc Group of Unsecured Claimants and the TLA Claimholders Group. The District Court rejected the Ad Hoc Group of Unsecured Claimants' arguments that the Plan and Backstop Agreement violated the Bankruptcy Code and held that the Backstop Agreement did not constitute impermissible vote buying. The Ad Hoc Group of Unsecured Claimants did not further appeal the District Court's decision.

With respect to the TLA Claimholders Group's appeal, the District Court denied its request for payment of post-petition interest on its claims and found that the Bankruptcy Court did not err with respect to its factual finding that TLA was insolvent. The District Court also denied the TLA Claimholders Group's motion to stay the Confirmation Order. On September 2, 2022 the TLA Claimholders Group filed a notice of appeal in the District Court (the "Second Circuit Appeal") further appealing the Confirmation Order to the United States Court of Appeals for the Second Circuit (the "Second Circuit"). Both parties filed briefs regarding the merits of the Second Circuit Appeal, oral argument occurred on October 12, 2022, and on December 14, 2022, the Second Circuit unanimously affirmed the District Court's decision rejecting the Second Circuit Appeal.

As of the Effective Date, the Plan was substantially consummated and became binding on all parties in interest. Pursuant to the Plan, the Company received an infusion of approximately US$ 8.19 billion through a mix of new equity, convertible notes, and debt, which enabled the Company to exit Chapter 11 with appropriate capitalization to effectuate its business plan. Upon emergence, the Company had total debt of approximately US$ 6.8 billion, cash and cash equivalents of approximately US$1.1 billion and revolving facilities fully undrawn in the amount of US$1.1 billion..

Pursuant to the Plan and Backstop Agreements, LATAM raised up to US$ 500 million through a new revolving credit facility and approximately US$ 2.25 billion in total new money debt financing, consisting of a new term loan and new notes.

As a result of our Chapter 11 proceedings, the New York Stock Exchange (the "NYSE") filed with the SEC a notice on June 10, 2020 in order to delist our American Depositary Shares (ADSs). The delisting became effective on June 22, 2020. Our ADSs continue to trade in the over-the-counter market under the ticker "LTMAY."

For more information regarding the Chapter 11 filings and proceedings, see "Item 3. Key Information-D. Risk Factors-Risks Relating to Our Emergence from Chapter 11 Bankruptcy" and "Item 4. Information on the Company - B. Business Overview - Chapter 11 Proceedings through 2022."

PRESENTATION OF INFORMATION

Throughout this annual report on Form 20-F, we make numerous references to "LATAM." Unless the context otherwise requires, references to "LATAM Airlines Group" are to LATAM Airlines Group S.A., the unconsolidated operating entity, and references to "LATAM," "we," "us," "our," the "group" or the "Company" are to LATAM Airlines Group S.A. and its consolidated affiliates including: Transporte Aéreo S.A. ("LATAM Airlines Chile"), LATAM Airlines Perú S.A. (f/k/a LAN Perú S.A, "LATAM Airlines Peru"), LATAM-Airlines Ecuador S.A. (f/k/a Aerolane Líneas Aéreas Nacionales del Ecuador S.A., "LATAM Airlines Ecuador"), LAN Argentina S.A. ("LATAM Airlines Argentina," previously Aero 2000 S.A.), Aerovías de Integración Regional S.A. ("LATAM Airlines Colombia"), TAM S.A. ("TAM"), TAM Linhas Aéreas S.A. ("LATAM Airlines Brazil"), Transporte Aéreos del Mercosur S.A. ("LATAM Paraguay"), LAN Cargo S.A. ("LATAM Cargo") and its two regional affiliates: Linea Aerea Carguera de Colombia S.A. ("LANCO" or "LATAM Cargo Colombia") in Colombia and Aerolinhas Brasileiras S.A. ("ABSA" or LATAM Cargo Brazil") in Brazil. Other references to "LATAM", as the context requires, are to the LATAM brand which was launched in 2016 and brings together, under one internationally recognized name, all of the affiliate brands such as LATAM Airlines Chile, LATAM Airlines Peru, LATAM Airlines Argentina, LATAM Airlines Colombia, LATAM- Airlines Ecuador S.A. and LATAM Airlines Brazil.

LATAM Airlines Argentina continues to be a consolidated affiliate, however, on June 17, 2020, it announced the indefinite cessation of its passenger and cargo operations.

References to "LAN" are to LAN Airlines S.A., currently known as LATAM Airlines Group S.A., and its consolidated affiliates, in connection with circumstances and facts occurring prior to the completion date of the combination between LAN Airlines S.A. and TAM S.A. See "Item 4. Information on the Company-A. History and Development of the Company."

In this annual report on Form 20-F, unless the context otherwise requires, references to "TAM" are to TAM S.A., and its consolidated affiliates, including TAM Linhas Aereas S.A. ("TLA"), which does business under the name "LATAM Airlines Brazil", Fidelidade Viagens e Turismo Limited ("TAM Viagens") and Transportes Aéreos Del Mercosur S.A. ("TAM Mercosur").

LATAM Airlines Group and the majority of our affiliates maintain accounting records and prepare financial statements in U.S. dollars. Some of our affiliates, however, maintain their accounting records and prepare their financial statements in Chilean pesos, Argentinean pesos, Colombian pesos or Brazilian real. In particular, TAM maintains its accounting records and prepares its financial statements in Brazilian real. Our audited consolidated financial statements include the results of these affiliates translated into U.S. dollars. The International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"), require assets and liabilities to be translated at period-end exchange rates, while revenue and expense accounts are translated at each transaction date, although a monthly rate may also be used if exchange rates do not vary widely.

In this annual report on Form 20-F, all references to "Chile" are references to the Republic of Chile. This annual report contains conversions of certain Chilean peso and Brazilian real amounts into U.S. dollars at specified rates solely for the convenience of the reader. These conversions should not be construed as representations that the Chilean peso and the Brazilian real amounts actually represent such U.S. dollar amounts or could be converted into U.S. dollars at the rate indicated. Unless we specify otherwise, all references to "$", "US$," "U.S. dollars" or "dollars" are to United States dollars, references to "pesos," "Chilean pesos" or "Ch$" are to Chilean pesos. References to "real," "Brazilian real" or "R$" are to Brazilian real, and references to "UF" are to *Unidades de Fomento*, a daily indexed Chilean peso-denominated monetary unit that takes into account the effect of the Chilean inflation rate. Unless we indicate otherwise, the U.S. dollar equivalent for information in Chilean pesos used in this annual report and in our audited consolidated financial statements is based on the "*dólar observado*" or "observed" exchange rate published by *Banco Central de Chile* (the "Central Bank of Chile") on December 31, 2022, which was Ch$859.51 = US$1.00. The observed exchange rate on February 28, 2023, was Ch$831.24 = US$1.00. Unless we indicate otherwise, the U.S. dollar equivalent for information in Brazilian real used in this annual report and in our audited consolidated financial statements is based on the average "*bid and offer rate*" published by Banco Central do Brasil (the "Central Bank of Brazil") on December 31, 2022, which was R$5.22= US$1.00. The observed exchange rate on February 28, 2023, was R$5.21 = US$1.00. The Federal Reserve Bank of New York does not report a noon buying rate for Chilean pesos or Brazilian real. Unless we indicate otherwise, the Chilean peso equivalent for information in UF used in this annual report and in our audited consolidated financial statements is based on the UF rate published by Central Bank of Chile on December 31, 2022, which was Ch$35,110.98 = UF1.00.

LATAM has a single series of shares of Common Stock, without par value, listed on Chilean Stock Exchange and American Depositary Shares (evidenced by American Depositary Receipts), each representing one share of Common Stock, that were listed on the New York Stock Exchange until June 22, 2020, and currently trade in the over-the-counter market.

We have rounded percentages and certain U.S. dollar, Chilean peso and Brazilian real amounts contained in this annual report for ease of presentation. Any discrepancies in any table between totals and the sums of the amounts listed are due to rounding.

LATAM's audited consolidated financial statements for the periods ended December 31, 2020, 2021 and 2022 were prepared in accordance with IFRS.

This annual report contains certain terms that may be unfamiliar to some readers. You can find a glossary of these terms on page ix of this annual report.

FORWARD-LOOKING STATEMENTS

This annual report contains forward-looking statements. Such statements may include words such as "anticipate," "estimate," "expect," "project," "intend," "plan," "believe", "forecast" or other similar expressions. Forward-looking statements, including statements about our beliefs and expectations, are not statements of historical facts. These statements are based on current plans, estimates and projections, and, therefore, you should not place undue reliance on them. Forward-looking statements involve inherent risks and uncertainties. We caution you that a number of important factors could cause actual results to differ materially from those contained in any forward-looking statement. These factors include, but are not limited to:

- the impact of our recent emergence from Chapter 11 on our business and relationships;
- conflicting interests among our major shareholders;
- developments relating to the COVID-19 pandemic or any other pandemic and measures to address them;
- the factors described in "Item 3. Key Information-Risk Factors";
- our ability to service our debt and fund our working capital requirements;
- future demand for passenger and cargo air services in Chile, Brazil, other countries in Latin America and the rest of the world;
- the determination of relationships with customers;
- our ability to attract and retain key personnel following our emergence from bankruptcy;
- the state of the Chilean, Brazilian, other Latin American and world economies and their impact on the airline industry;
- the effects of competition in the airline industry;
- future terrorist incidents, cyberattacks or related activities affecting the airline industry;
- future outbreak of diseases, or the spread of already existing diseases, affecting travel behavior and/or exports;
- natural disasters affecting travel behavior and/or exports;
- the relative value of the Chilean peso and other Latin American currencies compared to other world currencies;
- inflation;
- competitive pressures on pricing;
- our capital expenditure plans;
- changes in labor costs, maintenance costs and insurance premiums;
- fluctuation of crude oil prices and its effect on fuel costs;
- cyclical and seasonal fluctuations in our operating results;
- defects or mechanical problems with our aircraft;
- our ability to successfully implement our growth strategy;
- increases in interest rates; and
- changes in regulations, including regulations related to access to routes in which the group operates and environmental regulations.

Forward-looking statements speak only as of the date they are made, and we undertake no obligation to publicly update any of them, whether in light of new information, future events or otherwise. You should also read carefully the risk factors described in "Item 3. Key Information-Risk Factors."

GLOSSARY OF TERMS

The following terms, as used in this annual report, have the meanings set forth below.

Consolidated Affiliates of LATAM:

"ABSA or LATAM Cargo Brazil"	Aerolinhas Brasileiras S.A., incorporated in Brazil.
"LANCO" or LATAM Cargo Colombia	Línea Aérea Carguera de Colombia S.A., incorporated in Colombia.
"LATAM Airlines Argentina"	LAN Argentina S.A., incorporated in Argentina.
"LATAM Airlines Brazil"	TAM Linhas Aéreas S.A., incorporated in Brazil.
"LATAM Airlines Chile"	Transporte Aéreo S.A., incorporated in Chile.
"LATAM Airlines Paraguay"	Transporte Aéreos del Mercosur S.A., incorporated in Paraguay.
"LATAM Airlines Colombia"	Aerovías de Integración Regional S.A., incorporated in Colombia.
"LATAM Airlines Ecuador"	LATAM-Airlines Ecuador S.A. (f/k/a Aerolane Líneas Aéreas Nacionales del Ecuador S.A.), incorporated in Ecuador.
"LATAM Airlines Peru"	LATAM Airlines Perú S.A. (f/k/a LAN Perú S.A.), incorporated in Perú.
"LATAM Cargo"	LAN Cargo S.A., incorporated in Chile.
"TAM"	TAM S.A., incorporated in Brazil.

Capacity Measurements:

"available seat kilometers" or "ASKs"	The sum, across our network, of the number of seats made available for sale on each flight multiplied by the kilometers flown by the respective flight.
"available ton kilometers" or "ATKs"	The sum, across our network, of the number of tons available for the transportation of revenue load (cargo) on each flight multiplied by the kilometers flown by the respective flight.

Traffic Measurements:

"revenue passenger kilometers" or "RPKs"	The sum, across our network, of the number of revenue passengers on each flight multiplied by the number of kilometers flown by the respective flight.
"revenue ton kilometers" or "RTKs"	The sum, across our network, of the load (cargo) in tons on each flight multiplied by the kilometers flown by the respective flight.
"traffic revenue"	Revenue from passenger and cargo operations.

Yield Measurements:

"cargo yield"	Revenue from cargo operations divided by RTKs.
"passenger yield"	Revenue from passenger operations divided by RPKs.

Load Factors:

"cargo load factor"	RTKs expressed as a percentage of ATKs.
"passenger load factor"	RPKs expressed as a percentage of ASKs.

Other:

"Airbus A320-Family Aircraft"	The Airbus A319, Airbus A320, and Airbus A321 models of aircraft, including both ceo and neo variants.
"m²"	Square meters.
"ton"	A metric ton, equivalent to 2,204.6 pounds.
"utilization rates"	The actual number of service hours per aircraft per operating day.
"operating expenses"	Operating expenses, which are calculated in accordance with IFRS, comprise the sum of the line items "cost of sales" plus "distribution costs" plus "administrative expenses" plus "other operating expenses," as shown on our consolidated statement of comprehensive income. These operating expenses include: wages and benefits, fuel, depreciation and amortization, commissions to agents, aircraft rentals, other rental and landing fees, passenger services, aircraft maintenance and other operating expenses.
"MiSchDynamicDT"	Market Intelligence Schedule Dynamic Table.
"Diio Mi"	Data In Intelligence Out Market Intelligence.
"CO2"	Carbon Dioxide Gas

PART I

ITEM 1 IDENTITY OF DIRECTORS, SENIOR MANAGEMENT AND ADVISERS

Not applicable.

ITEM 2 OFFER STATISTICS AND EXPECTED TIMETABLE

Not applicable.

ITEM 3 KEY INFORMATION

A. Reserved

B. Capitalization and Indebtedness

Not applicable.

C. Reasons for the Offer and Use of Proceeds

Not applicable.

D. Risk Factors

The following important factors, and those important factors described in other reports we submit to or file with the Securities and Exchange Commission ("SEC"), could affect our actual results and could cause our actual results to differ materially from those expressed in any forward-looking statements made by us or on our behalf. In particular, as we are a non-U.S. company, there are risks associated with investing in our ADSs that are not typical for investments in the shares of U.S. companies. Prior to making an investment decision, you should carefully consider all of the information contained in this document, including the following risk factors.

Risks Relating to our Emergence from Chapter 11 Bankruptcy

We recently emerged from bankruptcy, which could adversely affect our business and relationships.

Our having filed for bankruptcy, notwithstanding our recent emergence from the Chapter 11 bankruptcy proceedings, could adversely affect our business and relationships with customers, suppliers, vendors, contractors or employees. Many risks exist due to uncertainties around our recent emergence from bankruptcy, including the following:

- Key suppliers, vendors or other contract counterparties could, among other things, renegotiate the terms of our agreements, attempt to terminate their relationships with us or require financial assurances from us;
- Our ability to renew existing contracts and obtain new contracts on reasonably acceptable terms and conditions may be adversely affected;
- Our ability to attract, motivate and retain executives and employees may be adversely affected; and
- Competitors may take business away from us, and our ability to compete for new business and attract and retain customers may be negatively impacted.

The occurrence of one or more of these events could have a material and adverse effect on our operations, financial condition and reputation and we cannot assure you that having been subject to bankruptcy proceedings will not adversely affect our operations in the future.

Upon emergence from bankruptcy, the composition of our board of directors changed significantly.

The composition of our board of directors changed significantly upon emergence from bankruptcy. Our new board is comprised of the following members: Ignacio Cueto Plaza, Sonia J.S. Villalobos, Bouk van Geloven, Antonio Gil Nievas, Alexander D. Wilcox, Bornah Moghbel, Enrique Cueto Plaza, Michael Neruda and Frederico Curado (as independent director). While there has been an orderly transition process as we integrate newly appointed board members, our new board of directors may change views on strategic initiatives and a range of issues that will determine the future of the Company. As a result, the future strategy and plans of the Company may differ materially from those of the past.

The ability to attract and retain key personnel is critical to the success of our business and may be affected by our emergence from bankruptcy.

The success of our business depends on key personnel. The ability to attract and retain these key personnel may be affected by our emergence from bankruptcy, the uncertainties currently facing the business and the changes we may make to the organizational structure to adjust to changing circumstances. We may need to enter into retention or other arrangements that could be costly to maintain. If executives, managers or other key personnel resign, retire or are terminated or their service is otherwise interrupted, we may not be able to replace them in a timely manner and we could experience significant declines in productivity.

Risks Relating to our Company

The continuing effects of COVID-19 are highly unpredictable and could be significant, and may have an adverse effect on the group's business and results of operations.

The COVID-19 pandemic and accompanying fear of widespread outbreaks of contagious illnesses that may occur in the future have materially reduced, and may continue to further reduce, demand for, and availability of, worldwide air travel. As a result, our business, operations and financial performance have been, and may continue to be, materially adversely affected by COVID-19.

The COVID-19 pandemic and its variants has negatively affected global economic conditions, disrupted supply chains and otherwise negatively impacted aircraft manufacturing operations and may reduce the availability of aircraft spare parts. The effect on our results may be material and adverse if supply chain disruptions persist and preclude our ability to adequately maintain our fleet.

Although vaccines have generally proved to be effective and certain of the government-imposed travel restrictions associated with the COVID-19 pandemic have been eased, the ongoing pandemic, including large outbreaks, resurgences of COVID-19 in various regions and appearances of new variants of the virus, has resulted and may continue to result in significantly reduced demand for travel. During 2022 many countries lifted travel restrictions but the spread of new variants of COVID-19 led some of them to return with some measures. As a result of these or other conditions beyond our control, our results of operations could continue to be volatile and subject to rapid and unexpected change. In addition, our operations have been, and could in the future be, negatively affected further if our employees are quarantined as the result of exposure to COVID-19. Health safety and sanitation measures that we have implemented as a group also may not be sufficient to prevent the spread or contagion of COVID-19 or other infectious diseases to our passengers or employees on our aircraft or the airports in which we operate, which could result in adverse reputational and financial impacts for the group. These issues have had and could continue to have a material adverse effect on the group's business and results of operations. For further information on the health safety and sanitation measures implemented by the group, see "Explanatory Note-COVID-19 Pandemic," above. However, it is possible that these measures could prove insufficient and COVID-19 or other diseases could be transmitted to passengers or employees in an airport or on an aircraft.

As a result of the COVID-19 pandemic and its variants, the airline industry may experience consumer behavior changes, regarding corporate travel, long-haul travel, and travel demand.

The potential for mid- to long-term changes to consumer behavior resulting from the COVID-19 pandemic and its variants exists and could lead to adverse financial impacts for the Company. Corporate travel increased during 2022, thanks to the lift of travel restrictions, but has not yet fully recovered to prior COVID-19 levels. It is not possible to predict the potential consequences of the increased use of technology as a substitute for travel and whether or when corporate travel, long-haul travel and travel demand could return to the levels existing prior to the COVID-19 pandemic. Furthermore, travelers may be less prone to travel or be more price conscious and may choose low-cost alternatives as a result of the COVID-19 pandemic.

A failure to successfully implement the group's strategy or a failure to adjust such strategy to the current economic situation would harm the group's business and the market value of our ADSs and common shares.

We have developed a strategic plan with the goal of becoming one of the most admired airlines in the world and renewing our commitment to sustained profitability and superior returns to shareholders. Our strategy requires us to identify value propositions that are attractive to our clients, to find efficiencies in our daily operations, and to transform ourselves into a stronger and more risk-resilient company. A tenet of our strategic plan is the continuing adoption of a new travel model for domestic and international services to address the changing dynamics of customers and the industry, and to increase our competitiveness. The new travel model is based on a continued reduction in air fares that makes air travel accessible to a wider audience, and in particular to those who wish to fly more frequently. This model requires continued cost reduction efforts and increasing revenues from ancillary activities. In connection with these efforts, the Company continues to implement a series of initiatives to reduce cost per ASK in all its operations as well as developing new ancillary revenue initiatives.

Difficulties in implementing our strategy may adversely affect the group's business, results of operation and the market value of our ADSs and common shares.

Our financial results are exposed to foreign currency fluctuations.

We prepare and present our consolidated financial statements in U.S. dollars. LATAM and its affiliates operate in numerous countries and face the risk of variation in foreign currency exchange rates against the U.S. dollar or between the currencies of these various countries. Changes in the exchange rate between the U.S. dollar and the currencies in the countries in which the group operates could adversely affect the business, financial condition and results of operations. If the value of the Brazilian real, Chilean peso or other currencies in which revenues are denominated declines against the U.S. dollar, our results of operations and financial condition will be affected. The exchange rate of the Chilean peso, Brazilian real and other currencies against the U.S. dollar may fluctuate significantly in the future.

Changes in Chilean, Brazilian and other governmental economic policies affecting foreign exchange rates could also adversely affect the business, financial condition, results of operations and the return to our shareholders on their common shares or ADSs. For further information, see "Item 11. Quantitative and Qualitative Disclosures About Market Risk-Risk of Variation in Foreign Exchange Rates."

Our operations are subject to fluctuations in the supply and cost of jet fuel, which could adversely impact our business.

Higher jet fuel prices could have a materially adverse effect on our business, financial condition and results of operations. Jet fuel costs have historically accounted for a significant amount of our operating expenses, and accounted for 47.9% of our total costs of sales in 2022. For additional information, see "Item 11. Quantitative and Qualitative Disclosures about Market Risk-Risk of Fluctuations in Fuel Prices." Both the cost and availability of fuel are subject to many economic and political factors and events that we can neither control nor predict, including international political and economic circumstances such as the political instability in major oil-exporting countries. Any future fuel supply shortage (for example, as a result of production curtailments by the Organization of the Petroleum Exporting Countries, or "OPEC"), a disruption of oil imports, supply disruptions resulting from severe weather or natural disasters, labor actions such as the 2018 trucking strike in Brazil, the continued unrest in the Middle East, the conflict in Ukraine or other events could result in higher fuel prices or reductions in scheduled airline services. We cannot ensure that we would be able to offset any increases in the price of fuel. In addition, lower fuel prices may result in lower fares through the reduction or elimination of fuel surcharges. We have entered into fuel hedging arrangements, but there can be no assurance that such arrangements will be adequate to protect us from an increase in fuel prices in the near future or in the long term. See "Item 11. Quantitative and Qualitative Disclosures About Market Risk-Risk of Fluctuations in Fuel Prices."

The group depends on strategic alliances or commercial relationships in many different countries, and the business may suffer if any of our strategic alliances or commercial relationships terminates.

We maintain a number of alliances and other commercial relationships in many of the jurisdictions in which LATAM and its affiliates operate. These alliances or commercial relationships allow us to enhance our network and, in some cases, to offer our customers services that we could not otherwise offer. If any of our strategic alliances or commercial relationships deteriorate, or any of these agreements are terminated, the group's business, financial condition and results of operations could be adversely affected.

The group's business and results of operations may suffer if we fail to obtain and maintain routes, suitable airport access, slots and other operating permits. Also, technical and operational problems with the airport infrastructure of cities in which we have a focus may have a material adverse effect on us.

LATAM's business depends upon our access to key routes and airports. Bilateral aviation agreements between countries, open skies laws and local aviation approvals frequently involve political and other considerations outside of our control. The group's operations could be constrained by any delay or inability to gain access to key routes or airports, including:

- limitations on our ability to transport more passengers;
- the imposition of flight capacity restrictions;
- the inability to secure or maintain route rights in local markets or under bilateral agreements; or
- the inability to maintain our existing slots and obtain additional slots.

The group operates numerous international routes subject to bilateral agreements, as well as domestic flights within Chile, Peru, Brazil, Ecuador and Colombia, subject to local route and airport access approvals. See "Item 4. Information on the Company-B. Business Overview-Regulation."

There can be no assurance that existing bilateral agreements with the countries in which the group's companies are based and permits from foreign governments will continue to be in effect. A modification, suspension or revocation of one or more bilateral agreements could have a material adverse effect on our business, financial condition and results of operations. The suspension of our permission to operate at certain airports, destinations or slots, or the imposition of other sanctions could also have a material adverse effect. A change in the administration of current laws and regulations or the adoption of new laws and regulations in any of the countries in which the group operates that restrict our routes, airports or other access may have a material adverse effect on our business, financial condition and results of operations.

Moreover, our operations and growth strategy are dependent on the facilities and infrastructure of key airports, including Santiago's International Airport, São Paulo's Guarulhos International and Congonhas Airports, Brasilia's International Airport and Lima's Jorge Chavez International Airport. Airports may face challenges to meet their capex programs, after suffering significant financial deterioration stemming from the COVID-19 pandemic. Delays or cancellations of capex programs could impact our operations or ability to grow in the future.

Santiago's Comodoro Arturo Merino Benítez International Airport is undergoing an important expansion, which was expected to be completed by 2021, but opened in February 2022. There is currently a dispute between the airport operator and the government arising from the impact of the COVID-19 pandemic and deceleration of airport operations on revenues, which placed additional stress on the operator's liquidity in light of ongoing investments required for the expansion project. In order to mitigate the impact of the financial loss, the current operator is requesting to extend the concession period, which expires in 2035, or to renegotiate the current income percentage of participation that they must share with the government. This dispute implies a risk to future OPEX and CAPEX investments and adverse effects to the airport's operations.

Santiago's International Airport opened its new International Terminal, called Terminal 2, at the end of February 2022. One of the most challenging issues with the new terminal is that the check-in process considers a 50% reduction in assisted check-in counters, which obligates airlines to implement self-service models, where the success depends on the companies but is also associated with the government restrictions of the destination country. Additionally, Terminal 1 is currently undergoing remodeling to adapt its infrastructure into a national operations dedicated terminal. These works are scheduled to be completed by 2025.

Due to the previous airport concessions provided by the Chilean government in 2019, there are two airports currently undergoing construction in Chile: Iquique's Diego Aracena International Airport and Arica's Chacalluta International Airport, which are both undergoing terminal and platform expansions. These works are expected to be completed by 2023 and they imply a risk of adverse effects to the airports' operations. In addition, there are three other new concessions in Chile planning to start terminal work during the years 2023 and 2024: Balmaceda Airport, La Florida International Airport and Presidente Carlos Ibáñez del Campo International Airport.

In Peru, one of the major operational risks that we currently face at the Jorge Chávez International Airport in Lima is the limitation of growth capacity on the airside (including with respect to runway and apron, as well as parking spaces), and challenges relating to the interior infrastructure of the airport, which has collapsed in most of its processes (AVSEC, boarding & migrations). Jorge Chávez International Airport in Lima is currently in the process of building a second runway in 2024 and a new terminal in early 2025. Any delay or limitation due to ongoing works could negatively affect our operations, limit our ability to grow and affect our competitiveness in the country and region.

Brazilian airports, such as the Brasilia and São Paulo (Guarulhos) International Airports, have limited the number of takeoff and landing slots per day due to infrastructural limitations. Any condition that would prevent or delay our access to airports or routes that are vital to our strategy, or our ability to maintain our existing slots and obtain additional slots, could materially adversely affect our operations.

In 2023, after two years of delay due to the COVID-19 pandemic, GRU Airport, concessionaire of Guarulhos Airport, will start the last phase of infrastructure expansion works, including the construction of a new fast exit on the main runway and a new taxiway. In addition, the construction of a new pier and the expansion of the apron are planned, which will operate until 2025 and will allow an increase in operations at the busiest airport in the country.

In 2022, continuing the state government airport concession program in Brazil (the "Concession Program"), 15 Airports in Brazil were granted concessions in 3 blocks, 8 of which are operated by LATAM, including Congonhas Airport, which is located in downtown São Paulo. The acceleration of the Concession Program makes possible important investments in infrastructure, but it implies a high volume of work to be undertaken simultaneously. Over the next 5 years, 29 of the 55 Airports operated by LATAM in Brazil will undergo infrastructure improvement works, which may generate temporary restrictions, especially in terms of paid cargo.

A significant portion of our cargo revenue comes from relatively few product types and may be impacted by events affecting their production, trade or demand.

The group's cargo demand, especially from Latin American exporters, is concentrated in a small number of product categories, such as exports of fish, sea products and fruits from Chile, asparagus from Peru and fresh flowers from Ecuador and Colombia. Events that adversely affect the production, trade or demand for these goods may adversely affect the volume of goods that are transported and may have a significant impact on the results of operations. Future trade protection measures by or against the countries for which we provide cargo services may have an impact on cargo traffic volumes and adversely affect our financial results. Some of the cargo products are sensitive to foreign exchange rates and, therefore, traffic volumes could be impacted by the appreciation or depreciation of local currencies.

We rely on maintaining a high aircraft utilization rate to increase our revenues and absorb our fixed costs, which makes us especially vulnerable to delays.

Generally, a key element of our strategy is to maintain a high daily aircraft utilization rate, which measures the number of hours we use our aircraft per day. High daily aircraft utilization allows us to maximize the amount of revenue we generate from our aircraft and absorb the fixed costs associated with our fleet and is achieved, in part, by reducing turnaround times at airports and developing schedules that enable us to increase the average hours flown per day. Our rate of aircraft utilization could be adversely affected by a number of different factors that are beyond our control, including air traffic and airport congestion, adverse weather conditions, unanticipated maintenance and delays by third-party service providers relating to matters such as fueling, catering and ground handling. If aircraft fall behind schedule, the resulting delays could cause a disruption in our operating performance and have a financial impact on our results.

LATAM flies and depends upon Airbus and Boeing aircraft, and our business could suffer if we do not receive timely deliveries of aircraft, if aircraft from these companies become unavailable or if the public negatively perceives our aircraft.

As of December 31, 2022, LATAM Airlines Group has a total fleet of 237 Airbus and 73 Boeing aircraft (34 of these aircraft were classified as non-current assets available for sale). Risks relating to Airbus and Boeing include:

- our failure or inability to obtain Airbus or Boeing aircraft, parts or related support services on a timely basis because of high demand, aircraft delivery backlog or other factors;
- the interruption of fleet service as a result of unscheduled or unanticipated maintenance requirements for these aircraft;
- the issuance by the Chilean or other aviation authorities of directives restricting or prohibiting the use of our Airbus or Boeing aircraft, or requiring time-consuming inspections and maintenance;
- adverse public perception of a manufacturer as a result of safety concerns, negative publicity or other problems, whether real or perceived, in the event of an accident;
- delays between the time we realize the need for new aircraft and the time it takes us to arrange for Airbus and Boeing or for a third-party provider to deliver this aircraft; or
- the delay, for any reason, to conclude cabin upgrade projects that could result in aircraft unavailability for a certain period of time.

During 2022, Airbus and Boeing announced delays in some of their models due to several reasons including supply chain problems and the rapid increase in demand due to the recovery of the airline industry. The occurrence of any one or more of these factors could restrict our ability to use aircraft to generate profits, respond to increased demands, or could otherwise limit our operations and adversely affect our business. For further information related to current contractual obligations, see “Item 5. Operating and Financial Review and Prospects-E. Contractual Obligations-Long Term Indebtedness.”

If we are unable to incorporate leased aircraft into the fleet at acceptable rates and terms in the future, our business could be adversely affected.

A large portion of the aircraft fleet is subject to long-term leases. The leases typically run from three to 12 years from the date of execution. We may face more competition for, or a limited supply of, leased aircraft, making it difficult to negotiate on competitive terms upon expiration of the current leases or to lease additional capacity required for the targeted level of operations. If we are forced to pay higher lease rates in the future to maintain our capacity and the number of aircraft in the fleet, our profitability could be adversely affected.

We face reputational risks related to the use of social media.

LATAM frequently uses social media platforms as marketing tools. These platforms provide LATAM, as well as individuals, with access to a broad audience of consumers and other interested persons. Negative commentary regarding LATAM or the products it sells may be posted on social media platforms and similar devices at any time and may be adverse to LATAM’s reputation or business. Further, as laws, regulations, and different platforms’ terms of service rapidly evolve to govern the use of social media, the failure by LATAM, its employees or third parties acting at LATAM’s direction to abide by applicable laws and regulations in the use of these platforms and devices could adversely impact the LATAM’s business, financial condition, and results of operations or subject it to fines or other penalties.

We have substantial liquidity needs and continue to pursue various financing options. Our business may be adversely affected if we are unable to service our debt or meet our future financing requirements.

We have a high degree of debt and payment obligations under our aircraft leases and financial debt arrangements. We require significant amounts of financing to meet our aircraft capital requirements and may require additional financing to fund our other business needs. We cannot guarantee that we will have access to or be able to arrange for financing in the future on favorable terms. Higher financing costs could affect our ability to expand or renew our fleet, which in turn could adversely affect our business.

In addition, a substantial portion of our property and equipment is subject to liens securing our indebtedness, including our secured bonds and loans. In the event that we fail to make payments on our bonds and loans, creditors' enforcement of liens could limit or end our ability to use the affected property and equipment to fulfill our operational needs and thus generate revenue. For further information, related to current contractual obligations, see "Item 5. Operating and Financial Review and Prospects-E. Contractual Obligations-Long Term Indebtedness."

Moreover, external conditions in the financial and credit markets may limit the availability of funding or increase its costs, which could adversely affect our profitability, our competitive position and result in lower net interest margins, earnings and cash flows, as well as lower returns on shareholders' equity and invested capital. Factors that may affect the availability of funding or cause an increase in our funding costs include global macro-economic crises, reductions in our credit rating or in that of our issuances, and other potential market disruptions.

Upon exiting Chapter 11, we restructured our debt decreasing it by approximately 35% as of emergence to a total gross debt of approximately US$6.8 billion, and improved our liquidity conditions, comprised of cash and cash equivalents of approximately US$1.1 billion and revolving facilities fully undrawn in the amount of US$1.1 billion. For further information related to our debt restructuring, see "Item 4B. Chapter 11 Proceedings through 2022."

We have significant exposure to SOFR and other floating interest rates; increases in interest rates will increase our financing cost and may have adverse effects on our financial condition and results of operations.

On July 27, 2017, the head of the United Kingdom Financial Conduct Authority ("FCA") (the authority that regulates LIBOR) announced that it intends to stop compelling banks to submit rates for the calculation of LIBOR after 2021. On March 5, 2021 the FCA announced in a public statement that LIBOR for certain tenors would cease to be published on June 30, 2023. The Federal Reserve Board and the Federal Reserve Bank of New York convened the Alternative Reference Rates Committee (ARRC), a group of private-market participants, to help ensure a successful transition from U.S. dollar (USD) LIBOR to a more robust reference rate, its recommended alternative, the Secured Overnight Financing Rate (SOFR). Although the adoption of SOFR is voluntary, the impending discontinuation of LIBOR makes it essential that market participants consider moving to alternative rates such as SOFR and that they have appropriate fallback language in existing contracts referencing LIBOR. In this regard, our derivative and debt contracts may be affected by the change in the relevant rate.

Because the publication of LIBOR will cease for June 2023, we have migrated to the adoption of SOFR as an alternative rate. The impact of such a transition away from LIBOR could be significant for us because of our substantial indebtedness. SOFR will fluctuate with changing market conditions and, as SOFR increases, our interest expense will mechanically increase, which could have an adverse effect on our total financing costs. We may be unable to adequately adjust our prices to offset any increased financing costs, which would have an adverse effect on our results of operations. In addition, there is no guarantee that SOFR or other replacement rates for LIBOR will maintain market acceptance. See also the discussion of interest rate risk in "Item 11. Quantitative and Qualitative Disclosures About Market Risks-Risk of Fluctuations in Interest Rates."

Increases in insurance costs and/or significant reductions in coverage could harm our financial condition and results of operations.

Significant events affecting the aviation insurance industry (such as terrorist attacks, airline crashes or accidents and health epidemics and the related widespread government-imposed travel restrictions) may result in significant increases of airlines' insurance premiums and/or relevant decreases of insurance coverage. Further increases in insurance costs and/or reductions in available insurance coverage could have a material impact on our financial results, change the insurance strategy, and also increase the risk of uncovered losses.

Problems with air traffic control systems or other technical failures could interrupt our operations and have a material adverse effect on our business.

The operations, including the ability to deliver customer service, are dependent on the effective operation of the equipment, including aircraft, maintenance systems and reservation systems. The operations are also dependent on the effective operation of domestic and international air traffic control systems and the air traffic control infrastructure by the corresponding authorities in the markets in which the group operates. Equipment failures, personnel shortages, air traffic control problems and other factors that could interrupt operations could adversely affect our financial results as well as our reputation.

We depend on a limited number of suppliers for certain aircraft and engine parts.

We depend on a limited number of suppliers for aircraft, aircraft engines and many aircraft and engine parts. As a result, we are vulnerable to problems associated with the supply of those aircraft, parts and engines, including design defects, mechanical problems, contractual performance by the suppliers, or adverse perception by the public that would result in unscheduled maintenance requirements, in customer avoidance or in actions by the aviation authorities resulting in an inability to operate our aircraft. During the year 2022, LATAM Airline Group's main suppliers were aircraft manufacturers Airbus and Boeing.

In addition to Airbus and Boeing, LATAM Airlines has a number of other suppliers, primarily related to aircraft accessories, spare parts, and components, including Pratt & Whitney Canada, MTU Maintenance, Rolls-Royce, General Electric Commercial Aviation Services Ltd., General Electric Celma, General Electric Engines Service, CMF International and Honeywell, among others.

Our business relies extensively on third-party service providers. Failure of these parties to perform as expected, or interruptions in our relationships with these providers or in their provision of services to us, could have an adverse effect on our financial position and results of operations.

We have engaged a significant number of third-party service providers to perform a large number of functions that are integral to our business, including regional operations, operation of customer service call centers, distribution and sale of airline seat inventory, provision of technology infrastructure and services, performance of business processes, including purchasing and cash management, provision of aircraft maintenance and repairs, catering, ground services, and provision of various utilities and performance of aircraft fueling operations, among other vital functions and services. We do not directly control these third-party service providers, although we do enter into agreements with many of them that define expected service performance. Any of these third-party service providers, however, may materially fail to meet their service performance commitments, may suffer disruptions to their systems that could impact their services, or the agreements with such providers may be terminated. For example, flight reservations booked by customers and/or travel agencies via third-party GDSs (Global Distribution Systems) may be adversely affected by disruptions in our business relationships with GDS operators or by issues in the GDS's operations. Such disruptions, including a failure to agree upon acceptable contract terms when contracts expire or otherwise become subject to renegotiation, may cause the carriers' flight information to be limited or unavailable for display, significantly increase fees for both us and GDS users, and impair our relationships with customers and travel agencies. The failure of any of our third-party service providers to adequately perform their service obligations, or other interruptions of services, may reduce our revenues and increase our expenses or prevent us from operating our flights and providing other services to our customers. In addition, our business, financial performance and reputation could be materially harmed if our customers believe that our services are unreliable or unsatisfactory.

Disruptions or security breaches of our information technology infrastructure or systems could interfere with the operations, compromise passenger or employee information, and expose us to liability, possibly causing our business and reputation to suffer.

A serious internal technology error, failure, or cybersecurity incident impacting systems hosted internally at our data centers, externally at third-party locations or cloud providers, or large-scale interruption in technology infrastructure we depend on, such as power, telecommunications or the internet, may disrupt our technology network with potential impact on our operations. Our technology systems and related data may also be vulnerable to a variety of sources of interruption, including natural disasters, terrorist attacks, telecommunications failures, computer viruses, cyber-attacks, security breaches in the supply chain (suppliers) and other security issues. These systems include our computerized airline reservation system, flight operations system, telecommunications systems, website, customer, self-service applications ("apps"), maintenance systems, check-in kiosks, in-flight entertainment systems and data centers.

In addition, as a part of our ordinary business operations, we collect and store sensitive data, including personal information of our customers and employees and information of our business partners. The secure operation of the networks and systems on which this type of information is stored, processed and maintained is critical to our business operations and strategy. Unauthorized parties may attempt to gain access to our systems or information through fraud, deception, or cybersecurity incidents. Hardware or software we develop or acquire may contain defects that could unexpectedly compromise information security. The compromise of our technology systems resulting in the loss, disclosure, misappropriation of, or access to, customers', employees' or business partners' information could result in legal claims or proceedings, liability or regulatory penalties under laws protecting the privacy of personal information, disruption to our operations and damage to our reputation, any or all of which could adversely affect our business.

Rapid technological advancements and digitalization could generate risks in implementation and regulatory control.

Globally, there have been large advances in processes of digitization and technological innovation, some of them as a result of the COVID-19 pandemic. These new technologies could generate new risks in their implementation that could impact us directly or indirectly. As an example, at the beginning of 2022, the implementation of 5G in the United States had a temporary impact on operations at certain airports and generated a review by the FAA on the specific requirements for its implementation. All processes of digitization and technological innovation may be exposed to this risk.

Similarly, the rapidly increasing technological transformation may advance faster than the review and control capacity of the authorities and the knowledge about the effects of their possible impacts, which could affect us directly or indirectly in ways we cannot foresee.

Increases in our labor costs, which constitute a substantial portion of our total operating expenses, could directly impact our earnings.

Labor costs constitute a significant percentage of our total cost of sales (12% in 2022) and at times in our operating history we have experienced pressure to increase wages and benefits for our employees. A significant increase in our labor costs could result in a material reduction in our earnings.

Collective action by employees could cause operating disruptions and adversely impact our business.

Certain employee groups such as pilots, flight attendants, mechanics and our airport personnel have highly specialized skills. As a consequence, actions by these groups, such as strikes, walk-outs or stoppages, could severely disrupt operations and adversely impact our operating and financial performance, as well as our image.

A strike, work interruption or stoppage or any prolonged dispute with employees who are represented by any of these unions could have an adverse impact on operations. These risks are typically exacerbated during periods of renegotiation with the unions, which typically occurs every two to four years depending on the jurisdiction and the union. Any renegotiated collective bargaining agreement could feature significant wage increases and a consequent increase in our operating expenses. Any failure to reach an agreement during negotiations with unions may require us to enter into arbitration proceedings, use financial and management resources, and potentially agree to terms that are less favorable to us than our existing agreements. Employees who are not currently members of unions may also form new unions that may seek further wage increases or benefits.

In November 2022, a union representing the majority of our pilots in Chile voted to begin a strike, initiating a mediation process mandated by Chilean law. On November 9, 2022, we announced that we had reached an agreement averting a strike. There is no guarantee, however, that we will be able to reach a mutually beneficial agreement in the event of future disagreements with our employees.

Our business may experience adverse consequences if we are unable to reach satisfactory collective bargaining agreements with unionized employees.

As of December 31, 2022, approximately 49% of the group's employees, including administrative personnel, cabin crew, flight attendants, pilots and maintenance technicians are members of unions and have contracts and collective bargaining agreements which expire on a regular basis. The business, financial condition and results of operations could be materially adversely affected by a failure to reach agreement with any labor union representing such employees or by an agreement with a labor union that contains terms that are not in line with expectations or that prevent the group from competing effectively with other airlines. For further information regarding the unions representing employees in each country in which the group operates and with which there are established collective bargaining agreements, see "Item 6. Directors, Senior Management and Employees-D. Employees-Labor Relations."

LATAM may experience difficulty finding, training and retaining employees.

The business is labor intensive. The group employs a large number of pilots, flight attendants, maintenance technicians and other operating and administrative personnel. The airline industry has, from time to time, experienced a shortage of qualified personnel, especially pilots and maintenance technicians, which has somewhat intensified during the recovery phase of air traffic following the peak of the pandemic. Such shortage of qualified personnel is further exacerbated by our recent emergence from bankruptcy and the resulting uncertainties facing the business. In addition, as is common with most of our competitors, the group may, from time to time, face considerable turnover of our employees. Should turnover of employees, particularly pilots and maintenance technicians, sharply increase, our training costs will be significantly higher. LATAM cannot assure that it will be able to recruit, train and retain the managers, pilots, technicians and other qualified employees that are needed to continue the current operations or replace departing employees. An increase in turnover or failure to recruit, train and retain qualified employees at a reasonable cost could materially adversely affect the business, financial condition, and results of operations. The group may also experience increased levels of employee attrition associated with the recent emergence from Chapter 11 proceedings. A loss of key personnel or material erosion of employee morale could impair the ability to execute strategy and implement operational initiatives, thereby adversely affecting the group.

Risks Relating to the Airline Industry and the Countries in Which the Group Operates

Our performance is heavily dependent on economic conditions in the countries in which the group does business. Negative economic conditions in those countries could adversely impact the group's business and results of operations and cause the market price of our common shares and ADSs to decrease.

Passenger and cargo demand is heavily cyclical and highly dependent on global and local economic growth, economic expectations and foreign exchange rate variations, among other things. In the past, our business has been adversely affected by global economic recessionary conditions, weak economic growth in Chile, recessions in Brazil and Argentina, and poor economic performance in certain emerging market countries in which the group operates. The occurrence of similar events in the future could adversely affect our business. The group plans to continue to expand operations based in Latin America, which means that performance will continue to depend heavily on economic conditions in the region.

Any of the following factors could adversely affect the business, financial condition and results of operations in the countries in which the group operates:

- changes in economic or other governmental policies;
- changes in regulatory, legal or administrative practices;
- weak economic performance, including, but not limited to, a slowdown in the Brazilian economy, political instability, low economic growth, low consumption and/or investment rates, and increased inflation rates; or
- other political or economic developments over which we have no control.

No assurance can be given that capacity reductions or other steps the group may take in response to weakened demand will be adequate to offset any future reduction in cargo and/or air travel demand in markets in which the group operates. Sustained weak demand may adversely impact our revenues, results of operations or financial condition.

An adverse economic environment, whether global, regional or in a particular country, could result in a reduction in passenger traffic, as well as a reduction in the cargo business, and could also impact the ability to set fares, which in turn would materially and negatively affect our financial condition and results of operations.

We are exposed to increases in landing fees and other airport service charges that could adversely affect our margin and competitive position. Also, it cannot be assured that in the future we will have access to adequate facilities and landing rights necessary to achieve our expansion plans.

The group must pay fees to airport operators for the use of their facilities. Any substantial increase in airport charges, including at Guarulhos International Airport in São Paulo, Jorge Chavez International Airport in Lima or Comodoro Arturo Merino Benitez International Airport in Santiago, could have a material adverse impact on our results of operations. Passenger taxes and airport charges have increased substantially in recent years. We cannot assure that the airports in which the group operates will not increase or maintain high passenger taxes and service charges in the future. Any such increases could have an adverse effect on our financial condition and results of operations.

Certain airports that we serve (or that we plan to serve in the future) are subject to capacity constraints and impose various restrictions, including takeoff and landing slot restrictions during certain periods of the day and limits on aircraft noise levels. We cannot be certain that the group will be able to obtain a sufficient number of slots, gates and other facilities at airports to expand services in line with our growth strategy. It is also possible that airports not currently subject to capacity constraints may become so in the future. In addition, an airline must use its slots on a regular and timely basis or risk having those slots re-allocated to others. Where slots or other airport resources are not available or their availability is restricted in some way, the group may have to amend schedules, change routes or reduce aircraft utilization. It is also possible that aviation authorities in the countries in which the group operates, change the rules for the assignment of takeoff and landing slots, as was the case with the São Paulo airport (Congonhas) where the slots previously operated by Avianca Brazil were reassigned mostly to Azul, and where *Agência Nacional de Aviação Civil in Brazil ("ANAC")* has approved new rules to the distribution of new slots. Any of these alternatives could have an adverse financial impact on operations. We cannot ensure that airports at which there are no such restrictions may not implement restrictions in the future or that, where such restrictions exist, they may not become more onerous. Such restrictions may limit our ability to continue to provide or to increase services at such airports.

The business is highly regulated and changes in the regulatory environment in the different countries may adversely affect our business and results of operations.

Our business is highly regulated and depends substantially upon the regulatory environment in the countries in which the group operates or intends to operate. For example, price controls on fares may limit our ability to effectively apply customer segmentation profit maximization techniques ("passenger revenue management") and adjust prices to reflect cost pressures. High levels of government regulation may limit the scope of our operations and our growth plans. The possible failure of aviation authorities to maintain the required governmental authorizations, or our failure to comply with applicable regulations, may adversely affect our business and results of operations.

Our business, financial condition, results of operations and the price of common shares and ADSs may be adversely affected by changes in policy or regulations at the federal, state or municipal level in the countries in which the group operates, involving or affecting factors such as:

- interest rates;
- currency fluctuations;
- monetary policies;
- inflation;
- liquidity of capital and lending markets;
- tax and social security policies;
- labor regulations;
- energy and water shortages and rationing; and
- other political, social and economic developments in or affecting Brazil, Chile, Peru, and the United States, among others.

For example, the Brazilian federal government has frequently intervened in the domestic economy and made drastic changes in policy and regulations to control inflation and affect other policies and regulations. This has required the federal government to increase interest rates, change taxes and social security policies, implement price controls, currency exchange and remittance controls, devaluations, capital controls and limits on imports.

Uncertainty over whether the Brazilian federal government will implement changes in policy or regulation affecting these or other factors may contribute to economic uncertainty in Brazil and to heightened volatility in the Brazilian securities markets and securities issued abroad by Brazilian companies. These and other developments in the Brazilian economy and governmental policies may adversely affect us and our business and results of operations and may adversely affect the trading price of our common shares and ADSs.

We are also subject to international bilateral air transport agreements that provide for the exchange of air traffic rights between the countries where the group operates, and we must obtain permission from the applicable foreign governments to provide service to foreign destinations. There can be no assurance that such existing bilateral agreements will continue, or that we will be able to obtain more route rights under those agreements to accommodate our future expansion plans. Certain bilateral agreements also include provisions that require substantial ownership or effective control. Any modification, suspension or revocation of one or more bilateral agreements could have a material adverse effect on our business, financial condition and results of operations. The suspension of our permits to operate to certain airports or destinations, the inability for us to obtain favorable take-off and landing authorizations at certain high-density airports or the imposition of other sanctions could also have a negative impact on our business. We cannot be certain that a change in ownership or effective control or in a foreign government's administration of current laws and regulations or the adoption of new laws and regulations will not have a material adverse effect on our business, financial condition and results of operations.

Losses and liabilities in the event of an accident involving one or more of our aircraft could materially affect our business.

We are exposed to potential catastrophic losses in the event of an aircraft accident, terrorist incident or any other similar event. There can be no assurance that, as a result of an aircraft accident or significant incident:

- we will not need to increase our insurance coverage;
- our insurance premiums will not increase significantly;
- our insurance coverage will fully cover all of our liabilities; or
- we will not be forced to bear substantial losses.

Substantial claims resulting from an accident or significant incident in excess of our related insurance coverage could have a material adverse effect on our business, financial condition and results of operations. Moreover, any aircraft accident, even if fully insured, could cause the negative public perception that our operations or aircraft are less safe or reliable than those operated by other airlines, or by other flight operators, which could have a material adverse effect on our business, financial condition and results of operations.

Insurance premiums may also increase due to an accident that affected our Peruvian affiliate. On November 18, 2022, LATAM Airlines Peru reported that during the take-off of flight LA 2213 at Lima's Jorge Chávez International Airport a fire engine entered the runway and collided with its aircraft. Authorities subsequently confirmed fatalities of two firefighters who were in the fire engine that struck the aircraft. There were no fatalities among the 102 passengers and 6 crew members. The investigation of the cause of the accident is still in progress. LATAM Airlines Peru is cooperating with the relevant investigations. The aircraft damage is covered by insurance. We are not yet able to make a final conclusion as to the financial impact of this incident.

High levels of competition in the airline industry, such as the increase of low-cost carriers and the consolidation or mergers of competitors in the markets in which the group operates, may adversely affect the level of operations.

Our business, financial condition and results of operations could be adversely affected by high levels of competition within the industry, particularly the entrance of new competitors into the markets in which the group operates. Airlines compete primarily over fare levels, frequency and dependability of service, brand recognition, passenger amenities (such as frequent flyer programs) and the availability and convenience of other passenger or cargo services. New and existing airlines (and companies providing ground cargo or passenger transportation) could enter our markets and compete with us on any of these bases, including by offering lower prices, more attractive services or increasing their route offerings in an effort to gain greater market share. For more information regarding our main competitors, see "Item 4. Information of the Company-B. Business Overview-Passenger Operations-International Passenger Operations" and "Item 4. Information of the Company-B. Business Overview-Passenger Operations-Business Model for Domestic Operations."

Low-cost carriers have an important impact on the industry's revenues given their low unit costs. Lower costs allow low-cost carriers to offer inexpensive fares which, in turn, allow price sensitive customers to fly or to shift from large to low cost carriers. In past years we have seen more interest in the development of the low-cost model throughout Latin America. For example, in the Chilean market, Sky Airline, our main competitor, has been migrating to a low-cost model since 2015, while in July 2017, JetSmart, a new low-cost airline, started operations. In the Peruvian domestic market, VivaAir Peru, a new low-cost airline, started operations in May 2017, and in April 2019, another low-cost airline, Sky Airline Peru, started operations, followed by the entrance of JetSmart in June 2022. In Colombia, low-cost competitor VivaColombia has been operating in the domestic market since May 2012. Due to the impacts associated to the COVID-19 pandemic, some of these airlines have adopted strategies to consolidate in alliances or mergers with legacy airlines, such as Avianca and Gol (Abra Group), Avianca and Viva in Colombia, or JetSmart where American Airlines had been approved by authorities without any conditions to acquire minor participation. In the Cargo business, and also due to some effects of COVID-19 pandemic and the scarcity of containers, companies such as Maersk, CMA CGM and MSC have begun to compete in air transportation; CMA CGM and Air France-KLM airlines agreed to share cargo space in their airplanes; and American Airlines Cargo and Web Cargo have partnered to increase their destinations. These consolidations, mergers or new alliances might continue to appear, increasing the concentration and levels of competition. Specifically, in February 2023, LATAM expressed its interest in initiating negotiations to acquire VivaColombia. Any transaction is subject to a financial analysis, an agreement between the parties, and the corresponding regulatory approvals.

International strategic growth plans rely, in part, upon receipt of regulatory approvals of the countries in which we plan to expand our operations with joint business agreements (JBA). The group may not be able to obtain those approvals, while other competitors might be approved. Accordingly, we might not be able to compete for the same routes as our competitors, which could diminish our market share and adversely impact our financial results. No assurances can be given as to any benefits, if any, that we may derive from such agreements.

Some of our competitors may receive external support, which could adversely impact our competitive position.

Some of our competitors may receive support from external sources, such as their national governments, which may be unavailable to us. Support may include, among others, subsidies, financial aid or tax waivers. This support could place the group at a competitive disadvantage and adversely affect operations and financial performance. For example, Aerolineas Argentinas has historically been government subsidized. Additionally, during the COVID-19 pandemic, some of our competitors on long-haul routes received government support.

Moreover, as a result of the competitive environment, there may be further consolidation in the Latin American and global airline industry, whether by means of acquisitions, joint ventures, partnerships or strategic alliances. We cannot predict the effects of further consolidation on the industry. Furthermore, consolidation in the airline industry and changes in international alliances will continue to affect the competitive landscape in the industry and may result in the development of airlines and alliances with increased financial resources, more extensive global networks and reduced cost structures.

Some of the countries where the group operates may not comply with international agreements previously established, which could increase the risk perception of doing business in that specific market and as a consequence impact the business and financial results.

Rulings by a bankruptcy court in Brazil and a Chapter 15 ruling by the Bankruptcy Court related to the bankruptcy proceedings of Avianca Brazil may appear to be inconsistent with the timeline set out for a debtor to cure a default or to return an aircraft in the Cape Town Convention (CTC) treaty that Brazil has signed, thus raising concerns about timings for remedies by creditors in respect of financings secured by aircraft. Accordingly, creditors may perceive that an increased business risk is created by these rulings for leasing or other financing transactions involving aircraft in Brazil and there is a possibility that rating agencies may issue lower credit ratings in respect of financings that are secured by aircraft in Brazil. As a result, business and financial results may be adversely affected if our financing activities in Brazil are impacted by such events.

LATAM's operations are subject to local, national and international environmental regulations; costs of compliance with applicable regulations, or the consequences of noncompliance, could adversely affect our results, our business or our reputation.

LATAM's operations are affected by environmental regulations at local, national and international levels. These regulations cover, among other things, emissions to the atmosphere, disposal of solid waste and aqueous effluents, aircraft noise and other activities incident to the business. Future operations and financial results may vary as a result of such regulations. Compliance with these regulations and new or existing regulations that may be applicable to us in the future could increase our cost base and adversely affect operations and financial results. In addition, failure to comply with these regulations could adversely affect us in a variety of ways, including adverse effects on the group's reputation.

In 2016, the International Civil Aviation Organization ("ICAO") adopted a resolution creating the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA), providing a framework for a global market-based measure to stabilize carbon dioxide ("CO2") emissions in international civil aviation (i.e., civil aviation flights that depart in one country and arrive in a different country). CORSIA will be implemented in phases, starting with the participation of ICAO member states on a voluntary basis during a pilot phase (from 2021 through 2023), followed by a first phase (from 2024 through 2026) and a second phase (from 2027). Currently, CORSIA focuses on defining standards for monitoring, reporting and verification of emissions from air operators, as well as on defining steps to offset CO2 emissions after 2020. In order to comply with this strategy, we have developed sustainability strategies focused on climate change and we have taken different measures, such as the alliance with the Cataruben foundation in Colombia, with the objectives of offsetting CO2 through reducing deforestation and switching to sustainable agriculture practices, amongst others, thus contributing to improve the communities' life quality and the protection of biodiversity. In addition, we have other initiatives in place such as the promotion of SAF (green fuel produced with vegetable bases and mixed with conventional fossil fuels) with local governments and the lean fuel program. Nevertheless, to the extent most of the countries in which the group operates continue to be ICAO member states, in the future we may be affected by regulations adopted pursuant to the CORSIA framework. In addition, frameworks such as the Emissions Trading System, both in the EU and UK ("EU-ETS" and "UK-ETS"), are regulations related to the European market, where airlines have a pre-established amount of CO2 emissions for each year, which are then reduced over time, similar to a "cap and trade" system. Airlines must report and verify emissions related to this scheme and surrender the allocated allowances in time in order to comply. Should operations exceed the maximum allocated emissions, airlines must either acquire more from the market or pay the corresponding fee to the authority.

The proliferation of national regulations and taxes on CO2 emissions in the countries that we have domestic operations, including environmental regulations that the airline industry is facing in Colombia, where limits on offsetting programs were included in the new Tax Reform of 2022, may also affect the cost of operations and the margins.

Our business may be adversely affected by a downturn in the airline industry caused by exogenous events that affect travel behavior or increase costs, such as outbreak of disease, weather conditions and natural disasters, war or terrorist attacks.

Demand for air transportation may be adversely impacted by exogenous events, such as epidemics (such as Ebola and Zika) and pandemics (such as the COVID-19 pandemic), terrorist attacks, war or political and social instability. Increasing geopolitical tensions and hostilities in connection with the conflict in Ukraine, and the trade and monetary sanctions that have been imposed in connection with those developments, have affected, and could significantly affect, worldwide oil prices and demand, cause turmoil in the global financial system and negatively impact air travel. Situations such as these could have a material impact on the business, financial condition and results of operations. Furthermore, the COVID-19 pandemic and its variants and other adverse public health developments could have a prolonged effect on air transportation demand and any prolonged or widespread effects could significantly impact operations.

Any future terrorist attacks or threat of attacks, whether or not involving commercial aircraft, any increase in hostilities relating to reprisals against terrorist organizations or otherwise and any related economic impact could result in decreased passenger traffic and materially and negatively affect the business, financial condition and results of operations.

Revenues for airlines depend on the number of passengers carried, the fare paid by each passenger and service factors, such as the timeliness of flight departures and arrivals. During periods of fog, ice, low temperatures, storms or other adverse weather conditions or natural disasters outside of our control, some or all of our flights may be canceled or significantly delayed, affecting and disrupting our operations and reducing profitability. For example, in 2011, a volcanic eruption in Chile had a prolonged adverse effect on air travel, halting flights in Argentina, Chile, Uruguay and the southern part of Brazil for several days. As a result, our operations to and from these regions were temporarily disrupted, including certain aircraft being grounded in the affected regions. In 2012, an incident with an aircraft from a cargo airline caused the closing of a runway at Viracopos airport for 45 hours, which negatively impacted our operations and forced us to re-accommodate our passengers to new flights. In 2022, a LATAM aircraft was severely damaged after flying through stormy weather on approach to Asuncion Airport in Paraguay, having to make an emergency landing. Increases in the frequency, severity or duration of thunderstorms, hurricanes, typhoons, floods or other severe weather events, including from changes in the global climate and rising global temperatures, could result in increases in delays and cancellations, turbulence-related injuries and fuel consumption to avoid such weather, any of which could result in loss of revenue and higher costs. In addition, fuel prices and supplies, which constitute a significant cost for us, may increase as a result of any future terrorist attacks, a general increase in hostilities or a reduction in output of fuel, voluntary or otherwise, by oil-producing countries. Such increases may result in both higher airline ticket prices and decreased demand for air travel generally, which could have an adverse effect on revenues and results of operations.

Our business may be adversely affected by the consequences of climate change.

There are regulatory risks associated with the management of climate change in the short and medium term, due to the fact that, in an effort of different countries to contribute to the fight against climate change, there is a tendency to impose economic instruments such as carbon taxes or emissions trading systems that seek to regulate emissions from different industries, including the aviation industry. These mechanisms seek to discourage the consumption of fossil fuels, through imposing an additional cost. However, in the case of the airline industry, especially in the South American region, there is no viable substitute fuel that would allow the industry to migrate to other types of fuels. The related risks present an opportunity to work hand in hand with the relevant governments to implement public policies allowing for progress in the production of sustainable aviation fuels in the region, thus promoting the migration away from fossil fuels and creating policies and instruments relevant to industries such as aviation, which currently has no substitute fuel available in South America. In the long term, there are physical risks associated with climate change, including the risk for greater intensity of meteorological phenomena, such as storms, tornados, hurricanes, floods and others, which in turn may pose a risk to infrastructure (destinations, airports) and communities. As a consequence, it may be necessary to modify routes and destinations.

An accumulation of ticket refunds could have an adverse effect on our financial results.

The COVID-19 pandemic and the corresponding widespread government-imposed travel restrictions that were outside of LATAM's control resulted in an unprecedented number of requests for ticket refunds from customers due to changed or canceled flights. Although at this time the issue has been managed, we cannot assure that the COVID-19 pandemic or other outbreak of contagious illness will not result in additional changed or canceled flights, and we cannot predict the total amount of refunds that customers might request as a result thereof. If the group is required to pay out a substantial amount of ticket refunds in cash, this could have an adverse effect on our financial results or liquidity position. Furthermore, the Company has agreements with financial institutions that process customer credit card transactions for the sale of air travel and other services. Under certain of the Company's credit card processing agreements, the financial institutions in certain circumstances have the right to require that the Company maintain a reserve equal to a portion of advance ticket sales that have been processed by that financial institution, but for which the Company has not yet provided the air transportation. Such financial institutions may require cash or other collateral reserves to be established or withholding of payments related to receivables to be collected, including if the Company does not maintain certain minimum levels of unrestricted cash, cash equivalents and short-term investments. Refunds lower our liquidity and put us at risk of triggering liquidity covenants in these processing agreements and, in doing so, could force us to post cash collateral with the credit card companies for advance ticket sales.

LATAM is subject to risks relating to litigation and administrative proceedings that could adversely affect the business and financial performance in the event of an unfavorable ruling.

The nature of the business exposes us to litigation relating to labor, insurance and safety matters, regulatory, tax and administrative proceedings, governmental investigations, tort claims and contract disputes. Litigation is inherently costly and unpredictable, making it difficult to accurately estimate the outcome among other matters. Currently, as in the past, we are subject to proceedings or investigations of actual or potential litigation. Although we establish accounting provisions as we deem necessary, the amounts that we reserve could vary significantly from any amounts we actually have to pay due to the inherent uncertainties in the estimation process. We cannot assure you that these or other legal proceedings will not materially affect the business. For further information, see "Item 8. Financial Information-Legal and Arbitration Proceedings" and Note 30 to our audited consolidated financial statements included in this report.

The group is subject to anti-corruption, anti-bribery, anti-money laundering and antitrust laws and regulations in Chile, Brazil, Peru, the United States and in the various other countries in which it operates. Violations of any such laws or regulations could have a material adverse impact on our reputation and results of operations and financial condition.

We are subject to anti-corruption, anti-bribery, anti-money laundering, antitrust and other international laws and regulations and are required to comply with the applicable laws and regulations of all jurisdictions where the group operates. In addition, we are subject to economic sanctions regulations that restrict dealings with certain sanctioned countries, individuals and entities. There can be no assurance that internal policies and procedures will be sufficient to prevent or detect all inappropriate practices, fraud or violations of law by affiliates, employees, directors, officers, partners, agents and service providers or that any such persons will not take actions in violation of our policies and procedures. Any violations by us of laws or regulations could have a material adverse effect on the business, reputation, results of operations and financial condition.

Latin American governments have exercised and continue to exercise significant influence over their economies.

Governments in Latin America frequently intervene in the economies of their respective countries and occasionally make significant changes in policy and regulations. Governmental actions have often involved, among other measures, nationalizations and expropriations, price controls, currency devaluations, mandatory increases on wages and employee benefits, capital controls and limits on imports. Our business, financial condition and results of operations may be adversely affected by changes in government policies or regulations, including such factors as exchange rates and exchange control policies, inflation control policies, price control policies, consumer protection policies, import duties and restrictions, liquidity of domestic capital and lending markets, electricity rationing, tax policies, including tax increases and retroactive tax claims, and other political, diplomatic, social and economic developments in or affecting the countries where the group operates.

For example, the Brazilian government's actions to control inflation and implement other policies have involved wage and price controls, depreciation of the real, controls over remittance of funds abroad, intervention by the Central Bank to affect base interest rates and other measures. In the future, the level of intervention by Latin American governments may continue or increase. We cannot assure that these or other measures will not have a material adverse effect on the economy of each respective country and, consequently, will not adversely affect our business, financial condition and results of operations.

Political instability and social unrest in Latin America may adversely affect the business.

LATAM operates primarily within Latin America and is thus subject to a full range of risks associated with our operations in this region. These risks may include unstable political or social conditions, lack of well-established or reliable legal systems, exchange controls and other limits on our ability to repatriate earnings and changeable legal and regulatory requirements.

Although political and social conditions in one country may differ significantly from another country, events in any of our key markets could adversely affect the business, financial conditions or results of operations.

For example, in Brazil, in the last couple of years, as a result of the ongoing *Lava Jato* investigation ("Operation Car Wash"), a number of senior politicians have resigned or been arrested and other senior elected officials and public officials are being investigated for allegations of corruption. One of the most significant events that elapsed from this operation was the impeachment of the former President Rousseff by the Brazilian Senate on August, 2016, for violations of fiscal responsibility laws and the governing of its Vice-President, Michel Temer, during the last two years of the presidential mandate, which, due to the development of the investigations conducted by the Federal Police Department and the General Federal Prosecutor's Office, indicted President Temer on corruption charges. Along with the political and economic uncertainty period the country was facing, in July 2017, former and recently re-elected President Luiz Inácio Lula da Silva was convicted of corruption and money laundering by a lower federal court in the State of Paraná in connection with Operation Car Wash. Operation Car Wash is still in progress by Brazilian authorities and additional relevant information may come to light affecting the Brazilian economy.

Furthermore, former President Jair Bolsonaro is being investigated by the Brazilian Supreme Court for alleged misconduct. Several impeachment procedures have been filed in relation to the management of the response to the COVID-19 pandemic by the president.

In addition, after having his criminal convictions related to Operation Car Wash overturned and his political rights restored by the Brazilian Supreme Court, former President Luiz Inácio Lula da Silva ran for office in the presidential election of October 2022 and narrowly defeated President Bolsonaro. Former President Bolsonaro questioned the results of the elections, resulting in demonstrations across the country. Luiz Inácio Lula da Silva was sworn in as president in January 2023. We cannot predict which policies the incoming president Luiz Inácio Lula da Silva may adopt or change during his term in office, or the effect that any such policies might have on our business and on the Brazilian economy.

In Peru, on December 7, 2022, President Pedro Castillo announced the dissolution of the congress and called for new elections as soon as possible, provoking an attempted coup d'état. Subsequently, he was removed from office and arrested. On the same day, Vice President Dina Boluarte assumed the presidency of Peru, to serve the remaining presidential term until 2026. However, on December 11, 2022, President Boluarte announced she would introduce a bill to move the general elections up to April 2024, which proposal is under discussion and may be subject to change. Since then, there has been considerable political unrest in Peru, and demonstrations related to the political situation have led to multiple clashes between protestors and security forces, resulting in casualties and deaths. The political unrest has also given rise to many roadblocks across the country. In addition, some smaller airports such as Andahuaylas, Cusco, Juliaca and Arequipa across Peru have seen their operations interrupted.

On December 14, 2022, the Peruvian government declared a national state of emergency for 30 days. No assurance can be given as to how long the unrest and blockades will continue. The effect of any such disruption or interference cannot accurately be predicted and could have a significant adverse effect on our business, financial conditions or results of operations.

In October 2019, Chile saw significant protests associated with economic conditions resulting in the declaration of a state of emergency in several major cities. The protests in Chile began over criticisms about social inequality, lack of quality education, weak pensions, increasing prices and low minimum wage. If social unrest in Chile were to continue or intensify, it could lead to operational delays or adversely impact our ability to operate in Chile.

Furthermore, current initiatives to address the concerns of the protesters are under discussion in the Chilean Congress. These initiatives include labor reforms, tax reforms and pension reforms, among others. On October 25, 2020 (postponed from April 26, 2020 due to the impact of the COVID-19 pandemic), Chile widely approved a referendum to redraft the constitution via constitutional convention. The election for selecting the 155-member constitutional convention took place on May 15 and 16, 2021. On July 4, 2021, the constitutional convention was installed, having 9 months, with the possibility of a one-time, three-month extension, to present a new constitution. The proposed constitution was finalized on July 4, 2022. On September 4, 2022, a referendum was held, in which the proposed constitution was rejected by a margin of 62% to 38% of voters. On December 12, 2022, Chilean lawmakers announced that they had agreed to a document entitled "Acuerdo por Chile" (Agreement for Chile). This document constitutes a new consensus and a starting point to begin drafting a new constitution. On December 26, 2022, the Constitutional Commission of the Senate started working on this document. In addition, Chile held presidential elections in December 2021, with leftist Gabriel Boric winning by a wide margin. Mr. Boric was sworn in as president in March 2022. There can be no assurance that the recent changes in the Chilean administration, its constitution or any future civil unrest will not adversely affect our business, operating results and financial condition in Chile.

Presidential elections were held in Colombia in 2022, and Gustavo Petro was narrowly elected president in Colombia, becoming the country's first elected leftist president. Such elections recorded the lowest abstention percentages ever in Colombia. On August 7, 2022, Gustavo Petro was sworn in as the new president of Colombia.

In Ecuador, during June of 2022, people took to the streets of Guayaquil. There was a mixture of claims ranging from high prices, lack of medicines, insecurity and even voices calling for the resignation of the current president, Guillermo Lasso.

Although conditions throughout Latin America vary from country to country, our customers' reactions to developments in Latin America generally may result in a reduction in passenger traffic, which could materially and negatively affect our financial condition and results of operations.

Latin American countries have experienced periods of adverse macroeconomic conditions.

The business is dependent upon economic conditions prevalent in Latin America. Latin American countries have historically experienced economic instability, including uneven periods of economic growth as well as significant downturns. High interest, inflation (in some cases substantial and prolonged), and unemployment rates generally characterize each economy. Because commodities such as agricultural products, minerals, and metals represent a significant percentage of exports of many Latin American countries, the economies of those countries are particularly sensitive to fluctuations in commodity prices. Investments in the region may also be subject to currency risks, such as restrictions on the flow of money in and out of the country, extreme volatility relative to the U.S. dollar, and devaluation.

For example, in the past, Peru has experienced periods of severe economic recession, currency devaluation, high inflation, and political instability, which have led to adverse economic consequences. LATAM cannot ensure that Peru will not experience similar adverse developments in the future even though for some years now, several democratic procedures have been completed without any violence. LATAM cannot ensure that the current or any future administration will maintain business-friendly and open market economic policies or policies that stimulate economic growth and social stability. In Brazil, the Brazil Real gross domestic product increased 1.2% in 2019, decreased 3.9% in 2020, and increased 4.6% in 2021, according to the Brazilian Institute for Geography and Statistics (*Instituto Brasileiro de Geografia e Estadística*, or "IGBE"). In addition, the credit rating of Perú was downgraded in 2021 and in 2022 is rated as BBB with a negative outlook. Ecuador and Chile were also downgraded in 2020, and Colombia in 2021, but keep a stable outlook. Brazil has a stable outlook but in monitoring due to recent events and protests related to the transition of government.

Accordingly, any changes in the economies of the Latin American countries in which LATAM and its affiliates operate or the governments' economic policies may have a negative effect on the business, financial condition and results of operations.

Risks Relating to our Common Shares and ADSs

Holders of ADRs may be adversely affected by the substantial dilution of the shares represented by ADRs.

On June 18, 2022, the United States Bankruptcy Court for the Southern District of New York entered an order confirming the joint plan of reorganization (as amended, restated, modified, revised or supplemented from time to time, the "Plan") filed by the Reorganized Debtors and dated as of May 25, 2022 [ECF No. 5753]. Pursuant to the Plan, on September 13, 2022, the Reorganized Debtors commenced the preemptive rights offerings for the New Convertible Notes Class A, New Convertible Notes Class B, New Convertible Notes Class C (collectively, "New Convertible Notes") and ERO New Common Stock (each as defined in the Plan), which offerings concluded on October 12, 2022. On November 3, 2022, the Plan became effective pursuant to its terms and we emerged from bankruptcy. In connection with our emergence and the conversion of the New Convertible Notes into shares of the Company, the equity interests of existing shareholders were substantially *diluted*. The shares represented by ADRs currently amount to a small portion of our capital. The market prices of the shares represented by ADRs may be adversely affected by such dilution and may experience significant fluctuation and volatility.

Our major shareholders may have interests that differ from those of our other shareholders.

As of February 28, 2023, Sixth Street Partners beneficially owned 27.9% of our common shares; Strategic Value Partners beneficially owned 16.0% of our common shares, Delta Air Lines owned 10.0% of our common shares; Qatar Airways Investments (UK) Ltd. owned 10.0% of our common shares (9.999999992% over LATAM's statutory capital), Sculptor Capital beneficially owned 6.5% of our common shares; and the Cueto Group (the "Cueto Group") owned 5.0% of our common shares. These shareholders could have interests that may differ from those of our other shareholders. See "Item 7. Major Shareholders and Related Party Transactions-A. Major Shareholders."

Under the terms of the deposit agreement governing the ADSs, if holders of ADSs do not provide JP Morgan Chase Bank, N.A., in its capacity as depositary for the ADSs, with timely instructions on the voting of the common shares underlying their ADRs, the depositary will be deemed to have been instructed to give a person designated by the board of directors the discretionary right to vote those common shares. The person designated by the board of directors to exercise this discretionary voting right may have interests that are aligned with our major shareholders, which may differ from those of our other shareholders. Historically, our board of directors has designated its chairman to exercise this right, which is however no guarantee that it will do so in the future. The members of the board of directors elected by the shareholders in 2022 designated Mr. Ignacio Cueto, to serve in this role.

Trading of our ADSs and common shares in the securities markets is limited and could experience further illiquidity and price volatility.

As a result of our Chapter 11 proceedings, on June 10, 2020, the NYSE notified the SEC of its intention to remove the ADSs from listing and registration on the NYSE, effective at the opening of business on June 22, 2020. As of the date of this annual report, the ADSs are traded in the over-the-counter market, which is a less liquid market, and our ADR program, with JP Morgan Chase Bank, N.A. as depositary, is not open for issuances. There is no defined timeline for re-opening the ADR program or for returning to the U.S. public markets. In addition, there can be no assurance that the ADSs will continue to trade in the over-the-counter market or that any public market for the ADSs will exist in the future, whether broker-dealers will continue to provide public quotes of the ADSs, whether the trading volume of the ADSs will be sufficient to provide for an efficient trading market, whether quotes for the ADSs may be blocked in the future or that we will be able to relist the ADSs on a securities exchange.

Our common shares are listed on the Santiago Stock Exchange. Chilean securities markets are substantially smaller, less liquid and more volatile than major securities markets in the United States. In addition, Chilean securities markets may be materially affected by developments in other emerging markets, particularly other countries in Latin America. Accordingly, although you are entitled to withdraw the common shares underlying the ADSs from the depositary at any time, your ability to sell the common shares underlying ADSs in the amount and at the price and time of your choice may be substantially limited. This limited trading market may also increase the price volatility of the ADSs or the common shares underlying the ADSs, which could also result in price disparity between the trading prices of the two.

Holders of ADRs may be adversely affected by currency devaluations and foreign exchange fluctuations.

If the Chilean peso exchange rate falls relative to the U.S. dollar, the value of the ADSs and any distributions made thereon from the depositary could be adversely affected. Cash distributions made in respect of the ADSs are received by the depositary (represented by the custodian bank in Chile) in pesos, converted by the custodian bank into U.S. dollars at the then-prevailing exchange rate and distributed by the depositary to the holders of the ADRs evidencing those ADSs. In addition, the depositary will incur foreign currency conversion costs (to be borne by the holders of the ADRs) in connection with the foreign currency conversion and subsequent distribution of dividends or other payments with respect to the ADSs.

Future changes in Chilean foreign investment controls and withholding taxes could negatively affect non-Chilean residents that invest in our shares.

Equity investments in Chile by non-Chilean residents have been subject in the past to various exchange control regulations that govern investment repatriation and earnings thereon. Although not currently in effect, regulations of the Central Bank of Chile have in the past imposed such exchange controls. Nevertheless, foreign investors still have to provide the Central Bank with information related to equity investments and must conduct such operations within the formal exchange market. Furthermore, any changes in withholding taxes could negatively affect non-Chilean residents that invest in our shares.

We cannot assure you that additional Chilean restrictions applicable to the holders of ADRs, the disposition of the common shares underlying ADSs or the repatriation of the proceeds from an acquisition, a disposition or a dividend payment, will not be imposed or required in the future, nor could we make an assessment as to the duration or impact, were any such restrictions to be imposed or required. For further information, see “Item 10. Additional Information-D. Exchange Controls-Foreign Investment and Exchange Controls in Chile.”

Our ADS holders may not be able to exercise preemptive rights in certain circumstances.

As described further in "Item 10. Additional Information-Preemptive Rights and Increases in Share Capital," to the extent that a holder of our ADSs is unable to exercise its preemptive rights because a registration statement has not been filed, the depositary may attempt to sell the holder's preemptive rights and distribute the net proceeds of the sale, net of the depositary's fees and expenses, to the holder, provided that a secondary market for those rights exists and a premium can be recognized over the cost of the sale. A secondary market for the sale of preemptive rights can be expected to develop if the subscription price of the shares of our common stock upon exercise of the rights is below the prevailing market price of the shares of our common stock. However, we cannot assure you that a secondary market in preemptive rights will develop in connection with any future issuance of shares of our common stock or that if a market develops, a premium can be recognized on their sale. Amounts received in exchange for the sale or assignment of preemptive rights relating to shares of our common stock will be taxable in Chile and in the United States. See "Item 10. Additional Information-E. Taxation-Chilean Tax-Capital Gains." As described further in "Item 10. Additional Information-B. Memorandum and Articles of Association-Preemptive Rights and Increases in Share Capital," the inability of holders of ADSs to exercise preemptive rights in respect of common shares underlying their ADSs could result in a change in their percentage ownership of common shares following a preemptive rights offering. If a secondary market for the sale of preemptive rights does not develop and such rights cannot be sold, they will expire and a holder of our ADSs will not realize any value from the grant of the preemptive rights. In either case, the equity interest of a holder of our ADSs in us will be diluted proportionately. Pursuant to the Registration Rights Agreement, we have entered into with the Backstop Creditors and the Backstop Shareholders, we have reached an agreement to amend the terms of the deposit agreement governing our ADSs, to provide for (a) full flexibility (subject to applicable fees and procedures contained in the deposit agreement) to deposit and withdraw, at the election of the respective holders of ADS, any ordinary shares from time to time held by the backstop parties or their transferees into or out of the ADS program; (b) participation in dividends and distributions subject to the procedures of the depositary as set forth in the deposit agreement and subject to compliance with applicable law (including, without limitation, Chilean law); (c) participation in voting at the instruction of the respective holders of ADS, subject to the procedures of the depositary as set forth in the deposit agreement and subject to compliance with applicable law (including, without limitation, Chilean law); and (d) participation in preemptive rights offerings in the form of additional ADS subject to compliance with applicable law (including, without limitation, Chilean law) and the procedures of the Depositary set forth in the deposit agreement; provided that such offerings are for ordinary shares constituting at least two percent (2%) of the outstanding ordinary shares (excluding any Ordinary Shares subject to lock-up).

We are not required to disclose as much information to investors as a U.S. issuer is required to disclose and, as a result, you may receive less information about us than you would receive from a comparable U.S. company.

The corporate disclosure requirements that apply to us may not be equivalent to the disclosure requirements that apply to a U.S. company and, as a result, you may receive less information about us than you would receive from a comparable U.S. company. We are subject to the reporting requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). The disclosure requirements applicable to foreign issuers under the Exchange Act are more limited than the disclosure requirements applicable to U.S. issuers. Publicly available information about issuers of securities listed on Chilean stock exchanges also provides less detail in certain respects than the information regularly published by listed companies in the United States or in certain other countries. Furthermore, there is a lower level of regulation of the Chilean securities market and of the activities of investors in such markets as compared with the level of regulation of the securities markets in the United States and in certain other developed countries. For further information, see "Item 16. G. Corporate Governance."

ITEM 4 INFORMATION ON THE COMPANY

A. History and Development of the Company

General

LATAM Airlines Group S.A. is a Chilean-based airline and holding company that changed its name from LAN Airlines S.A. after its combination with TAM of Brazil in 2012. TAM S.A. continues to exist as a subsidiary of LATAM. The Company is primarily involved in the transportation of passengers and cargo and operates as one unified business enterprise. During 2016, we began the transition of unifying LAN and TAM into a single brand: LATAM.

LATAM's airline holdings include LATAM and its affiliates in Chile, Peru, Argentina, Colombia and Ecuador, and LATAM Cargo and its affiliate LANCO (in Colombia), as well as TAM S.A. and its affiliates LATAM Airlines Brazil, LATAM Airlines Paraguay, ABSA and Multiplus S.A. ("Multiplus"). LATAM Airlines Group is a publicly traded corporation listed on the Santiago Stock Exchange ("SSE"), the Chilean Electronic Exchange, and its ADSs currently trade in the over-the-counter market. LATAM Airlines Group has a market capitalization of US$ 4,565 million as of February 28, 2023.

LATAM's history goes back to 1929, when the Chilean government founded LAN. In 1989, the Chilean government sold 51.0% of LAN's capital stock to Chilean investors and to the Scandinavian Airlines System. In 1994, the Cueto Group, one of LATAM's current shareholders, acquired 98.7% of LAN's stock, including the remaining shares then held by the Chilean government. In 1997, LAN became the first Latin American airline to list its shares (which trade in the form of ADSs) on the New York Stock Exchange.

Over the past decade, the LATAM group has significantly expanded its passenger operations in Latin America, initiating services in Peru in 1999, Ecuador in 2003, Argentina in 2005, and Colombia in 2010. Moreover, since June 2012 the Brazilian affiliate, TAM Linhas Aéreas S.A. ("TLA" or "LATAM Airlines Brazil"), has been a leading domestic and international airline offering flights throughout Brazil with a strong domestic market share, international passenger services and significant cargo operations.

As a result of the COVID-19 pandemic and its profound impact on worldwide travel and our operations, on May 26, 2020, LATAM Airlines Group S.A. and 28 affiliates filed their petitions for relief under Chapter 11 of the Bankruptcy Code, with the Bankruptcy Court. On July 7, 2020 and July 9, 2020 nine additional affiliates of LATAM Airlines Group S.A. filed their petitions for relief under Chapter 11 of the Bankruptcy Code with the Bankruptcy Court. Additional parallel and ancillary proceedings were filed in the Cayman Islands, Colombia, Perú and Chile. In June 2020, LATAM Airlines Argentina announced its indefinite cessation of passenger and cargo operations.

Throughout the Chapter 11 proceedings, the Reorganized Debtors worked on different fronts, among other things, right-sizing our fleet and executing our fleet strategy, reducing our total headcount, reviewing claims filed against the Reorganized Debtors and refining the total claims pool, and streamlining the Reorganized Debtors' prepetition agreements by rejecting executory contracts and leases and negotiating favorable post-petition and post-emergence agreements with key vendors across our business. The Reorganized Debtors also worked steadily to develop a long-term business plan, obtaining new sources of financing to support their exit financing as part of their emergence from Chapter 11 and building a new capital structure according to the terms of their plan of reorganization.

Following a series of relevant milestones with respect to LATAM's Chapter 11 proceedings, the Company emerged from its reorganization process on November 3, 2022 (the "Effective Date"). For more information on the Chapter 11 proceedings see "Item 3. Key Information-D. Risk Factors-Risks Relating to Our Emergence from Chapter 11 Bankruptcy Proceedings" and "Item 4. Information on the Company - B. Business Overview - Chapter 11 Proceedings through 2022." As of the Effective Date, the Plan was substantially consummated and became binding on all parties in interest. Pursuant to the Plan, the Company received an infusion of approximately US$ 8.19 billion through a mix of new equity, convertible notes, and debt, which enabled the Company to exit Chapter 11 with appropriate capitalization to effectuate its business plan. Upon emergence, the Company had total debt of approximately US$ 6.8 billion, cash and cash equivalents of approximately US$1.1 billion and revolving facilities fully undrawn in the amount of US$1.1 billion.

Our principal executive offices are located at Presidente Riesco 5711, 20th floor, Las Condes, Santiago, Chile and our general telephone number at this location is (56-2) 2565-3844. We have designated LATAM Airlines Group as our agent in the United States, located at 6500 NW 22nd Street, Miami, Florida 33122. Our Investor Relations website address is www.latamairlinesgroup.net. Information obtained on, or accessible through, this website is not incorporated by reference herein and shall not be considered part of this annual report. For more information, contact Andrés del Valle, Senior Vice President of Corporate Finance and Investor Relations, at InvestorRelations@latam.com.

The SEC maintains an internet site at http://www.sec.gov that contains reports, information statements, and other information regarding issuers that file electronically with the SEC.

Capital Expenditures

For a description of our capital expenditures, see "Item 5. Operating and Financial Review and Prospects-B. Liquidity and Capital Resources-Capital Expenditures."

B. Business Overview

General

LATAM is the largest passenger airline group in South America as measured by ASKs for the year ended December 31, 2022. We are also one of the largest airline groups in the world in terms of network connections, as of December 31, 2022, providing passenger transport services to 144 destinations in 22 countries and cargo services to approximately 154 destinations in 25 countries, with an operating fleet of 310 aircraft and a set of bilateral alliances. In total, LATAM Airlines Group has approximately 32,500 employees.

For the year 2022, LATAM transported approximately 62 million passengers. LATAM Airlines Group and its affiliates currently provide domestic services in Brazil, Chile, Peru, Colombia and Ecuador; and also provide intra-regional and long-haul operations. The cargo affiliate carriers of LATAM in Chile, Brazil, and Colombia carry out cargo operations through the use of belly space on the passenger flights and dedicated cargo operations using freighter aircraft. The group also offers other services, such as ground handling, courier, logistics and maintenance.

As of December 31, 2022, the group provided scheduled passenger service to 17 destinations in Chile, 19 destinations in Peru, 8 destinations in Ecuador, 17 destinations in Colombia, 54 destinations in Brazil, 14 destinations in other Latin American countries and the Caribbean, 5 destinations in North America, 8 destinations in Europe, and 2 destinations in Oceania, an increase from last year as the COVID-19 restrictions both within the region and in the international markets where we operate continued to ease during the year, accompanied by strong levels of demand for air travel.

In addition, as of December 31, 2022, through various code-sharing agreements, the group offers service to 105 destinations in North America, 32 destinations in South America, 86 destinations in Europe, 17 destinations in Australasia, 38 destinations in Asia and 11 destinations in Africa.

Competitive Strengths

Our strategy is to maintain LATAM as the leading airline group in South America by leveraging our unique position in the airline industry. LATAM is the only airline group in the region with a domestic presence in five markets, as well as intra-regional and long-haul operations to three continents. As a result, the LATAM group has geographical diversity and operational flexibility, as well as a proven track record of acting quickly to adapt its business to economic challenges. Moreover, LATAM's unique network and market share in a region with growth potential and the focus on our existing competitive strengths, will allow us to continue building our business model and fuel our future growth. We believe our most important competitive strengths are:

- **Leader in the South America Airlines Space, with a Unique Network and Market Share among Global Airlines**

Through a successful regional expansion strategy, LATAM has become the leading international and domestic passenger airline group in South America as measured by ASKs in 2022 full year. LATAM and its affiliates have domestic passenger operations in Chile, Brazil, Peru, Colombia and Ecuador. We are also the largest group of operators of intra-regional routes as measured by ASKs in 2022, connecting the main cities and also some secondary cities in South America. Furthermore, through our significant presence in the largest hubs in South America-Santiago, Lima and São Paulo-we believe that we are able to offer the best connectivity options between South America and the rest of the world.

- **Geographically Diversified Revenue Base, including both Passenger and Cargo Operations**

LATAM group's operations are highly geographically diversified, including domestic operations in five countries, as well as operations within South America and connecting South America with various international destinations. As measured by ASKs, 43.5% of the group's operations are international, 20.5% domestic Spanish speaking countries and 35.9% domestic Brazil. We believe this provides resilience to external shocks that may occur in any particular market. Furthermore, we believe that one of our distinct competitive advantages is the ability to profitably integrate scheduled passenger and cargo operations. We take into account potential cargo services when planning passenger routes, and also serve certain dedicated cargo routes using freighter aircraft when needed. By adding cargo revenues to existing passenger service, there is an increase in the productivity of assets and we are able to maximize revenue, reducing the break-even load factors and enhancing the per flight profitability. Additionally, we believe that this revenue diversification helps offset seasonal revenue fluctuations and reduces the volatility of the business over time. For the year ended December 31, 2022, passenger, cargo and other revenues accounted for 80.2%, 18.1% and 1.6% of total revenues respectively.

- **Modern Fleet and Optimized Fleet Strategy**

The average age of our passenger fleet was approximately 11.2 years as of December 31, 2022, a reflection of the fleet restructuring performed during Chapter 11, which includes an ambitious fleet renewal plan based entirely on new technology aircraft (including 83 new Airbus A-320neo family aircraft and 2 Boeing 787-9 to be delivered until 2029) and existing fleet lease re-negotiations under improved terms.

LATAM selects aircraft based on their ability to effectively and efficiently serve the short- and long-haul flight needs, while still striving to reduce operational complexity by minimizing the number of different aircraft types that the group operates.

The fleet plan as of December 31, 2022, includes a short-haul fleet formed exclusively by aircraft from the A320 family, with a focus on the A321 and A320neo (Neo: New Engine Option), a more efficient version of the A320; which we introduced into our fleet in 2016, becoming then the first airline in Latin America to fly this model. For long-haul passenger flights, we operate the Boeing 787-8, the Boeing 787-9, the Boeing 767-300ER, and the Boeing 777-300ER. The Boeing 787 model allows LATAM to achieve important savings in fuel consumption, while incorporating modern technology to deliver the best travel experience for LATAM's passengers. For cargo flights, we operate Boeing 767-300F aircraft.

- **Strong Brand Teamed with Key Global Strategic Alliances**

In 2022, despite the continued challenging global conditions, LATAM was recognized as South America's Leading Airline Brand and South America's Leading Airline in the World Travel Awards 2022. In addition, LATAM Airlines Group was recognized as the 'Best Airline in South America' in Skytrax World Airline Awards in 2022 for the third year in a row. Furthermore, in the 2022 edition of the APEX Passenger Choice Awards LATAM was recognized as "Best Seat Comfort in South America" and "Best Food & Beverage in South America."

Our strategic global alliances and existing commercial agreements provide our customers with access to more destinations worldwide, a combined reservations system, itinerary flexibility and various other benefits, which substantially enhance our competitive position within the Latin American market.

In 2020, LATAM entered into a Trans-American Joint Venture Agreement with Delta Air Lines Inc, following the framework agreement signed in 2019, which we expect to unlock new growth opportunities, building upon Delta's and LATAM's global footprint. During 2022, LATAM and Delta Air Lines obtained the regulatory approvals for their Joint Venture Agreement from the respective authorities in all South American countries involved and the U.S. Department of Transportation ("DOT"). As of the date of publication, both companies find themselves working together on the full implementation of the Joint Venture Agreement. For more information on the framework agreement see "Item 4. Information on the Company-B. Business Overview-Passenger Alliances and Commercial Agreements."

- **Recognized Loyalty Program**

Our frequent flyer program, LATAM Pass, is the leading frequent flyer program in South America as measured by total number of members as of the end of 2022, with strong participation rates and brand recognition by our customers. Customers in the program earn miles and points based on the price paid for the ticket, class of ticket purchased, and elite level, as well as by using the services of outside partners in the program. We believe that our program is attractive to customers because it does not impose restrictions on those flights for which points can be redeemed, or limit the number of seats available on any particular flight to members using the loyalty program. LATAM Pass members can also accrue and redeem points for flights on other airlines with whom we have bilateral commercial agreements.

Business Strategy

Our mission is to connect people safely, with operational excellence and a personal touch, seeking to become one of the most admired airline groups in the world. In order to achieve our mission, the principal areas on which we plan to focus our efforts going forward are as follows:

- **Continually Strengthen Our Network**

LATAM intends to continue to strengthen its route network in South America, offering the best connectivity within the region at competitive prices and ensuring that LATAM is the most convenient option for passengers. LATAM is the only airline group in South America with a local presence in five home markets and an international and intra-regional operation. This is bolstered by LATAM's enhanced infrastructure in several key hubs, allowing LATAM to further strengthen its network. LATAM intends to leverage its extensive network to create a leading portfolio of services and destinations, providing more options for its passengers and building a platform to support continued growth.

- **Enhance Brand Leadership and Customer Experience**

We will always seek to be the preferred choice of passengers in South America. Our efforts are supported by a differentiated passenger experience and our leveraging of mobile digital technologies. We continue working on the implementation of our single, unified brand, culture, product and value proposition for our passengers. Additionally, we are focused on the evolution of LATAM's E-business strategy, including applications to achieve ancillary revenues and improving the management of contingencies, so that we are able to provide information and solutions to our customers in a timely and transparent manner. We continually assess opportunities to incorporate service improvements in order to respond effectively to our customers' needs.

- **Improving Efficiency and Cost Competitiveness**

We are continually working to maintain a competitive cost structure and further improve our efficiency, simplify our organization and increase flexibility and speed in decision-making. We look to implement cost savings, including reductions in fuel and fees, procurement, operations, overhead and distribution costs, among others, as well as the implementation of a customized service offering in domestic and international markets. In 2022 and 2021, and in the context of our Chapter 11 proceedings, we worked to reduce our fixed costs and to convert them to variable costs, specifically fleet costs and wages and benefits.

- **Organizational Strength**

We aspire to be a group of passionate people, working in a simple and aligned manner, with inspiring leaders that make agile decisions, while addressing security policies to ensure the health of our employees and customers, and sustainability practices that reflect our responsibility towards the communities and countries where we operate. This will allow us to deliver a distinctive value proposition to our customers and operate sustainably over the long term.

COVID-19 Effects

As government-imposed travel restrictions and requirements continued to loosen throughout 2022, LATAM group continued gradually restarting its operations. During 2022, LATAM group operated 68.3% more ASKs than in 2021, though compared to 2019 and a pre-pandemic context recovered 76.3% of ASKs. LATAM Cargo continued to play a key role during 2022 in terms of supporting the communities in which LATAM group operates by transporting medical supplies and vaccines to the region from all over the world. Notably, as part of the Solidary Plane program, by December 2022, LATAM group had transported more than 300 million vaccines within the region free of charge since the beginning of the COVID-19 pandemic.

Since the LATAM group cargo operation transports the majority of goods in the bellies of the group's passenger aircraft, complementing the 16 dedicated cargo freighters, the worldwide decline in air travel, especially during 2020 and 2021, led to a drastic decline in cargo capacity. Therefore, cargo operated many passenger planes adapted for cargo in order to compensate for the capacity reduction and continue to support companies and industries that depend on the network to sustain their own business operations, including, for example, the Chilean salmon industry. In 2019, cargo revenues represented 10.2% of LATAM's revenues. During 2020 this figure increased to 27.9% of our total revenues, in 2021 to 30.2%, and in 2022 it decreased to 18.1%, following the relative increase in our passenger operations.

In response to the COVID-19 pandemic, LATAM also implemented a series of changes to the operations related to aircraft sanitation, changes in boarding and disembarking procedures, installation of HEPA filters in cabin ventilation systems in all of the group's aircraft, among others, all of the foregoing in accordance with the recommendations of international organizations such as the International Air Transport Association (IATA), the WHO, and local governments.

For more information regarding the economic impact of the pandemic on LATAM's operations, see "Item 4. Information of the Company-B. Business Overview-Passenger Operations-Passenger Marketing and Sales" and "Item 3. Key Information-D. Risk Factors-Risks Relating to our Company-*The continuing effects of COVID-19 are highly unpredictable and could be significant, and may have an adverse effect on the group's business and results of operations*."

Chapter 11 Proceedings through 2022

As a result of the COVID-19 pandemic and its profound impact on worldwide travel and LATAM group's operations, the Reorganized Debtors filed petitions for relief under Chapter 11 of the Bankruptcy Code with the Bankruptcy Court on May 26, 2020.

The Bankruptcy Filing initiated Chapter 11 proceedings in the United States for each of the Debtors, which are being jointly administered under the caption "In re LATAM Airlines Group S.A., et al." Case Number 20-11254. Prior to November 3, 2022, the Debtors operated their businesses as "debtors-in-possession" under the jurisdiction of the Bankruptcy Court and in accordance with the applicable provisions of the Bankruptcy Code and orders of the Bankruptcy Court. The Bankruptcy Filing is intended to permit the Company to reorganize and improve liquidity, wind down unprofitable contracts and amend its capacity purchase agreements to enable sustainable profitability. As of November 3, 2022, the Plan was substantially consummated and the Debtors have each emerged from the Chapter 11 proceedings as the "Reorganized Debtors." The Bankruptcy Court continues to administer the Chapter 11 proceedings for the Reorganized Debtors on a consolidated basis in order to resolve the few remaining matters therein, including reconciling remaining claims.

As part of their overall reorganization process, the Reorganized Debtors also have sought and received relief in certain non-U.S. jurisdictions. On May 27, 2020, the Grand Court of the Cayman Islands granted the applications of certain of the Reorganized Debtors for the appointment of JPLs pursuant to section 104(3) of the Companies Law (2020 Revision). On June 4, 2020, the 2nd Civil Court of Santiago, Chile issued an order recognizing the Chapter 11 proceedings with respect to the LATAM Airlines Group S.A., Lan Cargo S.A., Fast Air Almacenes de Carga S.A., Latam Travel Chile II S.A., Lan Cargo Inversiones S.A., Transporte Aéreo S.A., Inversiones Lan S.A., Lan Pax Group S.A. and Technical Training LATAM S.A. All remedies filed against the order have been rejected and the decision has become final. Finally, on June 12, 2020, the Superintendence of Companies of Colombia granted recognition to the Chapter 11 proceedings. On July 10, 2020, the Grand Court of the Cayman Islands granted the Reorganized Debtors' application for the appointment of JPLs to Piquero Leasing Limited.

- **Operation and Implication of the Bankruptcy Filing**

As of the Effective Date, the Plan was substantially consummated. Pursuant to the Plan, the Reorganized Debtors are permitted to operate their businesses and manage their properties without supervision of the Bankruptcy Court and free of the restrictions of the Bankruptcy Code.

- **Plan of Reorganization**

On November 26, 2021, the Reorganized Debtors filed the Plan and the related Disclosure Statement with the Bankruptcy Court. As detailed in the Disclosure Statement, the Plan was supported by the Restructuring Support Agreement executed among the Reorganized Debtors, creditors holding more than 70% of the general unsecured claims asserted against LATAM Airlines Group S.A., and holders of more than 50% of LATAM Airlines Group S.A.'s existing equity. From time to time in the Chapter 11 Cases, the Reorganized Debtors filed revised versions of the Plan and associated Disclosure Statement. On February 10, 2022 the Reorganized Debtors executed a joinder Agreement to the RSA, effective as of February 10, 2022 under which certain creditors agreed to commitments made by the Commitment Parties under the RSA.

On March 21, 2022, the Bankruptcy Court entered an order approving the adequacy of the Disclosure Statement and procedures for the solicitation with respect to the Plan. Pursuant to the Disclosure Statement Order, the Reorganized Debtors distributed the solicitation version of the Plan, the Disclosure Statement (as approved), voting ballots and certain other solicitation materials to creditors.

In accordance with the Restructuring Support Agreement, on January 12, 2022 the Reorganized Debtors filed a motion seeking approval to enter into the Backstop Agreements. On March 15, 2022, the Bankruptcy Court issued a memorandum decision approving the Reorganized Debtors' entry into the Backstop Agreements, and issued a corresponding order on March 22, 2022.

The Reorganized Debtors received objections to the Plan from certain parties, including the United States Trustee, the Committee, BancoEstado, an ad hoc group of unsecured claimants and a group of holders of claims against LATAM affiliate TAM Linhas Aéreas S.A. Following the Plan objection deadline, the Reorganized Debtors participated in mediation with BancoEstado, the Committee and the parties to the RSA in an effort to resolve their objections to the Plan and related disputes, which proved successful. On May 11, 2022, the Reorganized Debtors filed a revised version of the Plan reflecting the terms of a settlement with the parties.

At a hearing held on May 17, 18 and 20, 2022, the Bankruptcy Court considered the remaining objections that had not been resolved pursuant to the settlement. On June 18, 2022, the Bankruptcy Court issued a memorandum decision approving the Plan and overruling all remaining objections, and entered an order confirming the Plan.

Certain parties in interest appealed the Bankruptcy Court's decisions. On June 21, 2022, the Ad Hoc Group of Unsecured Claimants filed a notice of appeal of the memorandum decision and order approving entry into the Backstop Agreements, as well as the Memorandum Decision approving the Plan and the Confirmation Order.

On June 27, 2022, the Ad Hoc Group of Unsecured Claimants filed a motion seeking to stay the Confirmation Order pending appeal. On July 16, 2022, the motion to stay was denied by the Bankruptcy Court. On June 23, 2022, the TLA Claimholders Group also filed a motion seeking to stay the Confirmation Order pending appeal or, in the alternative, an affirmative injunction requiring the Reorganized Debtors to fund an escrow account in the amount of the outstanding post-petition interest. On July 8, 2022, the Bankruptcy Court issued a bench memorandum and order denying the TLA Claimholders Group's motion to stay. On June 28, 2022, Columbus Hill filed a notice of appeal of the Memorandum Decision and the Confirmation Order, which it later withdrew on July 5, 2022. On July 13, 2022, the Reorganized Debtors filed a motion to approve a settlement agreement with Columbus Hill, which was granted by the Bankruptcy Court on July 21, 2022, bringing full and final resolution to the Columbus Hill appeal and any other potential objections from this claimant.

On August 31, 2022, after briefing and oral argument by the parties, the District Court issued an opinion denying the appeals of both the Ad Hoc Group of Unsecured Claimants and the TLA Claimholders Group. The District Court rejected the Ad Hoc Group of Unsecured Claimants' arguments that the Plan and Backstop Agreement violated the Bankruptcy Code and held that the Backstop Agreement did not constitute impermissible vote buying. The Ad Hoc Group of Unsecured Claimants did not further appeal the District Court's decision.

With respect to the TLA Claimholders Group's appeal, the District Court denied its request for payment of post-petition interest on its claims and found that the Bankruptcy Court did not with respect to its factual finding that TLA was insolvent. The District Court also denied the TLA Claimholders Group's motion to stay the Confirmation Order. On September 2, 2022 the TLA Claimholders Group filed a notice of appeal in the District Court further appealing the Confirmation Order to the United States Court of Appeals for the Second Circuit. Both parties filed briefs regarding the merits of the Second Circuit Appeal, oral argument occurred on October 12, 2022, and on December 14, 2022, the Second Circuit unanimously affirmed the District Court's decision rejecting the Second Circuit Appeal.

As of the Effective Date, the Plan was substantially consummated and became binding on all parties in interest. Pursuant to the Plan, the Company received an infusion of approximately US$ 8.19 billion through a mix of new equity, convertible notes, and debt, which enabled the Company to exit Chapter 11 with appropriate capitalization to effectuate its business plan. Upon emergence, the Company had total debt of approximately US$ 6.8 billion, cash and cash equivalents of approximately US$1.1 billion and revolving facilities fully undrawn in the amount of US$1.1 billion. Specifically, the Plan provided that:

- The Company conducted a US$ 800 million common equity rights offering, open to all shareholders in accordance with their preemptive rights under applicable Chilean law, and fully backstopped by the parties participating in the RSA;
- Three distinct classes of convertible notes were issued by the Company, all of which were preemptively offered to shareholders. The preemptive rights offering period closed on October 12, 2022. For those securities not subscribed by the Company's shareholders during the respective preemptive rights period:
    - New Convertible Notes Class A were provided to certain general unsecured creditors of the Company in settlement of their allowed claims under the Plan;
    - New Convertible Notes Class B were subscribed and purchased by the Backstop Shareholders; and
    - New Convertible Notes Class C were provided to certain general unsecured creditors in exchange for a combination of a new money contribution to the Company and the settlement of their allowed claims under the Plan, subject to certain limitations and holdbacks by backstopping parties.
- The election period for the New Convertible Notes Class A and New Convertible Notes Class C ended on October 6, 2022.
- General unsecured creditors that elected to receive New Convertible Notes Class A or New Convertible Notes Class C were entitled to receive a one-time cash distribution in an aggregate amount of approximately US$175 million, distributed among the general unsecured creditors that opted to receive New Convertible Notes Class A and C.
- The convertible notes belonging to the New Convertible Notes Classes B and C are provided, totally or partially, in consideration of a new money contribution for the aggregate amount of approximately US$ 4.64 billion fully backstopped by the parties to the RSA.
- In lieu of receiving New Convertible Notes Class A or New Convertible Notes Class C (and the aforementioned one-time cash distribution), general unsecured creditors were provided with the alternative of opting to receive New Local Notes issued by LATAM. As set forth in the Plan, and based on the elections made by general unsecured creditors, such notes were issued in the amount of UF 3,818,042 (equal to approximately US$ 130 million as of the date of their issuance).

Pursuant to the Plan and Backstop Agreements, LATAM raised up to US$ 500 million through a new revolving credit facility and US$ 2.25 billion in total new money debt exit financing, consisting of a new term loan and new notes.

On September 2, 2022 the CMF approved the registration of the New Convertible Notes Classes A, B and C and of the shares contemplated in the Plan. The CMF approved the New Local Notes on September 5, 2022. The Reorganized Debtors established September 12, 2022 as the record date to claimholders for the New Convertible Notes Class A and New Convertible Notes Class C, and commenced the offering of the New Convertible Notes to claimholders on the same day.

As of December 31, 2022, almost the entirety of the convertible notes had been converted into shares; a total of 18,820,511,197 shares underlying New Convertible Notes Class A (94.14% of the total), 126,657,203,849 shares underlying New Convertible Notes Class B (99.997% of the total) and 385,337,856,192 shares underlying New Convertible Notes Class C (99.999% of the total) had been delivered as a result of the exercise of the applicable conversion option. As a result, and as of the same date, LATAM had a total of 605,231,854,725 shares subscribed and paid, representing more than 99.8% of the group's statutory capital, represented by 606,407,693,000 shares.

On November 17, 2022 the Reorganized Debtors filed a motion to consolidate the administration of certain remaining matters, including the reconciliation of claims that have not yet been allowed or disallowed, in the lead Chapter 11 case of LATAM and for entry of a final decree closing the Chapter 11 cases of LATAM's debtor-affiliates. The Bankruptcy Court entered an Order on December 14, 2022 granting the motion to consolidate the administration of remaining matters in the lead Chapter 11 case of LATAM. As a result, the dockets for all 37 debtor-affiliates of LATAM were marked "closed" on December 23, 2022.

Debtor-in-Possession Financing

In connection with our Chapter 11 proceedings, the Bankruptcy Court approved our initial debtor-in-possession ("DIP") financing agreement on September 19, 2020 (the "Initial DIP Credit Agreement"), providing the group with access to US$2.45 billion for working capital and other purposes approved by the Bankruptcy Court.

The terms of the initial DIP financing included three tranches: Tranche A for a principal amount of up to US$1.3 billion, a potential Tranche B for up to an additional amount of US$750 million, which would be subject to further authorization of the Bankruptcy Court and other conditions customary for this type of transactions, and a Tranche C for a principal amount of up to US$1.15 billion. Only Tranches A and C were initially committed.

On October 18, 2021, the Bankruptcy Court approved a Tranche B facility of up to US$750 million. On November 10, 2021, we entered into an amendment to the Initial DIP Credit Agreement implementing, among other things, certain amendments to the maturity date definition and effectuating the terms and conditions of the Tranche B facility.

In January and February of 2022, we initiated the process of seeking financing proposals from financial institutions, funds, and other entities for certain amendments, extensions to the Initial DIP Credit Agreement and certain increases to the DIP financing thereunder.

On February 18, 2022, we filed a motion requesting Bankruptcy Court approval for certain amendments to the Initial DIP Credit Agreement, providing for, among other things, a new replacement Tranche C facility in an aggregate principal amount of up to $1,245,436,360.42 (including pursuant to a cashless roll of a partition of the existing Tranche C loans held by certain Tranche C Lenders), the proceeds of which were applied, among other things, to repay in full the existing Tranche C facility, an extension of the existing maturity date, and certain modifications and reductions to the existing fees and interest rates applicable to the Tranche A and Tranche B facilities, with such terms reflected in an amended and restated DIP credit agreement (the "A&R DIP Credit Agreement"). On March 7, 2022, we filed a supplement to the motion reflecting new terms agreed with the prospective DIP lenders with respect to the A&R DIP Credit Agreement.

Notwithstanding the foregoing, we continued to engage in a marketing process for an amendment and restatement of the Initial DIP Credit Agreement with the expectation of obtaining improved terms and conditions than those included in the A&R DIP Credit Agreement as supplemented. In this regard, we agreed to an alternative proposal provided by a different group of prospective lenders with such proposal reflected in an amendment and restatement of the Initial DIP Credit Agreement (the "New A&R DIP Credit Agreement"). On March 15, 2022, we filed a motion requesting Bankruptcy Court approval of the New A&R DIP Credit Agreement. The New A&R DIP Credit Agreement (i) repaid in full the existing Tranche A, Tranche B and Tranche C facilities under the Initial DIP Credit Agreement from the proceeds of a new Tranche A facility and new Tranche C facility; (ii) provided an extended maturity date to align with the prospective timeline for our emergence from our Chapter 11 proceeding; and (iii) provided for certain reductions in fees and interest as compared to the Initial DIP Credit Agreement and the A&R DIP Credit Agreement. On March 18, 2022 the Bankruptcy Court entered an order approving our entry into the A&R DIP Credit Agreement.

The A&R DIP Credit Agreement closed on April 8, 2022 and its proceeds were used to repay the obligations under the Initial DIP Credit Agreement in full.

On June 10, 2022, we entered into debt commitment letters (the "Exit Financing Commitment Letters") providing commitments from various lenders for (i) an approximately US$1.17 billion junior debtor-in-possession term loan facility (the "Junior DIP Facility"); (ii) a $500,000,000 debtor-in-possession and exit revolving credit facility (the "Revolving Facility"), (iii) a $750,000,000 debtor-in-possession and exit term loan B credit facility (the "Exit Term Loan B Facility"; together with the Revolving Facility, the "Credit Facilities"), (iv) a five year $750,000,000 debtor-in-possession and exit bridge loan facility (the "Bridge to 5Y Notes Facility") and (v) a seven year $750,000,000 debtor-in-possession and exit bridge loan facility (the "Bridge to 7Y Notes Facility" together with the Bridge to 5Y Notes Facility, the "Bridge Facilities"; together with the Credit Facilities, the "Debt Facilities"). The principal amounts of certain Debt Facilities could be increased so long as any such increase was offset by a corresponding decrease in other Debt Facilities, subject to certain requirements under the documentation governing such Debt Facilities. On June 24, 2022, the Bankruptcy Court entered an order authorizing us to enter into the commitment letters for the Junior DIP Facility and the Debt Facilities and on September 12, 2022 the Bankruptcy Court entered an agreed amended order authorizing us to enter into the commitment letters with respect to the Junior DIP Facility and the Debt Facilities. The Debt Facilities were structured as debtor-in possession facilities which closed during the pendency of the Chapter 11 Cases and converted to exit financing on our emergence from bankruptcy. The Reorganized Debtors executed the loan agreement with respect to the Junior DIP Facility in an aggregate amount of approximately $1.14 billion on October 3, 2022. On October 3, LATAM executed the Junior DIP facility, but did not close or fund the Junior DIP facility. On October 12, LATAM (a) closed and funded the Exit Term Loan B Facility, (b) closed the Revolving Facility, (c) closed and funded the Bridge to 5Y Notes Facility, (d) closed and funded the Bridge to 7Y Notes Facility and (e) closed and funded the Junior DIP Facility. LATAM used the proceeds of the foregoing to repay the A&R DIP Credit Agreement in full. On October 18, LATAM (a) issued the 5Y Notes under the corresponding indenture, (b) issued the 7Y Notes under the corresponding indenture and (c) used the proceeds of these notes issuances to partially repay $450,000,000 of the Bridge to 5Y Notes Facility and $700,000,000 of the Bridge to 7Y Notes Facility. On November 3, the effective date of the plan (i.e., the day the company emerged from bankruptcy), LATAM (a) converted the DIP Revolving Facility into an exit Revolving Facility, (b) converted the DIP Term Loan B Facility into an Exit Term Loan B Facility, (c) executed an incremental amendment to the Exit Term Loan B Facility which increased the principal amount of the Exit Term Loan B Facility by $350,000,000, (d) converted the 5Y Notes and the 7Y Notes from "DIP" to "Exit" notes, (e) repaid the remaining Bridge to 5Y Notes Facility, (e) repaid the remaining Bridge to 7Y Notes Facility, and (f) repaid the Junior DIP Facility.

Airline Operations and Route Network

The following tables set forth our operating revenues by activity and point of sale for the periods indicated:

	Year ended December 31,		
	2022	**2021**	**2020**
		(in US$ millions)	
Total passenger revenues	7,636.4	3,342.4	2,713.8
Total cargo revenues	1,726.1	1,541.6	1,209.9
Total traffic revenues	**9,362.5**	**4,884.0**	**3,923.6**

	Year ended December 31,		
	2022	**2021**	**2020**
		(in US$ millions)	
Peru	859.0	503.6	297.5
Argentina	206.9	75.5	172.2
United States	1,058.1	578.0	505.1
Europe	769.0	376.9	338.6
Colombia	540.2	368.5	177.0
Brazil	3,724.5	1,664.5	1,304.0
Ecuador	248.5	163.0	112.6
Chile	1,514.6	794.1	638.2
Asia Pacific and rest of Latin America	441.8	360.0	378.4
Total Operating Revenues	**9,362.5**	**4,884.0**	**3,923.6**

Passenger Operations

General

As of December 31, 2022, LATAM passenger operations were performed by airline affiliates in Chile, Brazil, Peru, Colombia and Ecuador, where the group operates both domestic and international services. LATAM collects and reports operating data for its passenger operations in three categories: international (connecting more than one country), Domestic operations in Spanish-speaking countries or "SSC" (including Chile, Peru, Colombia, and Ecuador), and Domestic Brazil (entirely within Brazil).

The following table sets forth certain of our passenger operating data for international and domestic routes for the periods indicated:

	Year ended December 31,		
	2022	**2021**	**2020**
ASKs (million) (at period end)			
International	49,575.7	20,461.0	23,883.3
SSC	23,384.7	17,847.8	10,974.5
Domestic Brazil	40,891.8	29,326.8	20,830.2
Total	**113,852.2**	**67,635.7**	**55,688.0**
RPKs (million)			
International	41,140.5	13,500.5	17,620.4
SSC	18,942.6	13,359.8	8,346.3
Domestic Brazil	32,504.8	23,456.3	16,657.8
Total	**92,587.8**	**50,316.5**	**42,624.5**
Passengers (thousands)			
International	8,607	2,852	4,016
SSC	25,288	17,513	9,822
Domestic Brazil	28,573	19,830	14,461
Total	**62,467**	**40,195**	**28,299**
Passenger RASK (passenger revenues/ASK, in US cents)			
International[(1)]	US¢6.5	US¢4.6	n.a
SSC[(1)]	US¢7.7	US¢5.8	n.a
Domestic Brazil[(1)]	US¢6.7	US¢4.8	n.a
Combined Passenger RASK[(2)]	**US¢6.8**	**US¢4.9**	**n.a**
Passenger load factor (%)			
International	83.0	66.0	73.8
SSC	81.0	74.9	76.1
Domestic Brazil	79.5	80.0	80.0
Combined load factor	**81.3**	**74.4**	**76.5**

(1) RASK information for each of our business units is provided because LATAM believes that it is useful information to understand trends in each of our operations. We use our revenues as defined under IFRS to calculate this metric. The revenues per business unit include ticket revenue, breakage, excess baggage fee, frequent flyer program revenues and other revenues. These operating measures may differ from similarly titled measures reported by other companies and should not be considered in isolation or as a substitute for measures of performance in accordance with IFRS. This unaudited operating data is not included in or derived from LATAM's financial statements.

(2) The combined Passenger RASK for LATAM is calculated by dividing passenger revenues by total passenger ASKs

International Passenger Operations

LATAM group's international network includes the international operations of our Chilean, Peruvian, Ecuadorian, Colombian and Brazilian affiliates. LATAM Airlines Group and its affiliates have operated international services out of Chile since 1946 and have since greatly expanded international services, offering flights out of Peru, Ecuador, Colombia and Brazil. As of December 31, 2022, LATAM offers 46 international destinations in 22 countries, in addition to the domestic destinations and international flights and connections between the domestic destinations.

The general strategy to expand the international network is aimed at enhancing LATAM's value proposition by offering customers more destinations and routing alternatives. Sustained development of LATAM's international network is a crucial factor in the long-term strategy. The group provides long-haul services out of Santiago, Lima, Bogota, São Paulo and Fortaleza. The group also provides regional services from Chile, Peru, Ecuador, Colombia and Brazil.

As part of our mission, LATAM seeks to promote tourism to South America. Due to our large network of services, visitors from around the world can experience world-renowned destinations such as Machu Picchu and Cusco in Peru, the Galapagos Islands, Iguazu Falls in Brazil, and the Atacama Desert and Patagonia in Chile, including the cities of Punta Arenas and Puerto Natales.

Market Share Information

The following table presents air passenger traffic information for international flights (including intra-regional flights) and LATAM's market share in each geographic market in which the group operates:

	LATAM passenger figures % variation	LATAM's Market Share		
Country	**2022-2021**	**2022**	**2021**	**% variation**
Brazil[(1)]	287.3%	20.3%	19.6%	0.7p.p.
Chile[(2)]	223.3%	38.9%	40.7%	-1.8p.p.
Peru[(3)]	106.8%	42.9%	40.7%	2.2p.p.
Colombia[(4)]	113.6%	5.2%	4.1%	1.1p.p.
Ecuador[(5)]	174.1%	8.5%	2.5%	6.0p.p.

(1) Source: ANAC Brazil's website. Passenger figures considers passengers carried, measured in RPKs, in 2022 vs 2021. Market share considers passengers carried, measured in RPKs, as of December 2022.

(2) Source: JAC Chile's website. Passenger figures considers passengers carried, measured in RPKs, in 2022 vs 2021. Market share considers passenger carried, measured in RPKs, as of December 2022.

(3) Source: DGAC Peru's website. Passenger figures considers passengers carried in 2022 vs 2021. Market share considers the number of passengers carried as of December 2022.

(4) Source: Diio.net. Passenger figures considers ASK changes in 2022 vs 2021. Market share considers ASKs as of December 2022.

(5) Source: Diio.net. Passenger figures considers ASK changes in 2022 vs 2021. Market share considers ASKs as of December 2022.

Competitors in international routes

The following table shows LATAM's main competitors during 2022 in each geographic market in which it operates:

Country	Route	Competitors
Brazil	North America	American Airlines, United Airlines, Azul Linhas Aereas, Delta Air Lines, Air Canada, Aeromexico and GOL.
	Latin America	Copa, GOL, Avianca, Aerolineas Argentinas, Aeromexico and Azul Linhas Aereas.
	Europe	TAP Portugal, Air France-KLM, IAG, Lufthansa, Swiss International Airlines and Turkish Airlines.
Chile	North America	American Airlines, Air Canada, Delta Air Lines, United Airlines and Aeromexico.
	Latin America	Copa, Sky Airline, Avianca, JetSmart, Aeromexico and Aerolineas Argentinas.
	Europe	IAG and Air France-KLM.
	South Pacific	Qantas Airways
Argentina	North America	American Airlines, Aerolíneas Argentinas, Aeromexico, United Airlines and Delta Air Lines.
	Latin America	Aerolineas Argentinas, Copa, GOL, Avianca and Azul Linhas Aereas.
Peru	North America	American Airlines, Avianca, United Airlines, Delta Air Lines, JetBlue Airways and Spirit Airlines.
	Latin America	Avianca, Copa, Viva Airlines, Aerovías de México, Volaris, Aerolíneas Argentinas, JetSmart and Sky Airline.
	Europe	Air France-KLM and IAG.
Colombia	North America	Avianca, American Airlines, Spirit Airlines, Aeromexico, JetBlue Airways, United Airlines, Air Canada and Delta Air Lines.
	Latin America	Avianca, Aeromexico, JetSmart, Viva Air, Volaris, VivaAerobus and Copa.
Ecuador	North America	American Airlines, JetBlue Airways, Delta Air Lines, United Airlines and Spirit Airlines.
	Latin America	Avianca, Copa and Aeromexico
	Europe	Air France-KLM and IAG.

Source: Diio.net considering ASKs.

Domestic Passenger Operations

As of December 31, 2022, domestic passenger services within Chile, Brazil, Peru, Ecuador and Colombia were operated by LATAM Airlines Chile, LATAM Airlines Brazil, LATAM Airlines Peru, LATAM Airlines Ecuador and LATAM Airlines Colombia, respectively.

Business Model for Domestic Operations

In 2016, LATAM group implemented a new business model in all of its domestic operations, allowing them to provide more competitive fares and contributing to the development of tourism and the growth of air travel per capita in the region. The domestic service model requires continuous cost reduction efforts, and the group continues to implement a series of initiatives to reduce cost per ASK in all domestic operations. These efforts are aimed at significantly reducing selling and distribution expenses, increasing fleet utilization and operational productivity and simplifying back-office and support functions, thereby allowing the LATAM group to expand operations while controlling fixed costs.

Another key elements of this business model are the initiatives to increase ancillary revenues and others that allow passengers to customize their journey. Customers on domestic flights are now able to access a simpler sales platform, which allows them to choose their fare depending on the type of journey they want, and to purchase additional services such as extra luggage, a variety of food and beverage options on board, preferred seating options and the flexibility to change tickets.

In March 2020, LATAM group introduced its superior cabin class, Premium Economy, in all domestic and international flights within Latin America operated by the Airbus A320 family (A319, A320, A320neo and A321; "short-/medium-haul") aircraft. This cabin class offers premium services both at the airport and in-flight, including priority check-in and boarding, VIP lounge access in airports where available, a differentiated onboard service including complimentary snacks and drinks, an exclusive overhead bin for carry-on luggage and a blocked middle seat, providing greater space and privacy.

LATAM group continues to develop digital initiatives to empower passengers providing them with an enhanced digital experience with end-to-end control of their reservation. LATAM customers will increasingly be able to buy, check-in and manage the after sale service in a simpler and faster manner through their smartphones.

The following table shows LATAM's number of destinations, passengers transported, market share and main competitors in each domestic market in which we operate:

	Brazil	**Chile**	**Peru**	**Colombia**	**Ecuador**
Destinations	54	17	19	17	8
Passengers Transported (million)	28.6	7.7	7.9	8.4	1.3
Change (YoY)	*44.1%*	*42.7%*	*45.3%*	*43.0%*	*60.0%*
Market share	*36.1%*(1)	*57.1%*(2)	*61.3%*(3)	*23.0%*(4)	*41.0%*(4)
Main competitors	Gol, Azul	Sky Airlines, JetSmart	Sky Airlines Peru, Star Peru, JetSmart Peru, Viva Airlines Peru	Avianca, Viva Colombia, EasyFly, Utra Air, Copa Airlines Colombia ("Wingo")	Avianca, Equair

(1) Source: ANAC Brazil's website. Market share considers RPKs as of December 2022.

(2) Source: JAC Chile's website. Market share considers RPK as of December 2022.

(3) Source: DGAC Peru's website. Market share considers the number of passengers carried as of December 2022.

(4) Source: Diio.net. Market share considers ASKs as of December 2022.

Passenger Alliances and Commercial Agreements

Strategic Alliance with Delta

On September 30, 2022, LATAM and Delta Air Lines obtained the final regulatory approvals from the US Department of Transportation, allowing them to implement their Joint Venture Agreement (JVA). The approval enables Delta and LATAM to work together, coordinating capacity and pricing strategies and sharing corporate accounts in the United States/Canada and South America (Brazil, Chile, Colombia, Paraguay, Peru, and Uruguay) markets within the scope of the JVA.

This agreement allows the airlines to develop an unparalleled network with expanded route offerings and to connect the Americas to the world like never before with access to more than 300 destinations. Also, the airlines will deepen their level of cooperation in these markets strengthening their codeshare routes and the reciprocal loyalty benefits.

It is in this context that, in November 2022, LATAM and Delta made their first operational announcement after the approval of the JVA, launching a new non-stop flight between São Paulo (Brazil) and Los Angeles (United States) starting on July 1, 2023. LATAM will be the only airline in Brazil with a direct flight to Los Angeles, where customers will be able to connect to several popular Delta West Coast destinations in the United States, including San Francisco, Las Vegas and Seattle. Additionally, in January 2023, LATAM and Delta announced the launch of a second route under the JVA, connecting Bogota (Colombia) with Orlando (United States) starting on July 1, 2023, helping Delta and LATAM to further strengthen their presence between North America and South America.

Termination of previous arrangements and alliances, and subscription of new codeshare agreements

In January 2022, LATAM Airlines Group and LATAM Airlines Colombia signed and implemented codeshare agreements with Virgin Atlantic. This new agreement seeks to increase the offerings and connectivity of both networks.

On June 23, 2022, LATAM Airlines Group, LATAM Airlines Brazil and Siberia Airlines terminated the frequent flyer agreement subscribed in 2010 and 2014 respectively.

Other alliances and material commercial agreements

In addition, LATAM and its affiliates have ongoing passenger commercial agreements with several airlines, including Qatar Airways, Air France/KLM, Lufthansa, Ethiopian Airlines, among others. These commercial agreements allow us to provide additional benefits to our passengers, including access to a wider network, more flight options with better connection times, and increased potential for developing new routes and adding direct flights to new destinations and to destinations already served by LATAM.

Passenger Marketing and Sales

Given the current global situation resulting from the COVID-19 pandemic, the group has made several adjustments to its services, implementing additional hygiene and safety measures in all of the customer's touchpoints and adjusting commercial policies as needed.

With regard to hygiene and safety measures, various implementations were made to comply with authorities' requirements and to maximize hygiene and safety for customers and crews when flying. Some of those measures include social distancing while checking in, contactless boarding, deplaning by row, improvements to cabin hygiene, hand sanitizer availability, and other onboard procedure adjustments to limit physical interactions. Because the pandemic has changed customers' behavior and increased their desire to avoid or minimize contact with others, the group intends to use technology to change the passenger experience when traveling and meet these expectations. LATAM had the opportunity to implement and test some of these technologies in its main airports, such as automatic check-in, self-bag tag and drop, digital signage and biometrics (testing only), with promising results that encourage us to accelerate the digital transformation in the upcoming year.

In 2022, LATAM group continued transforming the travel experience of its passengers through cabin retrofits. As of December 31, 2022, we have 10 B777, 9 B767, 2 B787-9, and 177 A319/A320/A321 aircraft with renovated interiors. (during the year 2022, LATAM retrofitted 81 aircraft). Additionally, the group continued equipping aircraft with Wi-Fi connectivity in Brazil, reaching 98 aircraft in total. In addition, 33 B787 are currently in development to be retrofitted with the new cabin interior between 2023 and 2025.

Although the COVID-19 pandemic impacted services, customer experience continues to be a key driver of success for the group. In recent years the group implemented the "Net Promoter System" in an effort to create a culture focused on earning the passionate loyalty of customers while inspiring the energy, enthusiasm and creativity of employees and ultimately accelerate profitable and sustainable organic growth. This system's primary key performance indicator is the Net Promoter Score ("NPS"). To calculate NPS, we have a customer survey, where we ask "How likely are you to recommend us to a friend or colleague?" Customers score answers on a zero-to-ten scale and we then calculate the NPS as the percentage of customers who are promoters (those who scored 9 or 10) minus the percentage of customers who are detractors (those who scored 0 to 6).

LATAM's Net Promoter Score for 2022 showed a decrease of 5 points over the previous year (46 NPS points in 2022 versus 51 points in 2021). For the first time we achieved a higher NPS for our high value customers than for the overall LATAM score (+4 points), thereby reaching the highest level for HVCs since we started measuring NPS. This result was mainly driven by the differentiated services offered by our premium cabins, the targeted offering of upgrades and enhanced services to our elite members and the resumption of services previously affected by the Covid restrictions. According to NPS survey customer comments, customer satisfaction is primarily driven by the on-time performance of our operations, the care and service offered by our crew and the COVID-19 prevention measures implemented by the airline.

Working on the evolution of the customer's digital experience was the main focus of the E-business area this year and the result was 50 points of Digital NPS for 2022. With the objective of improving the online experience of our customers, we launched LATAM Airlines' new website for the Ecuadorian market in May 2020, Chile and Colombia in the second half of 2020, Brazil and Peru in the first half of 2021, and Multipos during the second half of 2021. The new experience includes, among other features, a notifications system that allows customers to choose how they want to receive their flight information, a more seamless booking process, automatic check-in (boarding passes are automatically sent to customers before arriving at the airport) and LATAM Wallet, our virtual payment method. We intend to keep working in 2023 to incorporate additional markets and features such as increase digital services coverage, automation of financial processes, and boost LATAM.com as the marketplace that attends all travel needs such as flight, insurance, lodging and flight ancillaries.

In 2022, LATAM was recognized as “South America’s Leading Airline Brand” and “South America’s Leading Airline” in the World Travel Awards 2022. LATAM Airlines Group was also recognized as the “Best Airline in South America” in Skytrax World Airline Awards in 2022 for the third year in a row and “Best Seat Comfort in South America” and “Best Food & Beverage in South America” in the 2022 edition of the APEX Passenger Choice Awards. Additionally, in early 2023, LATAM was ranked second place in Latin America on the “Punctuality League 2023” compiled by the Official Airline Guide (OAG).

Branding

The challenging context of 2020 to 2022 meant that as a brand we had a leading role in the development of communications that kept our employees, customers and all the Company’s stakeholders informed. We established a three-phase strategy to build our communications that focused first on communicating our commitment to safety, the flexibilization of commercial policies, and our support channels.

As part of the strategy of working to achieve closeness and recover our engagement with our customers, we worked on developing partnerships with important entities for the community. During 2022, for example, LATAM held partnerships with the Chilean, Peruvian, Ecuadorian and Paraguayan National Soccer Teams.

Distribution Channels

We are committed to being the preferred choice of our customers, placing the passenger at the center of our decision making. Our distribution structure is divided into direct and indirect distribution channels, both focused on improving their respective platforms to allow for easy interaction for our client in sales and services alike. Direct channels owned by LATAM are city ticket offices, contact-centers and e-Business (including website, mobile and smart business), and accounted for approximately 45% of total sales in 2022 (including award passengers). These direct channels support sales and service, both before and after the flight.

Our city ticket offices include additional services in order to complement the experience of our customers. Our contact centers are a multi-service channel providing support in 6 languages (Spanish, English, Portuguese, French, German and Italian).

We are committed to constantly improving the way we offer our products via our distribution channels, including the adoption of new technology. LATAM intends to continue to improve its e-Business platforms to support expected future growth and simplify our customers’ online experience.

Our digital strategy includes mobile applications that provide trip information to our passengers. These applications improve management of contingencies, enable us to provide information and solutions to our customers in a timely and transparent manner and serve as a new direct sales channel.

Indirect channels currently include travel agencies, general sales agencies, direct channels from other airlines and online agencies, and accounted for 55% of total sales in 2022. LATAM offers travel agencies different options to connect to our systems and provide their customers our best product offering. These options include Global Distribution Systems as well as our direct connection “eLATAM,” which we are continuously expanding and improving.

LATAM is strongly committed to the digital transformation of distribution in agencies during 2023, through the IATA’s New Distribution Capability (“NDC”) standard.

Frequent Flyer Program

Our frequent flyer program, LATAM Pass, is a key element of our marketing and loyalty strategy. The program rewards customer loyalty, and, as a result, we believe it generates incremental revenue and promotes customer retention.

In 2019, LATAM established a new way to qualify for "Elite" status in our frequent flyer program based on the price paid for the ticket, which is aligned with a simpler methodology for mileage accrual, generating simplicity and efficiency to our frequent flyer program. LATAM Pass members can access superior categories and enjoy better benefits by earning Qualifying Points on all their flights. Qualifying Points are different from LATAM Pass Points, which members can use to redeem for tickets and on-board benefits. The number of Qualifying Points that members earn depends on the dollars spent on purchasing the ticket (discounting charges, taxes and additional services) and the multiplier of the destination (domestic or international).

During 2020 LATAM also introduced another rule to access superior categories, the "Segment rule," under which a passenger can qualify for "Elite Status" by earning Qualifying Points (the existing rule, where they accumulate points depending on the dollars spent on purchasing the ticket), or by reaching a goal of number of segments flown. Introducing this new rule makes it possible for more customers to qualify for our categories, especially for those domestic passengers who fly many segments a year that generally have lower rates.

The frequent flyer program is a strategic asset for the airline group, and a core source of value that differentiates LATAM from other carriers. The acquisition of the Multiplus loyalty program in 2019 and its full integration into LATAM's network, together with LATAM Pass, created what LATAM estimates to be one of the top frequent flyer and loyalty programs in the world (measured by the number of members). This acquisition was consistent with recent transactions in the industry, and with the strategy of in-house frequent flyer business models of the largest global airlines.

In addition, a new tier category, Gold Plus, was launched in its market with focus on recovering Brazilian's domestic corporate market share delivering to a specific type of customer a better experience at the airport, and also a better mileage accrual. Improvements to the Gold category include priority check-in in all flights (for Gold category only in international flights) and free same day changes for Brazilian domestic flights. In February 2020, this new category was also launched in all Spanish-speaking countries, improving the value proposition of all our domestic corporate passengers, and also introducing new benefits for all of our high-value customers such as seat selection, preferred check-in and boarding in all markets.

As of December 31, 2022, LATAM Pass had approximately 42 million members, representing an increase of 5.5% compared to 2021. Members of the LATAM Pass program receive benefits and accrue miles for ticket purchases in accordance with their elite level status, as well as by purchasing the services of other partners in the LATAM Pass program. Customers of the program can redeem miles or points for free tickets as well as for other products. LATAM Pass members are classified in five elite levels: Gold, Gold Plus, Platinum, Black and Black Signature. These different groups determine which benefits customers are eligible to receive, including mile earning bonuses, free upgrades, VIP lounge access and preferred boarding and check-in privileges. Also, this year LATAM Pass announced new benefits: priority contact center for all elite members, eliminate redemption fee, roll over for 2023 and improvement in upgrade priority for elite members that have the cobrand credit card.

Cargo Operations

The Cargo business is operated internationally and domestically by affiliate airlines under the unified LATAM Cargo brand, which has acquired significant market recognition. The Cargo operations are made under four of the LATAM group affiliates: LATAM Cargo Colombia, LATAM Cargo and LATAM Cargo Brazil, dedicated exclusively to cargo transport, and LATAM Airlines Ecuador, which, in addition to its passenger operations, as of 2022 was certified as a cargo operator and incorporated dedicated cargo freighters to its operations.

The cargo business generally operates on the same route network used by the passenger airline business. It includes 154 destinations, of which 144 are served by passenger and/or freighter aircraft and 10 are served only by freighter aircraft.

The following table sets forth certain of our cargo-operating statistics for domestic and international routes for the periods indicated:

	For the year ended and as of December 31,		
	2022	**2021**	**2020**
ATKs (millions)	6,255.7	4,788.1	4,708.3
RTKs (millions)	3,532.5	3,034.9	3,077.8
Weight of cargo carried (thousands of tons)	900.6	801.5	784.6
Total cargo yield (cargo revenues/RTKs, in U.S. cents)	48.9	50.8	39.3
Total cargo load factor (%)	56.5%	63.4%	65.4%

We derive our revenues from the transport of cargo through our dedicated freighter fleet and in the bellies of our passenger aircraft.

LATAM considers its passenger network to be a key competitive advantage due to the synergies between passenger and cargo operations and, accordingly, we have developed a strategy aimed at increasing competitiveness by enhancing the belly offering. LATAM primarily uses the belly of the passenger aircraft for cargo operations. During the first quarter of 2022 LATAM also flew passenger freighter flights where the main deck was also utilized for cargo transportation.

As of December 31, 2022, the cargo affiliates' freighter fleet consisted of 9 Boeing 767-300 freighters and 7 Boeing 767-300BCF, each with a capacity for 58 structural chargeable tons of freight. The group expects to continue to grow its freighter fleet to a total of 20 aircraft by 2024 through the conversion of passenger Boeing 767-300 aircraft to freighters. The freighter fleet program has two main focus areas: first, to support the group's belly business, improving its load factor by feeding cargo into passenger routes, and second, to enhance our product offering by providing our customers flexibility in scheduling, origins, destinations and types of cargo.

The United States is the main market for cargo traffic to and from Latin America. Besides being the main market for Latin American exports by air, cargo consolidated in the United States accounts for the majority of the goods transported by air to Latin American countries. Accordingly, we have headquartered our international cargo operations in Miami. This geographical location is a natural gateway between Latin America and the United States. We also utilize passenger flights to and from New York, Los Angeles and Orlando and our seasonal dedicated freighter service to Chicago. Additionally, using different trucking companies LATAM offers a road-feeder network, connecting our hub in Miami and other online destinations with the main gateways in the United States (Los Angeles, New York, Chicago, Houston and Atlanta), in between the cities in which we operate and to secondary origins and destinations.The LATAM group also transports cargo to and from 10 destinations in Europe: Barcelona, Lisbon, London, Milan, Paris, Rome, Frankfurt, Madrid, Amsterdam and Zaragoza. The first six points are served only via passenger aircraft. Frankfurt and Madrid are served by both passenger and freighter aircraft, while Amsterdam and Zaragoza are only served through freighter operations. The group offers a road-feeder service within Europe to expand our footprint and balance traffic between our different origins.

Chile, Colombia, Peru, Ecuador, and Brazil represent a large part of the northbound traffic. This demand is mainly concentrated on a small number of product categories, such as exports of fish, sea products and fruits from Chile, asparagus and fruits from Peru, and fresh flowers from Ecuador and Colombia.

The main destinations for southbound traffic are Brazil, Chile, Colombia and Peru. Southbound demand is mainly concentrated on a small number of product categories including high-tech equipment, mining equipment, electronics, auto parts and pharmaceuticals.

The largest domestic cargo operations are in Brazil, where LATAM Cargo Brazil is the only wide body freighter operator, carrying cargo for a variety of customers, including freight-forwarding companies, logistics operators, e-commerce companies and individual consumers.

During 2022, cargo revenues increased by 12%. Total cargo capacity increased 30.7% with a 20.8% increase in freighter capacity. Cargo traffic increased 16.4%, resulting in a 6.9 percentage point decrease of the cargo load factor. This capacity increase was mainly driven by the recovery of industry capacity returning to pre-pandemic levels. Cargo yield fell 3.8% year-over-year. As a result, revenues per ATK decreased 14.3% in comparison to the previous year. Over 235 passenger freighter flights were operated; resulting in over 901 cargo tons transported on passenger freighters during this year. As part of our solidarity plane program, in 2022 we flew over 117 million doses in our domestic markets free of charge, amounting to a total of more than 300 million since the start of the pandemic.

The cargo business in the region is highly competitive, as international and regional carriers often have spare capacity in their cargo operations. In the region, LATAM group has been able to maintain solid market shares through efficient utilization of the fleet and network. The main competitors can be divided into three categories. Hybrid carriers, operating mixed fleets of belly and freighters such as AirFrance-KLM, Lufthansa, Qatar, Ethiopian, Korean Airlines and Avianca; pure freighters such as Atlas, Cargolux and Centurion; and, full belly such as IAG, American Airlines and United Airlines. Carriers operating freighters have greater flexibility and mixed routings that allows them to serve a wider variety of markets, diversifying their portfolio while pure belly carriers tend to have more stable service and are usually limited to their countries of origin.

Cargo-Related Investigations

See "Item 8. Financial Information-A. Consolidated Financial Statements and Other Financial Information-Legal and Arbitration Proceedings."

Fleet

General

Following the emergence from our Chapter 11 proceedings and from the Initial Petition Date to December 31, 2022, the group rejected a total of 42 aircraft, agreed on stipulations with its lessors for more favorable rent terms, negotiated lease amendments and new lease agreements and reincorporated 16 aircraft with new leases. As of December 31, 2022, LATAM had a total fleet of 310 aircraft, comprised of 294 passenger aircraft and 16 cargo aircraft, (this includes 34 aircraft that are classified as non-current assets available for sale; see Note 13 of our audited consolidated financial statements). The group's fleet may continue to change after the date hereof. For further information, see "Item 4. Information on the Company-B. Business Overview-Chapter 11 Proceedings through 2022" and "Item 4. Information on the Company-B. Business Overview-Recent Developments After January 1, 2023."

	Number of aircraft in operation				
	Total	Aircraft included in Property, plant and equipment	Aircraft included as Rights of use assets	Average term of lease remaining (years)	Average age (years)
Passenger aircraft[1]					
Airbus A320-Family Aircraft					
Airbus A319-100	41(3)	40(3)	1	2.78	14.65
Airbus A320-200	131(4)	91(4)	40	6.50	12.89
Airbus A321-200	49	19	30	6.53	8.61
Airbus A320-neo	16	1	15	10.80	3.30
Boeing Aircraft					
Boeing 767-300ER	16(5)	16(5)	0	0	12.87
Boeing 787-8	10	4	6	6.54	9.12
Boeing 787-9	21	2	19	7.92	6.14
Boeing 777-300ER	10	4	6	4.57	11.68
Total passenger aircraft	**294**	**177**	**117**	**7.19**	**11.22**
Cargo aircraft					
Boeing 767-300 Freighter	16(2)	15(2)	1	8.04	17.52
Total cargo aircraft	**16**	**15**	**1**	**8.04**	**17.52**
Total fleet	**310**	**192**	**118**	**7.20**	**11.55**

(1) All passenger aircraft bellies are available for cargo.

(2) This includes 2 Boeing 767-300 Freighter aircraft that are classified as non-current assets available for sale. For more information, see Note 13 of our audited consolidated financial statements.

(3) This includes 28 Airbus A319-100 aircraft that are classified as non-current assets available for sale. For more information, see Note 13 of our audited consolidated financial statements.

(4) This includes 3 Airbus A320-200 aircraft that are classified as non-current assets available for sale. For more information, see Note 13 of our audited consolidated financial statements.

(5) This includes 1 Boeing B767-300ER aircraft that is classified as non-current assets available for sale. For more information, see Note 13 of our audited consolidated financial statements.

LATAM Airlines Group and its affiliates operate various different aircraft types that are suited for our different services, which include short-haul domestic and intracontinental trips as well as long-haul intercontinental flights. The aircraft have been selected based on their ability to effectively and efficiently serve all of these routes while trying to minimize the number of aircraft families that we operate.

For short-haul domestic and continental flights, LATAM Airlines Group and its affiliates operate Airbus A320-Family aircraft. The Airbus A320-Family has been incorporated into our fleet pursuant to leases and has been acquired directly from Airbus pursuant to various purchase agreements since 1999. For long-haul passengers LATAM Airlines Group and its affiliates operate Boeing 767-300ER, Boeing 787-8 and 787-9, Boeing 777-200ER and 777-300ER.For cargo flights, we operate Boeing 767-300F aircraft.

Utilization

The average utilization rates of LATAM's aircraft for each of the periods indicated are set forth below, in hours per day[(1)].

	2022	2021	2020[(4)]
Passenger aircraft [(2)]			
Boeing 767-300ER	5.9	3.8	3.7
Boeing 787-8/9	9.0	4.2	4.0
Airbus A320-Family	8.9	6.0	4.1
Boeing 777-300ER	9.8	3.3	3.2
Airbus A350-900 [(3)]	0.0	0.1	3.5
Total passenger aircraft	**8.7**	**5.4**	**4.0**
Cargo aircraft			
Boeing 767-300 Freighter	12.5	13.3	12.9
Total cargo aircraft	**12.5**	**13.3**	**12.9**
Total passenger and cargo	**8.9**	**5.7**	**4.3**

(1) Utilization rates are calculated by dividing total block hours by total aircraft, excluding subleased aircraft.

(2) Passenger Utilization excluded Flights in passenger aircraft with only cargo.

(3) LATAM retired its A350s in 2021 and they are no longer currently part of the fleet.

(4) The value for Total passenger and cargo utilization rate for 2020 was corrected to 4.3 in this filing.

Fleet Leasing and Financing Arrangements

LATAM's fleet financing and leasing structures include borrowing from financial institutions and leasing under financial leases, tax leases, sale-leaseback transactions and pure leases. As of December 31, 2022, LATAM had a total fleet of 310 aircraft, of which 1 B767 aircraft, 2 B767 Freighter aircraft, 28 Airbus A319 aircraft, and 3 A320 aircraft are classified as non-current assets available for sale, resulting in 276 aircraft in operation.

As of December 31, 2022, LATAM's fleet comprised 74 financial leases, 3 tax leases, 134 operational leases, 31 aircraft provided as loan collateral, 27 aircraft reserved as collateral for the RCF and 41 unencumbered aircraft. Most of LATAM's financial and tax leases are structured with a 12-year initial term. LATAM has 24 financial aircraft leases supported by the U.S. Export-Import Bank ("EXIM Bank") and 37 supported by the European Export Credit Agencies (the "ECAs"). LATAM's lease maturities initially range from seven to twelve years. Moreover, as of December 31, 2022, LATAM had a total of 153 spare engines, comprising 36 operational leases, 44 engines provided as loan collateral, 18 engines reserved as collateral for the RCF and 55 unencumbered engines.

LATAM's aircraft debt, which consists of financial and tax leases, is denominated in U.S. dollars and typically has quarterly amortization payments. Both the financial leases and tax leases have a bank (or a group of banks) as counterparty; however, the tax leases also include third parties. 47% of our aircraft debt has a fixed interest rate and the remaining portion has a floating rate based on USD LIBOR.

In order to reduce LATAM Airlines Brazil's balance sheet currency exchange exposure to the Brazilian real, as part of the integration plan following the combination with TAM, LATAM Airlines Brazil sought to transfer the majority of its aircraft under financial leases to LATAM Airlines Group SA. As of December 31, 2022, only 1 aircraft is subject to financial lease by LATAM Airlines Brazil. See "Item 5. Operating and Financial Review and Prospects-B. Liquidity and Capital Resources-Sources of financing" and "Item 5. Operating and Financial Review and Prospects-B. Liquidity and Capital Resources-Capital Expenditures" for a description of expected sources of financing and expected expenditures on aircraft.

The leases provide us with flexibility to adjust our fleet to any demand volatility that may affect the airline industry and therefore we consider such arrangements to be of great value to our strategy and financial performance. The aircraft lease obligation as of December 31, 2022 for all remaining periods through maturity (the latest of which expires in December 2033) was US$1,904 million. See "Item 5. Operating and Financial Review and Prospects-E. Contractual Obligations-Long Term Indebtedness."

Under the aforementioned leases, LATAM is responsible for all maintenance, insurance and other costs associated with operating these aircraft. The Company has not made any residual value or similar guarantees to our lessors. There are certain guarantees and indemnities to other unrelated parties that are not reflected on the Company's balance sheet, but we believe that these will not have a significant impact on our results of operations or financial condition.

See Note 31 to our audited consolidated financial statements for a more detailed discussion of these commitments.

Maintenance

LATAM Maintenance

The heavy maintenance, line maintenance and component shops are equipped and certified to service the group's fleet of Airbus and Boeing aircraft. LATAM's maintenance capabilities allow the group flexibility in scheduling airframe maintenance, offering an alternative to third-party maintenance providers. More than 3,900 LATAM Maintenance professionals ensure the fleet operates safely and in compliance with all local and international regulations. LATAM group strives to provide the best experience to its passengers through the highest standards of safety, on-time performance and cabin image and functionality.

The heavy maintenance and component repair shop facilities are located in São Carlos (Brazil) and Santiago (Chile), adding up to a total of eleven heavy maintenance production lines, including painting capabilities, and component repair shops, including landing gear, hydraulics, pneumatics, avionics, electroplating, composites, wheels and brakes, emergency equipment, galleys and structures.

In 2022, LATAM Maintenance's continuous improvement efforts were focused on reducing costs and cash outflows. Therefore, our Digital and LEAN-Six Sigma projects were aimed to raise technician productivity, optimize inventory, diminish repair TATs and develop new internal repair capabilities.

LATAM Line Maintenance

The Line Maintenance Network serves over 160 locations and carried out over 2.2 million man hours of preventive and corrective maintenance tasks on the LATAM fleet during 2022. We also rely on certified third party services in many of our international destinations where it is economically convenient, such as in Frankfurt, (where we are served by Nayak), and London (served by KLM) among others.

LATAM group's Line Maintenance Network has hangar facilities in Santiago, São Paulo (CGH and GRU), Lima, Miami and Bogota, among others. These multiple locations improve the flexibility of the Line Maintenance Network by allowing the execution of tasks that might be restricted because of adverse weather conditions and environmental authority restrictions.

In 2022, the GRU station further expanded its capabilities to perform heavy maintenance in its hangar. These capabilities included the landing gear's replacement for the B777 fleet, in addition to the B777's C Checks and A320´s landing gear's replacement performed in 2021. Given the success of this initiative, an additional line was developed at LIM to carry out special 24MO stops for the A320 fleet, taking advantage of the experience and available infrastructure at this hangar.

In order to strictly comply with applicable regulations, all of our maintenance operations are supervised and audited by the local authorities and international entities around the Network, such as Dirección General de Aeronáutica Civil in Chile ("DGAC"), *Agência Nacional de Aviação Civil* in Brazil ("ANAC"), the Federal Aviation Administration in the United States ("FAA"), the International Air Transport Association Operational Safety Audit ("IOSA") (by the International Air Transport Association or "IATA") and the International Civil Aviation Organization ("ICAO"), among others. The audits are conducted in connection with each country's certification procedures and enable us to perform maintenance for the aircraft types registered in the certificating jurisdictions. Our repair stations hold FAA Part-145 certifications under these approvals.

In addition, to ensure the most qualified personnel as needed for safe, accurate and on-time Line Maintenance, LATAM group seeks to improve technicians' skills through extensive training programs at our LATAM group Technical Training Centers in Chile and Brazil, and through specific training programs designed and conducted by our partnerships.

LATAM MRO

The two main MRO ("Maintenance, Repair and Overhaul") facilities, one in São Carlos (Brazil) and one in Santiago (Chile), are equipped and certified to service our fleet of Airbus and Boeing aircraft and provided 88.8% of all heavy maintenance services that LATAM demanded in 2022, effectively executed 1.60 million man-hours. LATAM MRO is also responsible for the planning and execution of aircraft redeliveries. The services not executed internally are contracted to our extensive network of MRO partners around the globe. LATAM occasionally performs certain heavy maintenance and component services for other airlines or OEMs.

The MRO São Carlos (LATAM Airlines Brazil MRO), is prepared to service up to nine aircraft (narrow and wide body) simultaneously with a dedicated hangar for stripping and painting. In this facility we also have 23 technical component shops, including a full landing gear repair & overhaul shop, hydraulics, pneumatics, electronics, electrical components, electroplating, composites, wheels & brakes, interiors and emergency equipment shops. MRO São Carlos is certified and audited by major international aeronautical authorities such as the FAA, the European Aviation Safety Agency ("EASA"), ANAC Brazil, the Chilean DGAC, the Argentinean Administración Nacional de Aviación Civil ("ANAC Argentina"), the Ecuadorian Dirección General de Aviación Civil ("DGAC"), the Paraguayan Dirección Nacional de Aeronautica Civil ("DINAC"), and Transport Canada ("TC"), among others, for Heavy Maintenance and Components Repair and Overhaul for the Airbus A-320 family and Boeing 767. The MRO also has some minor capabilities for the repair and overhaul of Boeing 777 components. MRO São Carlos includes its own support engineering capabilities and a full technical training center.

In MRO Santiago, located near Comodoro Arturo Merino Benítez International Airport in Santiago, we have two hangars capable of servicing one wide body aircraft and two narrow body aircraft simultaneously. MRO Santiago is certified and audited by FAA, ANAC Brazil, DGAC, ANAC Argentina and DGAC Ecuador, among others, for Heavy Maintenance for the Airbus A320-Family (A318, A319, A320 and A321) and Boeing B767 - B787. MRO Santiago has 11 shops prepared to support hangar activities such as cabin shops, galleys, structures, composite materials, avionic, wheels & brakes.

During 2022, LATAM MRO executed 479 services, including C checks (105) and Special Checks (374) for the LATAM fleet.

LATAM Safety and Security

In terms of Safety and Security, LATAM has faced an unprecedented scenario during the COVID-19 pandemic and industry recovery. Given this situation, and in order to ensure the health of our employees and customers, LATAM has integrated standards and guidelines set out by world authorities, as well as those established by the different countries where we currently operate. At present, LATAM group exercises constant communication with all of our collaborators and clients in regards to health and safety measures resulting from the COVID-19 pandemic. The safety of our passengers and employees remains LATAM's highest priority. It is for this reason that we constantly strive to further develop and improve standards in order to mitigate everyday risks, and to guarantee an acceptable level of safety and security in our operations.

Organizational Structure of LATAM Safety and Security Vice-Presidency

Safety Management

The Safety Management Departments ensure that providing safe and reliable air service remains LATAM's highest priority. Given the operational complexity, as well as the multicultural challenges that we face, LATAM group concentrates its safety management activities under the umbrella of a coordinated structure, which is responsible for the implementation and oversight of unified policies and procedures throughout the group.

The core foundation of this department lies within its robust Safety Management System ("SMS"), which is built upon four main components (Policies and Objectives, Risk Management, Safety Assurance, and Safety Promotion). These components give the SMS a proper structure and provide management with the necessary tools to oversee the safety of our operations. For example, through Flight Data Monitoring ("FDM"), also known as Flight Operations Quality Assurance ("FOQA"), we are able to capture, analyze and even visualize the data recorded during revenue flights and compare it with the company's Standard Operating Procedures ("SOPs"). In parallel, the Line Operations Monitoring Program (LOMP) permits us to monitor Flight Crew performance and detect errors ahead of time. As a result of these proactive activities, we intend to improve overall safety, increase maintenance effectiveness, and reduce operational costs. The company's SMS is documented, available internally to all employees, and it provides the guidelines and responsibilities that each employee must meet, regardless of function or hierarchy, which in turn assures our commitment towards safety as a whole. Furthermore, IOSA certification ensures the proper qualification of our employees, including the provision of a Senior Safety Manager responsible for each system implementation within the Safety Department, as well as defining standardized procedures for measuring the quality of services provided by third party companies and contractors.

In 2020, Safety Management has implemented a new approach: *Safety II* is a new model that seeks to learn from good practices of daily operations, rather than focusing merely on operational mistakes and pitfalls. This type of system requires the integration of LATAM's operational and SMS data, which must be analyzed thoroughly (advanced analytics) in order to predict a safety occurrence. In summary, it is a proactive and predictive method that continuously anticipates potential catastrophic events.

In 2021, several milestones were reached in the Safety II project, including the development of the entire Monitoring, Advanced Qualification Program (Flight Operations Training program), Weather Information, Maintenance reports, Flight Crew Alertness levels and other. This database currently includes more than 660 thousand flights and has the capacity to process and run analysis of approximately 600 thousand flights in just one hour. In September 2021, the project's Minimum Value Product was successfully presented, as well as operational safety analyzes correlating different variables and more than 10 dashboards for data analysis.

In 2022, LATAM has sought to further strengthen the data collection and processing of data from different databases, as well as to strengthen the development of its tools to improve its analysis capacity within the large volume of information.

Security Management

The Security Management Departments are responsible for coordinating the security of LATAM's passengers, employees, aircraft, equipment and facilities. This department secures LATAM's infrastructure and patrimony while protecting people against any threat or unlawful action.

Corporate Security Policies and a Security Management System have been implemented to enhance LATAM's security culture, resource utilization as well as regulatory collaboration and compliance, in order to detect any vulnerabilities within the operation and to prevent unlawful acts. These policies, as well as all the critical aspects of the Management System, are constantly reviewed and analyzed by qualified Corporate Security Managers, who are responsible for risk assessment and the creation of new security protocols or modification of current ones, which are controlled through security personnel, field audits, inspections, technological development (camera circuits, access control, among others) and key performance indicators.

Health Safety Environmental Management (HSE)

Occupational health, safety and environmental management is responsible for defining guidelines to assess and mitigate labor, environmental and employees health risks. It is responsible for setting HSE standards, supporting and implementing procedures defined, and monitoring effective compliance. It also ensures compliance with applicable HSE regulations and promotes the well-being and safety of employees through training and awareness programs, as well as always seeking initiatives focused on mitigating critical risks and new proactive monitoring and control methodologies. Moreover the area supports the implementation of LATAM's sustainability strategy through a technical expert team.

The biggest milestone of last year was the implementation of a new environmental management system (IEnvA Stage 2) which is currently in process of certification by IATA.

Emergency Response Management

LATAM Emergency Response Management is responsible for overall corporate Emergency Response Plan ("ERP") implementation. It has been designed to comply with airline responsibilities (as defined by ICAO) and for overall management, command and control of the crisis response. LATAM ERP sets procedures to deal with different scenarios, such as aircraft accidents, serious incidents, natural disasters, union strikes and pandemics. ERP establishes specific teams, procedures, and resources to mitigate the impact of these emergencies on our passengers, their families and for caring about others affected, besides ensuring the continuity of our operations. The ERP is an essential tool to meet the needs for those who need most, and we have different levels of teams prepared to be activated (but is not limited to): Emergency Process and Procedures, Emergency Control Centers, a Relatives & Passengers Assistance Team, a Notification Team, Aircraft Recovery, and a dedicated "Go Team" that can be activated and address an emergency situation.

Fuel Supplies

Fuel costs comprise one of the single largest categories of our operating expenses. In 2022, total fuel costs represented 40.3% of our total operating expenses. As of December 31, 2022, crude oil prices increased significantly compared both to December 31, 2021, and December 31, 2019. Our average into-wing price for 2022 (fuel price plus taxes and transportation costs, including hedging and gains/losses) was US$3.81 per gallon, representing an increase of 73% from the 2021 into-wing average fuel price. We can neither control nor accurately predict the volatility of fuel prices. Despite the foregoing, we believe it is possible to partially offset the price volatility risk through our hedging and fuel surcharge programs, which is in place in both our passenger and cargo business. For more information, see "Item 11. Quantitative and Qualitative Disclosures About Market Risk-Risk of Fluctuations in Fuel Prices."

The following table details our consolidated fuel consumption and operating expenses, after related hedging gains and losses (which exclude fuel costs related to charter operations because fuel expenses are covered by the entity that charters the flight) for the last three years.

	Year ended December 31, 2022 [1]		
	2022	**2021**	**2020**
Fuel consumption (thousands of gallons)	1,017,158.6	677,110.0	586,191.5
ASK (millions)	113,851.9	67,635.7	55,688.0
Fuel gallons consumed per 1,000 ASK	8.9	10.0	10.5
Total fuel costs (US$ thousands)	3,882,505	1,487,776	1,045,343
Cost per gallon (US$)	3.8	2.2	1.8
Total fuel costs as a percentage of total operating expenses	40.3%	23.9%	17.4%

In our fuel supply agreements, we manage different price structures and price update calculations. The main price structure is Jet Fuel plus fixed fees and taxes, and the main fuel price updates are on a weekly, bi-weekly and monthly basis. Brazil, our largest market, bases its price on a refinery posting updated every month, which is set in Brazilian real per liter, plus fees and taxes. Refinery prices in Brazil have stabilized and matched a more transparent import parity model, creating a more competitive and predictable market for the region.

The fuel supply agreements vary by airport and are distributed among 23 suppliers. Our fuel consumption volume is mainly concentrated in Brazil (43%), Chile (16%), the United States (10%), Peru (11%) and Colombia (7%). In 2021, as part of the Chapter 11 proceedings and due to the expiration of some Fuel Supply contracts, we negotiated fuel supply in Chile, Perú, USA, Brazil, Argentina and certain major European airports. This negotiation strengthened our relations with global fuel suppliers with long term agreements and generally favorable commercial conditions that are expected to contribute to LATAM´s business plan. In 2022, the fuel supply contracts that were part of long term agreements negotiated in Chapter 11 continued to be in effect, some of them without inflation escalation, putting LATAM in a favorable competitive position. Finally, at the end of 2022, fuel supply in Chile, Peru, Argentina and major European airports was negotiated for 2023's operation.

In Chile and Peru, a fuel import model is used in addition to the traditional local refinery supply, creating a more competitive market and ensuring our supply with different sources. During 2018 we implemented the fuel import model in Brazil, by creating a jet fuel import project that will allow imported jet fuel to reach the Terminal of San Sebastian in São Paulo and move from there to Guarulhos, São Paulo's International Airport. LATAM was awarded pipeline capacity to move product from the Terminal into Guarulhos and became the first airline to do so. In 2019, refinery prices in Brazil stabilized as a result of the fuel import project from LATAM. During 2019 LATAM also worked along with the Latin American and Caribbean Air Transport Association ("ALTA") to ensure a more competitive refinery price in Uruguay and reached an agreement that lowered its price by approximately 50 cents per gallon and which achieved competitive parity with the rest of the region. During 2020, LATAM worked along with IATA and ALTA in initiatives and financial incentives to help the industry during the crisis, and managed to accomplish a significant price reduction for international prices in Bolivia and a VAT reduction for domestic flights in Colombia. During 2022, the political environment in Europe resulted in a decrease of jet fuel refining and lack of product, and although the region did not suffer any disruption, it saw an increase in international freight prices and therefore resulted in higher import parity costs for the countries that have that pricing model (Chile, Peru, Brazil, for example).

As part of a comprehensive energy efficiency initiative, LATAM group worked with a team of stakeholders to generate a streamlined fuel efficiency program (the "LATAM Fuel Efficiency Program"), which encompasses a wide range of different innovations and technologies for fuel efficiency:

- Investments in more modern and efficient aircraft, such as the Boeing 787 and the Airbus A320neo. Investment has been carried out to perform retrofits to a portion of our Airbus A320 fleet, allowing more efficient standard operational procedures. In 2022, LATAM committed the acquisition of 17 A321Neo to the company's operations, which will be added to the 70 A320Neo previously acquired, reducing fuel consumption, CO2 and NO emissions for each flight.

- Weight reduction measures, such as minimizing unnecessary onboard water, using ultra-light service carts, optimizing fuel according to destination, improving the distribution of weight to have an optimal center of gravity and the improvement of freight factor (the combination of passenger and cargo services). During late 2019 and early 2020, the in-flight magazine was removed from all aircraft, reducing nearly 50 kg from each flight. In addition, work with local authorities in Brazil have allowed for changes in fuel policy regulations, reducing unnecessary route reserve fuel and standardizing said fuel policy with the rest of the region.

- As of 2019, LATAM deployed LATAM Pilot Tools, an in-house developed mobile app. This app allows personalized feedback to flight crews, focusing on captain fuel requests and usage, and ground fuel consumption, among other efficiency and safety indicators. As of December 2019, fuel efficiency initiatives were added to the pilot app, giving more visibility to their KPIs and adding significant savings.

- Standardized operational procedures on every stage of the flight (taxiing, climb, cruise, approach and landing); for example, changes in climb profiles that generate savings with minimum changes in the workload of the flight crew, or minimizing the use of the auxiliary power unit when aircraft is on the ground.

- Monitoring maintenance and performance of the fleet, including frequent engine washes, which allow more efficient combustion of fuel and reduce emissions in airport areas.

- Various aircraft retrofits have taken place, among them, engine wiring that allows the reduction of fuel consumption during taxi operations, Auxiliary Power Units replacements for more efficient models, and software updates on them that improve fuel consumption.

- Improvements of the flight plan management, including continuous feedback using a post flight analysis tool called Full Tracks developed by the Fuel Team with the support and collaboration of Operations and Safety. This tool allows us to better program and optimize our flight plans. During 2019, we implemented policy changes, optimizing fuel planning according to destination, standardizing policies for all dispatch centers, allowing for centralized performance tracking and unified criteria.

- During 2020, in the context of the COVID-19 pandemic, operational parameters flight speed/fuel cost relations (Cost Index) were revised to take into account the new variable cost structure, thus generating optimal Cost Indices for each aircraft to assure the most efficient operation. Regarding flight planning, route optimization was introduced, given the overflight cost reduction presented by some governments, hence allowing for shorter trajectories to be flown between long haul city pairs.

- Since 2020, the work together with the Advanced Analytics department has begun in order to generate Machine Learning models, allowing more accurate weight and extra fuel forecasts, as well as the flight route optimization. The department will continue working in this line in order to generate more tools for flight dispatch planning and even for pilots that give them critical recommendations both in flight plan and during flight that directly influence fuel consumption.

- During 2022 LATAM implemented the new software from Airbus DPO (Descent Profile Optimization), optimizing the landing trajectory in 200 A320 airplanes. For each year, each airplane is expected to reduce 300 tons of CO2 emissions and 100 tons of fuel consumption.

- As a consequence of the COVID-19 pandemic, some operational restrictions related to the efficient Auxiliary Power Unit (also known as "APU") and air packs usage during on ground, taxiing and in flight operations were established by governments. Between 2020 and the first months of 2022, the fuel consumption of these units increased considerably, still LATAM started conversations with the governments to remove the restrictions, getting back to the pre-pandemic conditions.

As a direct result of this program, LATAM Airlines Group was recognized between 2014 and 2019 by the Dow Jones Sustainability Index as one of the world's leading companies in eco-efficiency (due to LATAM Airlines Group and several of its affiliates filing for Chapter 11 and the LATAM ADRs delisting from the New York Stock Exchange, the group was not eligible to be considered for the Dow Jones Sustainability Index between 2020 and 2022). The magnitude of this program has allowed us to reduce operational costs along with the improvement of environmental performance, and to enhance environmental awareness both within the Company and externally.

Ground Facilities and Services

The main operations are based at the Guarulhos Airport in São Paulo, Brazil. The Brazilian affiliate also operates significant ground facilities and services at its headquarters located at Congonhas International Airport in São Paulo, Brazil.

LATAM also has significant operations at the Comodoro Arturo Merino Benítez International Airport in Santiago, Chile, where we operate hangars, aircraft parking and other airport service facilities pursuant to concessions granted by the DGAC and other outsourced concessions. We also maintain a customs warehouse at the Comodoro Arturo Merino Benítez International Airport, additional customs warehouses in Chile and operate cargo warehouses at the Miami International Airport to service our cargo customers. Our facilities at Miami International Airport include corporate offices for our cargo and passenger operations and temperature-controlled and freezer space for imports and exports. We also operate from various other airports in Chile and abroad.

We incur certain airport usage fees and other charges for services performed by the various airports where we operate, such as air traffic control charges, take-off and landing fees, aircraft parking fees and fees payable in connection with the use of passenger waiting rooms and check-in counter space.

Ancillary Airline Activities

In recent years, LATAM group has been developing different initiatives to increase its ancillary revenues generated by its airline operations. The implementation of these initiatives aims to offer a better on-board experience, while allowing passengers to customize their journey. LATAM's customers are able to purchase additional services such as extra luggage, preferred seating options, upgrades to our Premium cabins, among others.

In addition to airline operations, LATAM generates revenues from a variety of other activities, including aircraft leases (including subleases, dry-leases, wet-leases and capacity sales to certain alliance partners) and charter flights, tours, maintenance services for third parties, handling, storage, customs services, income from other non-airline products (LATAM Pass) and other miscellaneous income. In 2022, LATAM generated other revenues of US$154.3 million from these activities.

Insurance

LATAM maintains aviation insurance policies as required by law, aircraft financing, and leasing agreements, for its entire fleet (aircraft that LATAM and its affiliates own, operate, and are responsible for).

These policies provide all-risk coverage for aircraft hulls (including war risks and spares), third-party legal liability for passengers, cargo, baggage, injuries, property damage, and loss of cargo. LATAM's policies are in full force and are renewed annually along with IAG Group (British Airways, Iberia, and their affiliates), which allows LATAM to obtain better premiums and improved coverage at the best level of the aviation industry.

LATAM also insures its physical properties and equipment from theft, fire, flood, earthquake, hurricane, and other damages. In general, LATAM's vehicles are insured against the risk of robbery, damages, fire, and civil and general liabilities. Additionally, LATAM maintains a casualty insurance policy that provides coverage worldwide.

Information and Digital Technologies

During 2020 and 2021, LATAM launched a new website and mobile app in selected regions to help customers complete their purchases in less time than it took before, and manage payments, refunds and compensations through a digital wallet, all while seeking to strengthen its ancillary offering.

The group is also working on a new airport experience, with automatic check-in, new layouts, and a new kiosk experience. During 2022, we kept expanding airport digitization with several projects that positively impacted our customers' experience, such as automatic check-in (used by more than 86% of customers at the end of 2022), self-bag tag (74% of customers in December) and advancing with self-bag drop implementation (37% of customers in December). Besides that, the flexibility and opening of borders allowed the re-opening and expansion of several international routes, after more than 12 months of impact. Following this trend, our customers can now send their documents digitally prior to boarding to be validated through the Ready to Fly (Pre-Flight check documentation). During 2023 we expect to have an advanced implementation of digital products on customer experience for all the journey, and will face some innovations such as self-boarding (biometric). For more information on other measures, see "Item 4. Information of the Company-B. Business Overview-Passenger Operations-Passenger Marketing and Sales."

LATAM has also incorporated a dedicated analytics and AI taskforce, focused on network optimization and flight offer personalization, fuel consumption and predictive maintenance.

Regarding compliance, LATAM has periodic reviews by internal and external advisors, alignment with best international practices and approved industry standards such as SOx (Sarbanes-Oxley Law), PCI-DSS (Payment Card Industry Data Security Standard), ISO/IEC 27001 Information Security Management, GDPR (General Data Protection Regulation - Europe) and LGPD (General Data Protection Law - Brazil), Data Protection - Colombia (Law No. 1581, 2012, and Decree No. 1377, 2013), and any other local data privacy laws of each country where LATAM group operates.

LATAM has been preparing itself for cybersecurity challenges, committing resources to tools and capabilities. We have also made progress on improving our systems reliability, by adopting industry practices. Finally, we have reduced our technology vendor footprint, and re-negotiated key contracts to ensure flexibility and cost efficiency.

Regulation

Below is a brief reference to the material effects of aeronautical and other regulations in force in the relevant jurisdictions in which we operate. We are subject to the jurisdiction of various regulatory and enforcement agencies in each of the countries where we operate. We believe we have obtained and maintained the necessary authority, including authorizations and operative certificates where required, which are subject to ongoing compliance with statutes, rules and regulations pertaining to the airline industry, including any rules and regulations that may be adopted in the future.

The countries where we carry out most of our operations are contracting states and permanent members of the ICAO, an agency of the United Nations established in 1947 to assist in the planning and development of international air transportation. The ICAO establishes technical standards for the international aviation industry. In the absence of an applicable local regulation concerning safety or maintenance, the countries where we operate have incorporated by reference the majority of the ICAO's technical standards. We believe that we are in material compliance with all such relevant technical standards.

Environmental and Noise Regulation

There are no material environmental regulations or controls in the jurisdictions in which we operate imposed upon airlines, applicable to aircraft, or that otherwise affect us, except for environmental laws and regulations of general applicability.

In Argentina, Brazil, Colombia, Ecuador, Peru and the United States, aircraft must comply with certain noise restrictions. LATAM's aircraft substantially comply with all such restrictions. Chilean authorities are planning to pass a noise-related regulation governing aircraft that fly to and within Chile, observing a standard known as "Stage 3 requirements." Our fleet already complies with such standards, so we do not believe that enactment of the proposed standards would impose a material burden on us.

In 2016, the ICAO adopted a resolution creating the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA), providing a framework for a global market-based measure to stabilize CO2 emissions in international civil aviation (i.e., civil aviation flights that depart in one country and arrive in a different country). With the adoption of this framework, the aviation industry became the first industry to achieve an agreement with respect to its CO2 emissions. The scheme, which defines a unified standard to regulate CO2 emissions in international flights, is being implemented in various phases by ICAO member states starting in 2021 (with the voluntary member states).

Safety and Security

Our operations are subject to the jurisdiction of various agencies in each of the countries where we operate, which set standards and requirements for the operation of aircraft and its maintenance.

In the United States, the Aviation and Transportation Security Act requires, among other things, the implementation of certain security measures by airlines and airports, such as the requirement that all passenger bags be screened for explosives. Funding for airline and airport security required under the Aviation Security Act is provided in part by a US$5.60 per segment passenger security fee, subject to a US$11.20 per round-trip cap; however, airlines are responsible for costs in excess of this fee. Implementation of the requirements of the Aviation Security Act has resulted in increased costs for airlines and their passengers. Since the events of September 11, 2001, the United States Congress has mandated, and the TSA has implemented, numerous security procedures and requirements that have imposed and will continue to impose burdens on airlines, passengers and shippers.

Below are some specific aeronautical regulations related to route rights and pricing policy in the countries where we operate.

Chile

Aeronautical Regulation

Both the DGAC and the Junta de Aeronáutica Civil ("JAC") oversee and regulate the Chilean aviation industry. The DGAC reports directly to the Chilean Air Force and is responsible for supervising compliance with Chilean laws and regulations relating to air navigation. The JAC is the Chilean civil aviation authority. Primarily on the basis of Decree Law No. 2,564, which regulates commercial aviation, the JAC establishes the main commercial policies for the aviation industry in Chile and regulates the assignment of international routes and the compliance with certain insurance requirements, while the DGAC regulates flight operations, including personnel, aircraft and security standards, air traffic control and airport management. We have obtained and maintain the necessary authority from the Chilean government to conduct flight operations, including authorization certificates from the JAC and technical operative certificates from the DGAC, the continuation of which is subject to the ongoing compliance with applicable statutes, rules and regulations pertaining to the airline industry, including any rules and regulations that may be adopted in the future.

Chile is a contracting state, as well as a permanent member, of the ICAO. Chilean authorities have incorporated ICAO's technical standards for the international aviation industry into Chilean laws and regulations. In the absence of an applicable Chilean regulation concerning safety or maintenance, the DGAC has incorporated by reference the majority of the ICAO's technical standards. We believe that we are in material compliance with all such relevant technical standards.

Route Rights

Domestic Routes: Chilean airlines are not required to obtain permits in order to carry passengers or cargo on any domestic routes, but only to comply with the technical and insurance requirements established respectively by the DGAC and the JAC. There are no regulatory barriers that would prevent a foreign airline from creating a Chilean subsidiary and entering the Chilean domestic market using that subsidiary. On January 18, 2012 the Secretary of Transportation and the Secretary of Economics of Chile announced a unilateral opening of the Chilean domestic skies. This was confirmed in November 2013, and has been in force since that date.

International Routes: As an airline providing services on international routes, LATAM is also subject to a variety of bilateral civil air transportation agreements that provide for the exchange of air traffic rights between Chile and various other countries. There can be no assurance that existing bilateral agreements between Chile and foreign governments will continue, and a modification, suspension or revocation of one or more bilateral treaties could have a material adverse effect on our operations and financial results.

International route rights, as well as the corresponding landing rights, are derived from a variety of air transportation agreements negotiated between Chile and foreign governments. Under such agreements, the government of one country grants the government of another country the right to designate one or more of its domestic airlines to operate scheduled services to certain destinations of the former and, in certain cases, to further connect to third-country destinations. In Chile, when additional route frequencies to and from foreign cities become available, any eligible airline may apply to obtain them. If there is more than one applicant for a route frequency, the JAC awards it through a public auction for a period of five years. The JAC grants route frequencies subject to the condition that the recipient airline operates them on a permanent basis. If an airline fails to operate a route for a period of six months or more, the JAC may terminate its rights to that route. International route frequencies are freely transferable. In the past, we have generally paid only nominal amounts for international route frequencies obtained in uncontested auctions.

Airfare Pricing Policy

Chilean airlines are permitted to establish their own domestic and international fares without government regulation. For more information, see "-Antitrust Regulation" below. In 1997, the Antitrust Commission approved and imposed a specific self-regulatory fare plan for our domestic operations in Chile consistent with the Antitrust Commission's directive to maintain a competitive environment. According to this plan, we must file notice with the JAC of any increase or decrease in standard fares on routes deemed "non-competitive" by the JAC and any decrease in fares on "competitive" routes at least 20 days in advance. We must file notice with the JAC of any increase in fares on "competitive" routes at least 10 days in advance. In addition, the Chilean authorities now require that we justify any modification that we make to our fares on non-competitive routes. We must also ensure that our average yields on a non-competitive route are not higher than those on competitive routes of similar distance.

Peru

Aeronautical Regulation

The Peruvian *Dirección General de Aeronáutica Civil* (the "PDGAC") oversees and regulates the Peruvian aviation industry. The PDGAC reports directly to the Ministry of Transportation and Communications and is responsible for supervising compliance with Peruvian laws and regulations relating to air navigation. In addition, the PDGAC regulates the assignment of national and international routes, and the compliance with certain insurance requirements, and it regulates flight operations, including personnel, aircraft and security standards, air traffic control and airport management. We have obtained and maintain the necessary authorizations from the Peruvian government to conduct flight operations, including authorization and technical operative certificates, the continuation of which is subject to the ongoing compliance with applicable statutes, rules and regulations pertaining to the airline industry, including any rules and regulations that may be adopted in the future.

Peru is a contracting state and a permanent member of the ICAO. The ICAO establishes technical standards for the international aviation industry, which Peruvian authorities have incorporated into Peruvian laws and regulations. In the absence of an applicable Peruvian regulation concerning safety or maintenance, the PDGAC has incorporated by reference the majority of the ICAO's technical standards. We believe that we are in material compliance with all relevant technical standards.

Route Rights

Domestic Routes: Peruvian airlines are required to obtain permits in connection with carrying passengers or cargo on any domestic routes and to comply with the technical requirements established by the PDGAC. Non-Peruvian airlines are not permitted to provide domestic air service between destinations in Peru.

International Routes: As an airline providing services on international routes, LATAM Airlines Peru is also subject to a variety of bilateral civil air transport agreements that provide for the exchange of air traffic rights between Peru and various other countries. There can be no assurance that existing bilateral agreements between Peru and foreign governments will continue, and a modification, suspension or revocation of one or more bilateral treaties could have a material adverse effect on our operations and financial results.

International route rights, as well as the corresponding landing rights, are derived from a variety of air transport agreements negotiated between Peru and foreign governments. Under such agreements, the government of one country grants the government of another country the right to designate one or more of its domestic airlines to operate scheduled services to certain destinations of the former and, in certain cases, to further connect to third-country destinations. In Peru, when additional route frequencies to and from foreign cities become available, any eligible airline may apply to obtain them. If there is more than one applicant for a route frequency, the PDGAC awards it through a public auction for a period of four years. The PDGAC grants route frequencies subject to the condition that the recipient airline operates them on a permanent basis. If an airline fails to operate a route for a period of 90 days or more, the PDGAC may terminate its rights to that route. In recent years the PDGAC has revoked the unused route frequencies of several Peruvian operators.

Ecuador

Aeronautical Regulation

There are two institutions that control commercial aviation on behalf of the State: (i) The *Consejo Nacional de Aviación Civil* (the "CNAC"), which directs aviation policy; and (ii) (the "DGAC"), which is a technical regulatory and control agency. The CNAC issues operating permits and grants operating concessions to national and international airlines. It also issues opinions on bilateral and multilateral air transportation treaties, allocates routes and traffic rights, and approves joint operating agreements such as wet leases and shared codes.

Fundamentally, the DGAC is responsible for:

- ensuring that the national standards and technical regulations and international ICAO standards and regulations are observed;
- keeping records on insurance, airworthiness and licenses of Ecuadorian civil aircraft;
- maintaining the National Aircraft Registry;
- issuing licenses to crews;
- controlling air traffic control inside domestic air space;
- approving shared codes; and
- modifying operations permits.

The DGAC also must comply with the standards and recommended methods of ICAO since Ecuador is a signatory of the 1944 Chicago Convention.

Route Rights

Domestic Routes: Airlines must obtain authorization from CNAC (an operating permit or concession) to provide air transportation. For domestic operations, only companies incorporated in Ecuador can operate locally, and only Ecuadorian-licensed aircraft and dry leases are authorized to operate domestically.

International Routes: Permits for international operations are based on air transportation treaties signed by Ecuador or, otherwise, the principle of reciprocity is applied. All airlines doing business in Latin America that are incorporated in countries that are members of the *Comunidad Andina de Naciones* (the Andean Community, or "CAN") obtain their traffic rights on the basis of decisions currently in force under that regime, in particular decision N°582 of 2004, which guarantee free access to markets, with no type of restriction except technical considerations.

Airfare Pricing Policy

On October 13, 2011, The Statutory Law of Regulation and Control of the Market Power was passed with a purpose to avoid, prevent, correct, eliminate and sanction the abuse of economic operators with market power, as well as to sanction restrictive, disloyal and agreements involving collusive practices. This Law creates a new public entity as the maximum authority of application and establishes the procedures of investigation and the applicable sanctions, which are severe. Rates are not regulated and are subject only to registration. In general, bilateral treaties regarding air transportation provide for airfares to be regulated by the regulation of the country of origin.

Brazil

Aeronautical Regulation

The Brazilian aviation industry is regulated and overseen by the ANAC. The ANAC reports directly to the Civil Aviation Secretary, which is subordinated by the Federal Executive Power of this country. Primarily on the basis of Law No. 11.182/2005, the ANAC was created to regulate commercial aviation, air navigation, the assignment of domestic and international routes, compliance with certain insurance requirements, flight operations, including personnel, aircraft and security standards, air traffic control, in this case sharing its activities and responsibilities with the *Departamento de Controle do Espaço Aéreo* (Department of Airspace Control or "DECEA"), which is a public secretary also subordinated to the Brazilian Defense Ministry, and airport management, in this last case sharing responsibilities with the *Empresa Brasileira de Infra-Estrutura Aeroportuária* (the Brazilian Airport Infrastructure Company, or "INFRAERO"), a public company that was created by Law No. 5862/72, and is responsible for administrating, operating and exploring Brazilian airports industrially and commercially (with the exception of airports granted to private initiative).

LATAM group has obtained and maintains the necessary authority from the Brazilian government to conduct flight operations, including authorization and technical operative certificates from ANAC, the continuation of which is subject to ongoing compliance with applicable statutes, rules and regulations pertaining to the airline industry, including any rules and regulations that may be adopted in the future.

ANAC is the Brazilian civil aviation authority and it is responsible for supervising compliance with Brazilian laws and regulations relating to air navigation. Brazil is a contracting state and a permanent member of the ICAO. The ICAO establishes technical standards for the international aviation industry, which Brazilian authorities, represented by the Brazilian Defense Ministry, have incorporated into Brazilian laws and regulations. In the absence of an applicable Brazilian regulation concerning safety or maintenance, ANAC has incorporated by reference the majority of the ICAO's technical standards.

Route Rights

Domestic Routes: Brazilian airlines operate under a public services concession, and for that reason Brazilian airlines are required to obtain a concession to provide passenger and cargo air transportation services from the Brazilian authorities. In addition, an Air Operator Certificate ("AOC") is also required for Brazilian Airlines to provide regular domestic passenger or cargo transportation services. Brazilian Airlines also need to comply with all technical requirements established by the Brazilian Aviation Authority (ANAC). Based on the Brazilian Aeronautical Code ("CBA") established by Brazilian Federal Law No. 7,565/86, there are no limitations to ownership of Brazilian airlines by foreign investors. The CBA also states that non-Brazilian airlines are not authorized to provide domestic air transportation services in Brazil

International Routes: Brazilian and non-Brazilian airlines providing services on international routes are also subject to a variety of bilateral civil air transport agreements that provide for the exchange of air traffic rights between Brazil and various other countries. International route rights, as well as the corresponding landing rights, are derived from a variety of air transport agreements negotiated between Brazil and foreign governments. Under such agreements, the government of one country grants the government of another country the right to designate one or more of its domestic airlines to operate scheduled services to certain destinations of the former and, in certain cases, to further connect to third-country destinations. In Brazil, when additional route frequencies to and from foreign cities become available, any eligible airline may apply to obtain them. If there is more than one applicant for a route frequency ANAC must carry out a public bid and award it to the elected airline. ANAC grants route frequencies subject to the condition that the recipient airline operates them on a permanent basis. ANAC's resolution 491/18 indicates the requirements to establish the underuse of a frequency, and how it could be revoked and reassigned. This provision of the resolution came into force in September 2019.

Airfare Pricing Policy

Brazilian and non-Brazilian airlines are permitted to establish their own international and domestic fares, in this last case only for Brazilian airlines, without government regulation, as long as they do not abuse any dominant market position they may enjoy. Airlines may file complaints before the Antitrust Court with respect to monopolistic or other pricing practices by other airlines that violate Brazil's antitrust laws.

Colombia

Aeronautical Regulation

The governmental entity in charge of regulating, directing and supervising civil aviation in Colombia is the Aeronáutica Civil (the "AC"), a technical agency ascribed to the Ministry of Transportation. The AC is the aeronautical authority for the entire domestic territory, in charge of regulating and supervising the Colombian air space. The AC may interpret, apply and complement all civil aviation and air transportation regulation to ensure compliance with the Colombian Aeronautical Regulations ("RAC"). The AC also grants the necessary permits for air transportation.

Route Rights

The AC grants operation permits to domestic and foreign carriers that intend to operate in, from and to Colombia. In the case of Colombian airlines, in order to obtain the operational permit, the company must comply with the RAC and fulfill legal, economic and technical requirements, in order to later be subject to public hearings where the public convenience and necessity of the service is considered. The same process must be followed to add national or international routes; whose concession is subject to the bilateral instruments entered into by Colombia. The only exception for not complying with the public hearing procedure is that the application comes from a country member of the CAN, or that the route or permit being applied for is part of a deregulated regime. Even if it does not go through the public hearing process, the airline must submit a complete study to the AC and the request is made public on the website of the authority. Routes cannot be transferred under any circumstance and there is no limit to foreign investment in domestic airlines.

Airfare Pricing Policy

Since July 2007, as stated in resolution 3299 of the Aeronautical Civil entity, bottom level airfares for both international and domestic transportation were eliminated. Under resolution 904 issued in February 2012, the Aeronautical Civil authority ceased to impose the obligation of charging a fuel surcharge for both domestic and international transportation of passengers and cargo. As of April 1, 2012, air carriers may now freely decide whether to charge a fuel surcharge. In the case that a fuel surcharge is charged, it must be part of the fare, but shall be informed separately on the tickets, advertising or other methods of marketing used by the company.

In the same line, as of April 1, 2012, there is no longer any restriction on maximum fares published by the airlines or with respect to the obligations for air carriers to report to the Aeronautical civil authority the fares and conditions the day after being published.

Administrative fares are not subject to any changes, and its charge is mandatory for the transport of passengers under Aeronautical Civil Regulations. Differential administrative fares apply to ticket sales made through Internet channels.

Antitrust Regulation

Chile

The Chilean antitrust authority, which we refer to as the National Economic Prosecutor Office ("FNE" by its Spanish name), oversees and investigates antitrust matters, which are governed by Decree Law No. 211 of 1973, as amended, or the "Antitrust Law." The Antitrust Law states as anticompetitive, any conduct that prevents, restricts or hinders competition, or sets out to produce said effects.

The Antitrust Law continues by giving examples of the following anticompetitive conducts: (i) cartels; (ii) abuse of dominance; and (iii) interlocking. The Antitrust Law defines abusive practices as "*The abusive exploitation on the part of an economic agent, or a group thereof, of a dominant position in the market, fixing sale or purchase prices, imposing on a sale the acquisition of another product, allocating territories or market quotas or imposing similar abuses on others; as well as predatory practices, or unfair competition, carried out with the purpose of reaching, maintaining or increasing a dominant position*."

An aggrieved person may sue for damages arising from a breach of Antitrust Law by suing in the Chilean Competition Court (the "TDLC" by its Spanish name). The TDLC has the authority to impose a variety of sanctions for violations of the Antitrust Law, including: (i) the amendment or termination of acts and contracts; (ii) the amendment or dissolution of legal entities involved in the punished conducts; and/or (iii) the imposition of a fine up to 30% of the sales of the infringing entity corresponding to the line of products and/or services associated to the infraction, during the entire term for which the infringement lasted; alternatively, a fine equal to the double of the economic benefit obtained by the infringing company; and when none of these alternatives can be applied, a fine up to USD 50,000,000 approximately (60,000 UTA).

As described above under "-Route Rights-Airfare Pricing Policy," in the Resolution N°445 of August 1995, the TDLC approved a merger control transaction between LAN Chile and LADECO, but imposed a specific self-regulatory fare plan for domestic air passenger market consistent with the TDLC's directive to maintain a competitive environment within the domestic market. This Airfare Pricing Policy Plan was updated by the TDLC particularly to maintain its objective which consists of a tariff regulation, through which maximum rates are established on non-competitive routes under a monthly compliance scheme.

Since October 1997, LATAM and LATAM Chile follow a self-regulatory plan, which was modified and approved by the TDLC in July 2005, and further in September 2011. In February 2010, the FNE closed the investigation initiated in 2007 regarding our compliance with this self-regulatory plan and no further observations were made.

In June 2012, the antitrust authorities in Chile and Brazil each imposed certain mitigation measures as part of their approval of LAN - TAM transaction. Furthermore, the association was also submitted to the antitrust authorities in Germany, Italy, Spain and Argentina. All these jurisdictions granted unconditional clearances for this transaction. For more information regarding these mitigation measures please see below:

On September 21, 2011, the TDLC issued a decision (the "Decision") with respect to the consultation procedure initiated on January 28, 2011, in connection with the combination between LAN and TAM. The TDLC, in the Decision, approved the proposed combination between LAN and TAM, subject to 14 conditions, as generally described below:

1. exchange of certain slots in the Guarulhos Airport at São Paulo, Brazil;

2. extension of the frequent flyer program to airlines operating or willing to operate the Santiago-São Paulo, Santiago-Río de Janeiro, Santiago-Montevideo and Santiago-Asunción routes during the five-year period from the effective time of the combination;

3. execution of interline agreements with airlines operating the Santiago-São Paulo, Santiago-Río de Janeiro and Santiago-Asunción routes;

4. certain capacity and other transitory restrictions applicable to the Santiago-São Paulo route;

5. certain amendments to LAN's self-regulatory fare plan approved by the TDLC with respect to LAN's domestic passenger business;

6. the obligation of LATAM to renounce to one global airline alliance within 24 months from the date in which the combination becomes effective, except in the case that the TDLC approves otherwise, or to elect not to participate in any global airline alliance;

7. certain restrictions on code-sharing agreements outside the global airline alliance to which LATAM belongs for routes with origin or destination in Chile or that connect to North America and Europe, or with Avianca/TACA or Gol for international routes in South America, including the obligation to consult with, and obtain approval from, the TDLC prior to its execution of certain of those codeshare agreements;

8. the abandonment of four air traffic frequencies with fifth freedom rights between Chile and Peru and limitations on acquiring in excess of 75%, as applicable, of the air traffic frequencies in that route and the period that certain air traffic frequencies may be granted by the Chilean air transport authorities to LATAM;

9. issuance of a statement by LATAM supporting the unilateral opening of the Chilean domestic skies (*cabotage*) and abstention from any actions that would prevent such opening;

10. promotion by LATAM of the growth and normal operation of the Guarulhos (Brazil) and Arturo Merino Benítez (Chile) airports, to facilitate access thereto to other airlines;

11. certain restrictions regarding incentives to travel agencies;

12. to maintain temporarily 12 round trip flights per week between Chile and the United States and at least seven round trip non-stop flights per week between Chile and Europe;

13. certain transitory restrictions on increasing fares in the Santiago-São Paulo and Santiago-Río de Janeiro routes for the passenger business and for the Chile-Brazil routes for the cargo business; and

14. engaging an independent consultant, expert in airline operations, which for 36 months, and in coordination with the FNE, will monitor and audit compliance with the conditions imposed by the Decision.

Around June 2015, the FNE initiated a legal claim against LATAM before the TDLC alleging that LATAM was not complying with certain mitigation conditions related to the code share agreements with airlines outside LATAM's global alliance as referenced above. Although LATAM opposed this allegation and responded to the claim accordingly, a settlement agreement was reached between the FNE and LATAM (the "Settlement Agreement"). The Settlement Agreement approved by the TDLC on December 22, 2015 terminated the legal proceeding initiated by the FNE and did not establish any violation of the TDLC resolutions or any applicable antitrust regulations by LATAM. The Settlement Agreement did establish the obligation of LATAM to amend/terminate certain code share agreements and contract an independent third party consultant, which would act as an advisor to the FNE to monitor the compliance by LATAM of the Seventh Condition and the Settlement Agreement.

On October 31, 2018, the TDLC approved the joint business agreements between LATAM and American Airlines, and between LATAM and IAG, subject to nine mitigation measures. On May 23, 2019 the Supreme Court of Chile revoked the TDLC decision, and both agreements were rejected. On September 26, 2019, LATAM announced that the JBA with American Airlines would be terminated and, on December 6, 2019, LATAM announced that the JBA with IAG would not be implemented.

As of October 15, 2019, LATAM Airlines Group S.A. was notified that Fiscalía Nacional Económica ("FNE") begun the investigation Rol N° 2585-19, regarding the Agreement between LATAM Airlines Group S.A. and Delta Airlines Inc. On August 13, 2021, FNE, Delta and LATAM reached an out-of-court-agreement by which the investigation was closed.

On January 31, 2022, LATAM Airlines Group S.A. received a resolution issued by TDLC regarding a LATAM request for clarification about the Seventh Condition of the Decision. This resolution says that paragraphs VII.1 and VII.3 of the mentioned Condition apply to LATAM even if it does not belong to a global airline alliance.

LATAM Airlines Group S.A. and Delta Air Lines successfully reached an agreement on the implementation, along with certain mitigation measures for their Joint Venture Agreement (JVA) with FNE and on October 28, 2021 received approval of the agreement from Chile's Tribunal de la Libre Competencia ("TDLC").

Brazil

The CADE approved the LAN/TAM association by unanimous decision during its hearing on December 14, 2011, subject to the following conditions: (1) the new combined group (LATAM) should leave one of the two global alliances to which it was part (Star Alliance or oneworld); and (2) the new combined group (LATAM) should offer to swap two pairs of slots in Guarulhos International Airport, to be used by an occasional third party interested in offering direct non-stop flights between São Paulo and Santiago, Chile. These impositions are in line with the mitigation measures adopted by the TDLC, in Chile.

On February 24, 2021 the CADE approved without remedies the joint venture between Delta Air Lines and LATAM Airline Group. Previously, in a separate case, the CADE approved without remedies the acquisition by Delta of up to 20% of LATAM common shares on March 18, 2020.

Uruguay

On December 14, 2020 the antitrust authority of Uruguay (*Comisión de Promoción y Defensa de la Competencia*) approved the joint venture between LATAM and Delta Air Lines. The same agreement was filed before the aeronautical authority of Uruguay (the *Dirección Nacional de Aviación Civil e Infraestructura Aeronáutica*) on September 21, 2020 and approved by default on December 20, 2020, as the timeframe provided by the Aeronautical Code Law to the authority in order to resolve on the matter expired (90 days after filing).

United States

On July 8, 2020 LATAM and Delta Air Lines filed their joint venture before the DOT applying for approval of and antitrust clearance for all the alliance agreements.

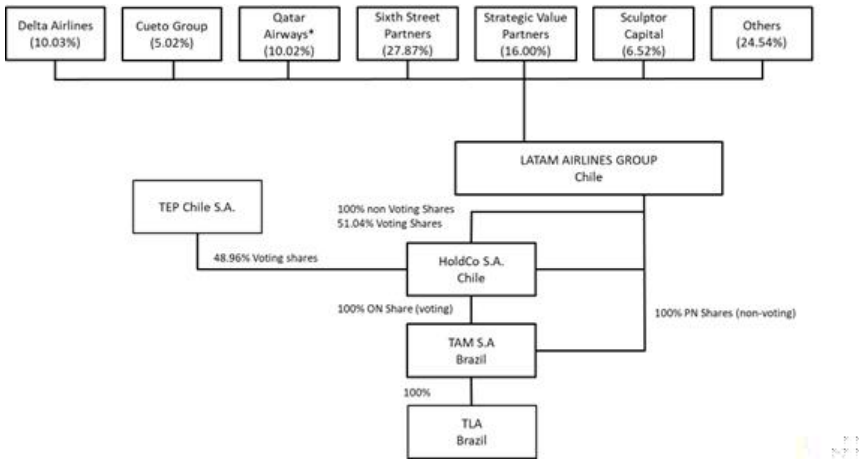
On September 30, 2022, the U.S. Department of Transportation ("DOT") approved the joint venture between Delta Air Lines and LATAM Airline Group.

Colombia

On September 4, 2020 LATAM and Delta filed the joint venture before Aerocivil, applying for an approval of the agreement, which was finally received on May 10, 2021.

C. Organizational Structure

LATAM Airlines Group and LATAM Airlines Brazil ownership structure as of February 28, 2023 is as follows:



(*) Qatar owns 9.999999992% of shares over LATAM's statutory capital, represented by 606,407,693,000 shares.

The LATAM group is composed of LATAM Airlines Group S.A., incorporated in Chile, and ten main affiliates: Transporte Aéreo S.A. ("LATAM Airlines Chile"), a Chilean subsidiary; LATAM Airlines Peru S.A. ("LATAM Airlines Peru"), a Peruvian subsidiary; LATAM-Airlines Ecuador S.A. ("LATAM Airlines Ecuador," previously Aerolane, Líneas Aéreas Nacionales del Ecuador S.A.), an Ecuadorian subsidiary; LAN Argentina S.A. ("LATAM Airlines Argentina," previously Aero 2000 S.A.), an Argentine subsidiary; Aerovías de Integración Regional S.A. ("LATAM Airlines Colombia"), a Colombian subsidiary; TAM Linhas Aereas S.A. ("LATAM Airlines Brazil") incorporated in Brazil; Transporte Aéreos del Mercosur S.A. ("LATAM Paraguay"), incorporated in Paraguay; LAN Cargo S.A. ("LATAM Cargo"); Linea Aerea Carguera de Colombia S.A. ("LANCO" or "LATAM Cargo Colombia") in Colombia and Aerolinhas Brasileiras S.A. ("ABSA" or LATAM Cargo Brazil") in Brazil.

As of December 31, 2022 we held a 100% stake in Transporte Aéreo S.A. through direct and indirect interests, a 23.62% stake in LATAM Airlines Peru through direct interests, a 55.00% stake of the voting shares of LATAM-Airlines Ecuador and a 100% of the non-voting shares of Holdco Ecuador S.A., who has 45.00% of the voting shares of LATAM-Airlines Ecuador, a 99.20% indirect stake in LATAM Airlines Colombia and a 100% stake of the non-voting shares of TAM, and 51.04% of the voting shares and 100% of the non-voting shares of Holdco I S.A., which has 100% of the voting shares of TAM. Following changes in Brazilian law, which now permits foreign persons to own up to 100% of the voting capital of Brazilian airlines, in February 2019, we increased our ownership of the voting shares of Holdco I S.A. to 51.04%.

The cargo operations are carried out by LATAM Cargo, LATAM Cargo Brazil and LATAM Cargo Colombia. As of December 31, 2022, we held 100% of the non-voting shares and 20% (preferred) of TAM S.A. (a total of 63.09% of TAM S.A.) which is the sole shareholder of LATAM Cargo Brazil and a 90% stake in LATAM Cargo Colombia through direct and indirect participation. TAM S.A. has 100% of the non-voting shares and 100% of the voting shares of LATAM Cargo Brazil. The cargo business is marketed internationally primarily under the LATAM Cargo brand.

D. Property, Plant and Equipment

Chile

Headquarters

Our main corporate facility is located in Las Condes, where we rent 8,100 m^2 for our executive offices in a central location of Santiago, Chile. This space is distributed in nine floors along two buildings.

Maintenance Base

Our 82,000 m^2 maintenance base is located on a site that we own inside Comodoro Arturo Merino Benítez International Airport. This facility contains our aircraft hangar, warehouses, workshops and offices, as well as a 52,000 m^2 aircraft parking area capable of accommodating up to seventeen short-haul aircraft. We have a 5,000 m^2 office building plus a 1,000 m^2 office and workshop space. We also lease from the Sociedad Concesionaria Nuevo Pudahuel S.A. approximately 10,700 m^2 of space inside the Comodoro Arturo Merino Benítez International Airport for operational and service purposes. The lease has a duration of 30 days and is renewed monthly.

Other Facilities

We own sixteen acres of land and a building on the west side of the Comodoro Arturo Merino Benítez International Airport that houses a flight-training center. This facility features three full-flight simulators (which are not property of LATAM), one for Boeing 787 and two for Airbus A320 aircraft.

Fast Air Almacenes de Carga S.A., one of our affiliates that operates import customs warehouses, utilizes a 10.500 m² warehouse located at Comodoro Arturo Merino Benítez International Airport.

Brazil

Headquarters

LATAM Airlines Brazil's main facilities are located in São Paulo, in hangars within the Congonhas Airport and nearby. At Congonhas Airport, LATAM Airlines Brazil leases office facilities in converted hangars belonging to INFRAERO (the Local Airport Administrator). These facilities comprise an area of approximately 38,807 m².

Headquarters of the Presidency

The Headquarters of the Presidency and Service Academy is located at Rua Atica, about 2.5 km from Congonhas Airport. This property, which LATAM Airlines Brazil owns, is used for human resources selection, medical services, training, mock-ups and offices- The Service Academy comprises 15,342 m² of land area and 9,032 m² of building area.

Maintenance Base

At Hangars II and V in Congonhas Airport, which LATAM Airlines Brazil leases from INFRAERO, LATAM Airlines Brazil has 23,886 m² of offices and hangars with about 1,300 workstations. This site also houses the aircraft maintenance, procurement, aeronautical materials logistics and retrofitting departments.

Other Facilities

In São Paulo, LATAM Airlines Brazil has other facilities, including: a Call Center Building with 3,199 m2, distributed over five floors (plus a ground floor and a basement) that currently holds about 272 workstations and support rooms (meetings / training / dining room / coordination) of the operations of Call Center Reservations, Talk to People and ABSA back office.

In Guarulhos, LATAM has a total area of approximately 12,649 m^2 distributed within the Passenger Terminal, including areas such as Check-in, Ticket Sales, Check Out, Operations Areas, a VIP Lounge and Aircraft Maintenance spaces. The Hangar Complex adds an area of 65,080 m². The cargo terminal has 252 m² of office and 17,215 m² of open area. Our Distribution Center Supplies area occupies 3,030 m².

New Facilities

LATAM Airlines Brazil completed several infrastructure projects in Brazil during 2022, including:

1. Opening of 6 new bases: Montes Claros (MG), Juiz de Fora (MG), Presidente Prudente (SP), Caxias do Sul (RS), Cascavel (PR) and Sinop (MT).

2. Optimization of spaces in 34 Airports.

Other locations

We occupy a 36.3-acre site at the Miami International Airport that has been leased to us under a concession agreement by the Miami Dade Aviation Department. Our facilities include a 13,609 m² corporate building, a 115,824 m² cargo warehouse (including 35,561 m² refrigerated area) and a 238,658 m² aircraft-parking platform. These facilities were constructed and are now leased to us under a long-term contract by Aeroterm, a division of Realterm. For the year ended 2022, we paid US$10.5 million in rent under the foregoing leases.

In February 2014, the Company entered into a lease agreement with Miami-Dade County covering approximately 1.81 acres of land located on the grounds of the Miami International Airport. The lease has a term of 30 years with a total annual land cost of US$172,080.

Under the lease, we retained the right to construct a hangar facility on the leased premises. The Company completed construction in November 2015 and the hangar has been operational since June 2016. The property has a 15,479 m² aircraft maintenance space, sufficient to house a Boeing B777 aircraft, in addition to a 9,888 m² area designated for office space. Total investment in this hangar in construction and related expenditures by LATAM was US$16.5 million.

ITEM 4A. UNRESOLVED STAFF COMMENTS

None.

ITEM 5 OPERATING AND FINANCIAL REVIEW AND PROSPECTS

A. Operating Results

You should read the following discussion of our financial condition and results of operations together with our audited consolidated financial statements and the accompanying notes beginning on page F-1 of this annual report.

The summary consolidated annual financial information as of December 31, 2022, 2021 and for the years ended December 31, 2022, 2021 and 2020, has been prepared in accordance with IFRS and has been derived from our audited consolidated annual financial statements included in this annual report. The items included in the financial statements of each of the entities of LATAM Airlines Group S.A. and Subsidiaries are valued using the currency of the main economic environment in which the entity operates (the functional currency). The functional currency of LATAM Airlines Group S.A. is the United States dollar which is also the presentation currency of the consolidated financial statements of LATAM Airlines Group S.A. and Subsidiaries.

Overview

We derive our revenues primarily from transporting passengers on our passenger aircraft, as well as from transporting cargo in the belly of our passenger aircraft and in our dedicated freighter aircraft. In 2022, 80.2% of our total revenues (including in the total for this purpose other income from operating activities) came from passenger revenues and 18.1% came from our cargo business. The remaining 1.6% was classified as other operating income, which consists primarily of subleases of aircraft to third parties and other miscellaneous income.

Our operating environment in 2022 continued to be affected by volatility in the region resulting from the COVID-19 pandemic, however, our operations showed a clear recovery trend along the year, mostly following the recovery of the international capacity, which had been notably lagging behind the domestic segments during 2020 and 2021.

Passenger Operations

In general, LATAM's passenger revenues are driven by international and country-specific political and economic conditions, competitive activity, and the attractiveness of the destinations that are served. Passenger revenues are also affected by our capacity, traffic, load factors, yield and unit revenue. The capacity is measured in terms of available seat kilometers ("ASKs"), which represents the sum, across the network, of the number of seats made available for sale on each flight, multiplied by the kilometers flown by the respective flight. Traffic in RPKs is measured, as the sum, across the network, of the number of revenue passengers on each flight multiplied by the number of kilometers flown by the respective flight. Load factors represent RPKs (traffic) as a percentage of ASKs (capacity), or the percentage of our capacity that is actually used by paying customers. Yield, revenue from passenger operations divided by RPKs, is used to measure the average amount that one passenger pays to fly one kilometer and unit revenue, or revenue per ASK, to measure the effect of capacity on revenues.

	Year ended December 31,		
	2022	**2021**	**Var. %**
ASKs (million) (at period end)			
International	49,575.7	20,461.0	142.3%
SSC	23,384.7	17,847.8	31.0%
Domestic Brazil	40,891.8	29,326.8	39.4%
Total	**113,852.2**	**67,635.7**	**68.3%**
RPKs (million)			
International	41,140.5	13,500.5	204.7%
SSC	18,942.6	13,359.8	41.8%
Domestic Brazil	32,504.8	23,456.3	38.6%
Total	**92,587.8**	**50,316.5**	**84.0%**
Passenger load factor (%)			
International	83.0	66.0	17.0p.p.
SSC	81.0	74.9	6.2p.p.
Domestic Brazil	79.5	80.0	(0.5)p.p.
Combined load factor	**81.3**	**74.4**	**6.9p.p.**

In terms of passengers transported by LATAM, during 2022 we carried 22.3 million more passengers than in 2021, totaling 62.5 million passengers. For the full year 2022, passenger traffic increased 84.0% and total passenger capacity increased 68.3%

During 2022, ASKs for domestic operations in Brazil increased by 39.4% compared to the previous year. Passenger traffic as measured by RPKs increased by 38.6% in 2022 with regard to 2021, resulting in a stable passenger load factor, remaining at 79.5%

The domestic operations of our affiliate carriers based in SSC, which accounted for 20.5% of total passenger capacity (measured by ASKs) in 2022, showed an increase of 41.8% in passenger traffic (measured by RPKs) in the year while capacity increased 31.0% as compared to 2021. As a result, the passenger load factor increased by 6.2 percentage points to 81.0%.

The group's international operations were still affected by the pandemic's resulting government-imposed requirements, travel restrictions, and the willingness to travel from passengers. Despite the above, the ease of restrictions in the different markets where we operate has allowed our international segment to recover notably during 2022. Compared to the previous year, capacity in international operations increased by 142.3% and traffic by 204.7% compared to 2022, resulting in a notable increase of 17.0 percentage points in passenger load factors, which reached 83.0%.

Cargo Operations

Cargo operations depend on exports from South America to North America and Europe, and imports from North America and Europe to South America, where Brazil is the main import market. Cargo markets are affected by economic conditions, foreign exchange rates, changes in international trade, the health of particular industries and competition and fuel prices (which we usually pass on to our customers through a cargo fuel surcharge). Cargo revenues are affected by the capacity, traffic, cargo load factors and yield. The capacity is measured in terms of available ton kilometers ("ATKs") which represents the number of tons available across the network for the transportation of cargo on each flight, multiplied by the kilometers flown by the respective flights. Traffic in revenue ton kilometers ("RTKs") is measured as the amount of cargo loads (measured in tons) on each flight multiplied by the number of kilometers flown by the respective flights. Load factors represent RTKs (traffic) as a percentage of ATKs (capacity), or the percentage of the cargo capacity that is actually used to transport cargo for the customers. Finally, cargo yield, or revenue from cargo operations divided by RTKs, is used to measure the average amount that the customers pay to transport one ton of cargo per kilometer.

During 2022, cargo traffic increased by 16.4% compared to 2021, while cargo capacity increased 30.7% year-over-year, which led to a drop of 6.9 percentage points in cargo load factors to 56.5%. Cargo yield decreased 3.8% year-over-year. As a result, revenues per ATK decreased 14.3% in comparison to the previous year.

Cost Structure

LATAM's costs are largely driven by the size of its operations, fuel prices, fleet costs and exchange rates. Operating expenses are calculated in accordance with IFRS and comprise the sum of the line items "cost of sales" plus "distribution costs" plus "administrative expenses" plus "other gains/(losses)" plus "restructuring activities" plus "other operating expenses," as shown on our consolidated statement of comprehensive income. These operating expenses include wages and benefits, fuel, depreciation and amortization, commissions to agents, aircraft rentals, other rental and landing fees, passenger services, aircraft maintenance and other operating expenses. Restructuring activities expenses are those costs related to the Initial and Subsequent debtors' filing for Chapter 11 voluntary protection and associated restructuring. The following is a discussion of the drivers of the most important costs.

As an airline group, we are subject to fluctuations in costs that are outside of our control, particularly fuel prices. During 2022, average jet fuel prices increased 73.4%. LATAM has a hedging policy to protect medium term liquidity risk from fuel price increases, while participating in the benefits of fuel price reductions. Upon filing for Chapter 11, counterparties terminated all of our hedging contracts. Subsequently, LATAM has entered into new fuel hedging contracts in accordance with orders from the Bankruptcy Court. Cost of fuel is also affected by the amount of gallons we consume, which depends on the size of our operation, the efficiency of our fleet and the impact of our efficiency programs.

Personnel expenses are another significant component of our overall costs. Because a significant portion of our labor costs are denominated in Chilean pesos and in Brazilian Reals, appreciation of these currencies against the U.S. dollar as well as increases in local inflation rates can result in increased costs in U.S. dollar terms and can negatively affect our results. Depreciation of local currencies results in decreases in costs in dollars. Other important drivers of personnel expenses are average headcount and average wages.

Commissions paid to travel and cargo agents are also a significant cost to LATAM. LATAM group competes with other airlines over the amount of commission paid per sale, particularly in connection with special programs and marketing efforts, and to maintain competitive incentives with travel agents.

Fleet related expenses, namely aircraft rentals, aircraft maintenance and depreciation, are another significant cost, and mainly depend on the number and type of aircraft that are owned and that are under leases. Generally, these costs are largely fixed and can be reduced on a per unit basis by achieving higher aircraft utilization rates. In 2023, only a fraction of LATAM's wide-body fleet will continue to operate on a payment-by-use basis (known as Power-by-the-Hour, "PBH"), resulting from the company's Chapter 11 proceedings and negotiations with financiers and lessors by then.

The Aircraft Rentals expense line is used to account for the expenses associated with the group's variable payments related to aircraft with operating leases whose long-term agreements have been signed and approved by the US Court. Starting in 2021, the Company amended its Aircraft Lease Contracts which included lease payment based on Power by the Hour (PBH) at the beginning of the contract and then switches to fixed-rent payments. A right of use asset and a lease liability was recognized as result of those amendments at the date of modification of the contract, even if they initially have a variable payment period. As a result of the application of the lease accounting policy, the right of use assets continues to be amortized on a straight-line basis over the term of the lease from the contract modification date. The expenses for the year include both: the lease expense for variable payments (Aircraft Rentals) as well as the expenses resulting from the amortization of the right of use assets from the beginning of the contract (included in the Depreciation line) and interest from the lease liability (included in Lease Liabilities).

Restructuring activities refer to the gains/losses in connection with the Chapter 11 proceedings, including costs related with the rejection of aircraft lease contracts, rejection of IT contracts, renegotiation of fleet contracts and legal advice fees, among others; as well as gains on the settlement of Chapter 11 claims for accounts payable. For more information on the restructuring activities gains/losses, please see Note 2, 16 and 26 of our audited consolidated financial statements.

Results of Operations

LATAM Airlines Group Financial Results Discussion: Year ended December 31, 2022 compared to year ended December 31, 2021.

The following table sets forth certain income statement data for LATAM Airlines Group, for the year ended December 31, 2022, and December 31, 2021.

	Year Ended December 31,				
	2022	2021	2022	2021	
	(in US$ millions, except per share data)		As a percentage of total operating revenues		2022/2021 % change
Consolidated Results of Income by Function					
Operating revenues					
Passenger	7,636.4	3,342.4	81.6%	68.4%	128.5%
Cargo	1,726.1	1,541.6	18.4%	31.6%	12.0%
Total operating revenues	9,362.5	4,884.0	100.0%	100.0%	91.7%
Cost of sales	(8,103.5)	(4,963.5)	(86.6)%	(101.6)%	63.3%
Gross margin	1,259.0	(79.5)	13.4%	(1.6)%	n.a.
Other operating income	154.3	227.3	1.6%	4.7%	(32.1)%
Distribution costs	(426.6)	(291.8)	(4.6)%	(6.0)%	46.2%
Administrative expenses	(576.4)	(439.5)	(6.2)%	(9.0)%	31.2%
Other operating expenses	(531.6)	(535.8)	(5.7)%	(11.0)%	(0.8)%
Restructuring activities gains/(losses)	1,679.9	(2,337.2)	17.9%	(47.9)%	(171.9)%
Financial income	1,052.3	21.1	11.2%	0.4%	4,885.5%
Financial costs	(942.4)	(805.5)	(10.1)%	(16.5)%	17.0%
Foreign exchange gains/(losses)	26.0	131.4	0.3%	2.7%	(80.2)%
Result of indexation units	(1.4)	(5.4)	0.0%	(0.1)%	(73.8)%
Other gains/(losses)	(347.1)	30.7	(3.7)%	0.6%	(1,231.5)%
Income (loss) before income taxes	1,346.0	(4,084.2)	14.4%	(83.6)%	(133.0)%
Income (loss) tax expense	(8.9)	(568.9)	(0.1)%	(11.6)%	(98.4)%
Net income (loss) for the period	1,337.1	(4,653.1)	14.3%	(95.2)%	(128.7)%
Income (loss) for the period attributable to the parent company's equity holders	1,339.2	(4,647.5)	14.3%	(95.2)%	(128.8)%
Income (loss) for the period attributable to non-controlling interests	(2.1)	(5.7)	0.0%	(0.1)%	(63.3)%
Net income (loss) for the period	1,337.1	(4,653.1)	14.3%	(95.2)%	(128.7)%
Earnings per share					
Basic earnings per share (US$)	0.01386	(7.66397)	n.a	n.a	(100.2)%
Diluted earnings per share (US$)	0.01359	(7.66397)	n.a	n.a	(100.2)%

* The abbreviation "n.a." means not available.

Operating Revenues

Our total operating revenues increased by 91.7% to US$9,362.5 million for the year ended December 31, 2022 compared to revenues of US$4,884.0 million in 2021. The 2022 increase in operating revenues was mainly attributable to the recovery in air travel and its direct impact on passenger revenues. Passenger and cargo revenues accounted for 81.6% and 18.4% of total operating revenues in 2022, respectively.

Our consolidated passenger revenues increased by 128.5% to US$7,636.4 million in 2022 from US$3,342.4 million in 2021, as a result of the easing of travel restrictions both in the region and worldwide, and its subsequent impact on passenger operations. This was driven by the increase in passenger traffic, which increased 84% (measured in RPKs) with respect to 2021.

Cargo revenues increased by 12.0%, to US$1,726.1 million in 2022 from US$1,541.6 million in 2021, mainly driven by the increase in cargo dedicated capacity also accompanied by the healthy trend in yields as compared with the pre-pandemic context. Cargo capacity increased by 30.7% and traffic increased by 16.4%, resulting in a 6.9 p.p. load factor decrease. Cargo yields fell 3.8% year over year and as a result, revenues per ATK decreased by 14.3%.

Cost of Sales

Cost of sales increased by 63.3% to US$8,103.5 million for the year ended December 31, 2022 (from US$4,963.5 million in 2021), mainly due to the increase in fuel price during the year in addition to overall increasing costs due to the annual recovery in passenger operations.

The table below presents cost of sales information for the fiscal year ended December 31, 2022 and 2021.

	Year Ended December 31,				
	2022	2021	2022	2021	
	(in US$ millions, except per share data)		As a percentage of total operating revenues		2022/2021 % change
Revenues	9,362.5	4,884.0	100.0%	100.0	91.7%
Cost of sales	(8,103.5)	(4,963.5)	(86.6)%	(101.6)%	63.3%
Aircraft Fuel	(3,882.5)	(1,487.8)	(41.5)%	(30.5)%	161.0%
Wages and Benefits	(973.7)	(766.2)	(10.4)%	(15.7)%	27.1%
Other Rental and Landing Fees	(1,031.5)	(749.8)	(11.0)%	(15.4)%	37.6%
Depreciation and Amortization	(1,083.0)	(1,073.0)	(11.6)%	(22.0)%	0.9%
Aircraft Maintenance	(582.7)	(533.9)	(6.2)%	(10.9)%	9.1%
Passenger Services	(184.4)	(77.4)	(2.0)%	(1.6)%	138.2%
Aircraft Rentals	(202.8)	(120.6)	(2.2)%	(2.5)%	68.2%
Other Costs of Sales	(162.8)	(154.8)	(1.7)%	(3.2)%	5.2%

Fuel costs increased by 161%, mainly as a result of a 73.4% increase in average fuel price during the year plus a 50.2% increase in fuel consumption compared to 2021 attributed to the recovery of passenger operations throughout the year.

Wages and benefits increased by 27.1%, explained by an 8% increase in the average number of employees, driven by incorporations in areas directly linked with the operations such as crew members and airport staff, in addition to the inflationary pressures in the region.

Other rental and landing fees increased 37.6%, mainly due to the increase in the level of passenger operations.

Depreciation and amortization slightly increased by 0.9%, as the total operating fleet did not vary significantly between 2022 and 2021.

Aircraft maintenance increased by 9.1% mainly attributed to higher unit costs in maintenance tasks due to global inflationary pressures, plus a catch up on task deferrals associated with the return of aircraft into service after extended downtime and following the increase in projected future operations.

Passenger services increased by 138.2% mainly explained by the increased level of passenger operations in addition to the recovery in international flights, which normally offer more intensive catering and onboard services.

The Aircraft Rentals line includes costs associated with lease payments based on power by the hour (PBH) for contracts that were modified to that structure. The Aircraft Rentals expense line is used to account for the expenses associated with the group's variable payments related to aircraft with operating leases whose long-term agreements have been signed and approved by the US Court. During 2021, the Company amended its Aircraft Lease Contracts which included lease payment based on Power by the Hour (PBH) at the beginning of the contract that then switches back to fixed-rent payments. A right of use asset and a lease liability was recognized as result of those amendments at the date of modification of the contract, even if they initially had a variable payment period. As a result of the application of the lease accounting policy, the right of use assets continues to be amortized on a straight-line basis over the term of the lease from the contract modification date. The expenses for the year include both: the lease expense for variable payments (Aircraft Rentals) as well as the expenses resulting from the amortization of the right of use assets from the beginning of the contract (included in the Depreciation line) and interest from the lease liability (included in Lease Liabilities). In 2022, aircraft rental expenses totaled US$202.8 million.

As a result of the above, gross margin (defined as operating revenue minus cost of sales) totaled a gain of US$1,259 million, compared to a loss of US$79.5 million in 2021.

Other Consolidated Results

Other operating income decreased in 2022 by 32.1%, from US$227.3 million in 2021 to US$154.3 million in 2022, mainly due to the cessation of certain compensation payments from Delta Air Lines as agreed upon in the signing of the Joint Venture Agreement in 2019.

Distribution costs increased 46.2%, totaling US$426.6 million, due to an increase in sales commissions plus an increase in fixed costs related with the commercial areas.

Administrative expenses increased 31.2% from US$439.5 million in 2021 to US$576.4 million, due to the increase in headcount, plus an increase in marketing expenses and administration expenses related to commissions of payment methods. In 2021, LATAM group had an average of 28,429 employees, while in 2022 this was increased to an average of 30,877 employees.

Other operating expenses decreased slightly by 0.8% from US$535.8 million in 2021 to US$531.6 million.

Gain from Restructuring activities totaled US$1,679.9 million in 2022, in connection with our Chapter 11 proceedings, and included an earnings effect attributable to the exit from Chapter 11, partially offset by costs related with the renegotiation of fleet contracts and legal advice fees. For more information on gain (losses) restructuring expenses, please see Note 2, 24 and 26 of our audited consolidated financial statements.

Financial income increased from US$21.1 million in 2021 to US$1,052.3 million in 2022, mainly explained by gains on the settlement of certain financial claims as well as a reversal of previously recognized accrued interest for financial liabilities that were restructured, both attributable to the exit from Chapter 11. For more information, please see Note 26 of our audited consolidated financial statements.

Financial costs increased by 17.0% to US$942.4 million in 2022 from US$805.5 million in 2021, mainly explained by the DIP financing and DIP-to-Exit financing that were in place until the Company's emergence from Chapter 11, in addition to a progressive increase throughout the year in base interest rates.

The foreign exchange gain of US$26.0 million in 2022, compared to a gain of US$131.4 million in 2021, was driven mainly by the appreciation of the Brazilian Real during 2022.

Other gains (losses) registered a loss of US$347.1 million, compared to a gain of US$30.7 million in 2021, principally due to the recognition at net realizable value of A319 family aircraft classified as held for sale during 2022.

The income tax expense for 2022 amounted to US$(8.9) million as compared to an income tax expense of US$(568.9) million in 2021. This difference is mainly explained by a derecognition of deferred tax assets registered in 2021. In 2022, the annual result was mainly attributed to current tax owed by LATAM and certain affiliates of the group. For more information, see Note 17 to our audited consolidated financial statements.

Net profit

Net profit for the year ended December 31, 2022 totaled US$1,337.1 million, which compares with a net loss of US$4,653.1 million in 2021. Net profit attributable to the parent company's shareholders was US$1,339.2 million in 2022. As a result of the Company's accumulated losses as of the year end, this net profit will not be eligible for a profit distribution through dividends.

Results of Operations

LATAM Airlines Group Financial Results Discussion: Year ended December 31, 2021 compared to year ended December 31, 2020.

The following table sets forth certain income statement data for LATAM Airlines Group, for the year ended December 31, 2021, and December 31, 2020.

	Year Ended December 31,				
	2021	2020	2021	2020	
	(in US$ millions, except per share data)		As a percentage of total operating revenues		2021/2020 % change
Consolidated Results of Income by Function					
Operating revenues					
Passenger	3,342.4	2,713.8	68.4%	69.2%	23.3%
Cargo	1,541.6	1,209.9	31.6%	30.8%	27.4%
Total operating revenues	4,884.0	3,923.7	100.0%	100.0%	24.5%
Cost of sales	(4,963.5)	(4,513.2)	(101.6)%	(115.0)%	10.0%
Gross margin	(79.5)	(589.5)	(1.6)%	(15.0)%	(86.5)%
Other operating income	227.3	411.0	4.7%	10.5%	(44.7)%
Distribution costs	(291.8)	(294.3)	(6.0)%	(7.5)%	(0.8)%
Administrative expenses	(439.5)	(499.5)	(9.0)%	(12.7)%	(12.0)%
Other operating expenses	(535.8)	(692.9)	(11.0)%	(17.7)%	(22.7)%
Restructuring activities expenses	(2,337.2)	(990.0)	(47.9)%	(25.2)%	136.1%
Financial income	21.1	50.4	0.4%	1.3%	(58.1)%
Financial costs	(805.5)	(587.0)	(16.5)%	(15.0)%	37.2%
Foreign exchange gains/(losses)	131.4	(48.4)	2.7%	(1.2)%	(371.5)%
Result of indexation units	(5.4)	9.3	(0.1)%	0.2%	(157.7)%
Other gains/(losses)	30.7	(1,874.8)	0.6%	(47.8)%	(101.6)%
Income (loss) before income taxes	(4,084.2)	(5,105.8)	(83.6)%	(130.1)%	(20.0)%
Income (loss) tax expense	(568.9)	550.2	(11.6)%	14.0%	(203.4)%
Net income (loss) for the period	(4,653.1)	(4,555.5)	(95.2)%	(116.1)%	2.0%
Income (loss) for the period attributable to the parent company's equity holders	(4,647.5)	(4,545.9)	(95.2)%	(115.9)%	2.2%
Income (loss) for the period attributable to non-controlling interests	(5.7)	(9.6)	(0.1)%	(0.2)%	(41.4)%
Net income (loss) for the period	(4,653.1)	(4555.5)	(95.2)%	(116.1)%	2.0%
Earnings per share					
Basic earnings per share (US$)	(7.66397)	(7.49642)	n.a	n.a	2.1%
Diluted earnings per share (US$)	(7.66397)	(7.49642)	n.a	n.a	2.1%

The abbreviation "n.a." means not available.

Operating Revenues

Our total operating revenues increased by 24.5% to US$4,884.0 million for the year ended December 31, 2021 compared to revenues of US$3,923.7 million in 2020. The 2021 increase in operating revenues was mainly attributable to the recovery in air travel and its impact on passenger revenues. Passenger and cargo revenues accounted for 68.4% and 31.6% of total operating revenues in 2021, respectively.

Our consolidated passenger revenues increased by 23.2% to US$3,342.4 million in 2021 from US$2,713.8 million in 2020, as a result of the easing of travel restrictions both in the region and worldwide, and its subsequent impact on passenger operations. Consequently, load factor increased to 74.4% in 2021, a decrease of 2.1 percentage points with respect to 2020.

Cargo revenues increased by 27.4%, to US$1,541.6 million in 2021 from US$1,209.9 million in 2020, mainly driven by the cargo freighters' strong performance and the increasing trend in yields during the year. Cargo capacity increased by 1.7% and traffic decreased by 1.4%, resulting in a 2.0 p.p. load factor decreased. Cargo yields grew 29.2% year over year and as a result, revenues per ATK increased by 25.3%.

Cost of Sales

Cost of sales increased by 10.0% to US$4,963.5 million for the year ended December 31, 2021 (from US$4,513.2 million in 2020), mainly due to the operational recovery and its direct impact on variable costs.

The table below presents cost of sales information for the fiscal year ended December 31, 2021 and 2020.

	Year Ended December 31,				
	2021	2020	2021	2020	
	(in US$ millions, except as otherwise stated)		As a percentage of total operating revenues		2021/2020 % change
Revenues	4,884.0	3,923.7	100.0%	100.0%	24.5
Cost of sales	(4,963.5)	(4,513.2)	(101.6)%	(115.0)%	10.0
Aircraft Fuel	(1,487.8)	(1,045.3)	(30.5)%	(26.6)%	42.3
Wages and Benefits	(766.2)	(779.7)	(15.7)%	(19.9)%	(1.7)
Other Rental and Landing Fees	(749.8)	(717.0)	(15.4)%	(18.3)%	4.6
Depreciation and Amortization	(1,073.0)	(1,168.5)	(22.0)%	(29.8)%	(8.2)
Aircraft Maintenance	(533.9)	(472.4)	(10.9)%	(12.0)%	13.0
Passenger Services	(77.4)	(97.5)	(1.6)%	(2.5)%	(20.6)
Aircraft Rentals	(120.6)	0	(2.5)%	n.a.	n.a.
Other Costs of Sales	(154.8)	(232.8)	(3.2)%	(5.9)%	(33.5)

Fuel costs increased by 42.3%, mainly as a result of a 15.5% increase in fuel consumption compared to 2020 attributed to the easing of travel and sanitary restrictions followed by the recovering trend in passenger operations.

Wages and benefits decreased slightly by 1.7%, explained by the decline in average headcount and outsourcing of certain airport operations in order to improve efficiency in 2021, which both compensate for the return to normal salary levels for the majority of employees after the voluntary salary reductions adopted in 2020.

Other rental and landing fees increased 4.6%, mainly due to the recovery in passenger operations during the year.

Depreciation and amortization decreased by 8.2%, primarily following LATAM's reduction in fleet size, an effect that has been accentuated with the wide body fleet rejections, though partially offset increasing catch-up maintenance tasks associated with the return of aircraft into service and engine and components repairs.

Aircraft maintenance increased by 13.0% mainly due to the increased level of operations and to catch up on task deferrals and costs associated with the return of aircraft into service after extended downtime.

Passenger service declined by 20.6% mainly explained by the renegotiation of contracts with suppliers and restrictions to onboard catering services from certain countries due to the pandemic.

The Aircraft Rentals line includes costs associated with lease payments based on power by the hour (PBH) for contracts that have been modified to that structure. The Aircraft Rentals expense line is used to account for the expenses associated with the group's variable payments related to aircraft with operating leases whose long-term agreements have been signed and approved by the US Court. During 2021, the Company amended its Aircraft Lease Contracts which included lease payment based on Power by the Hour (PBH) at the beginning of the contract and then switches to fixed-rent payments. A right of use asset and a lease liability was recognized as result of those amendments at the date of modification of the contract, even if they initially have a variable payment period. As a result of the application of the lease accounting policy, the right of use assets continues to be amortized on a straight-line basis over the term of the lease from the contract modification date. The expenses for the year include both: the lease expense for variable payments (Aircraft Rentals) as well as the expenses resulting from the amortization of the right of use assets from the beginning of the contract (included in the Depreciation line) and interest from the lease liability (included in Lease Liabilities). In 2021, aircraft rental expenses totaled US$120.6 million.

As a result of the above, gross margin (defined as operating revenue minus cost of sales) totaled a loss of US$79.5 million, compared to a loss of US$589.5 in 2020.

Other Consolidated Results

Other operating income decreased in 2021 by 44.7%, from US$411.0 million in 2020 to US$227.3 million in 2021, as a result of the reduction in aircraft rental revenue due to the reduction of subleased aircraft to third parties, and a reduction in LATAM Travel tours and revenues for approximately US$60 million and a compensatory payment of US$62 million from Delta received in 2020 for the cancelation of four A350 purchase agreements. Additionally, in 2020 LATAM received compensation payments for the early return of certain subleased aircraft, which is not present in the 2021 comparison.

Distribution costs maintained stable, totaling US$291.8 million, compared to US$294.3 million in 2020.

Administrative expenses decreased by 12.0% from US$499.5 million in 2020 to US$439.5 million, due to the reduction in headcount which started to take place by the end of the second quarter of 2020. In 2020, LATAM group had an average of 35,281 employees, while in 2021 this was reduced to an average of 28,429 employees.

Other operating expenses decreased by 22.7% from US$692.9 million in 2020 to US$535.8 million as a result of bad debt provisions and various labor, civil and legal processes.

Restructuring activities expenses totaled US$2,337.2 million in 2021, in connection with our Chapter 11 proceedings, and included costs related with the renegotiation of fleet contracts and legal advice fees. For more information on the restructuring expenses, please see Note 2, 17 and 27 of our audited consolidated financial statements.

Financial income decreased by 58.1% to US$21.1 million in 2021 from US$50.4 million in 2020, due to cash investment restrictions arising from the Chapter 11 process under which, part of the company's cash balance must be allocated in authorized banks, subject to lower investment rates, in spite of the overall higher cash balance during the year.

Financial costs increased by 37.2% to US$805.5 million in 2021 from US$587.0 million in 2020, resulting from the draws from the DIP financing that the company has made, increasing the debt by US$1.95 billion, with a higher interest rate, in addition to debt that has not been repaid that continues to generate additional interest.

The foreign exchange gain of US$131.4 million in 2021, compared to a loss of US$48.4 million in 2020 was driven mainly by the Exchange rate gains in updating the value in dollars of the debt denominated in UF, mainly as a result of the 15.7% devaluation of the Chilean Peso during the year.

Other gains (losses) registered a gain of US$30.7 million, compared to a loss of US$1,874.8 million in 2020, principally due to the goodwill impairment recognized in 2020.

The income tax expense for 2021 amounted to US$(568.9) million as compared to an income tax benefit of US$550.2 million in 2020. This variation is mainly explained by a derecognition of deferred tax assets, related to accumulated tax losses that the Company does not expect to utilize in the foreseeable future of US$1.25 billion. For more information, see Note 18 to our audited consolidated financial statements.

Net loss

Net loss for the year ended December 31, 2021 totaled US$4,653.1 million. Net loss attributable to the parent company's shareholders was US$4,647.5 million in 2021.

U.S. Dollar Presentation and Price-Level Adjustments

General

Foreign currency transactions

(a) Presentation and functional currencies

The items included in the financial statements of LATAM Airlines Group S.A. and each of the subsidiaries are valued using the currency of the main economic environment in which the entity operates (the functional currency). The functional currency of LATAM Airlines Group S.A. is the United States dollar which is also the presentation currency of the consolidated financial statements of LATAM Airlines Group S.A. and Subsidiaries.

(b) Transactions and balances

Foreign currency transactions are translated to the functional currency using the exchange rates on the transaction dates. Foreign currency gains and losses resulting from the liquidation of these transactions and from the translation at the closing exchange rates of the monetary assets and liabilities denominated in foreign currency are shown in the consolidated statement of income by function except when deferred in Other comprehensive income as qualifying cash flow hedges.

(c) Adjustment due to hyperinflation

After July 1, 2018, the Argentine economy was considered, for purposes of IFRS, hyperinflationary. The financial statements of the subsidiaries whose functional currency is the Argentine Peso have been restated.

The non-monetary items of the statement of financial position as well as the income statement, comprehensive incomes and cash flows of the group's Argentina entities, whose functional currency corresponds to a hyperinflationary economy, adjusted for inflation and re-expressed in accordance with the variation of the consumer price index ("CPI"), at each presentation date of its financial statements. The re-expression of non-monetary items is made from the date of initial recognition in the statements of financial position and considering that, the financial statements are prepared under the historical cost criterion.

Net losses or gains arising from the re-expression of non-monetary items and income and costs, recognized in the consolidated income statement under "Result of indexation units."

Net gains and losses on the re-expression of opening balances due to the initial application of IAS 29 are recognized in the consolidated retained earnings.

Re-expression due to hyperinflation will be recorded until the period or exercise in which the economy of the entity ceases to be considered as a hyperinflationary economy, at that time, the adjustments made by hyperinflation will be part of the cost of non-monetary assets and liabilities.

The comparative amounts in the consolidated financial statements of the Company are presented in a stable currency and are not adjusted for subsequent changes in the price level or exchange rates.

(d) Group entities

The results and the financial situation of the Group's entities, whose functional currency is different from the presentation currency of the consolidated financial statements, of LATAM Airlines Group S.A., which does not correspond to the currency of a hyperinflationary economy, are converted into the currency of presentation as follows:

(i) Assets and liabilities of each consolidated statement of financial position presented are translated at the closing exchange rate on the consolidated statement of financial position date;

(ii) The revenues and expenses of each income statement account are translated at the exchange rates prevailing on the transaction dates, and

(iii) All the resultant exchange differences by conversion are shown as a separate component in other comprehensive income, within "Gain (losses) on currency translation, before tax."

For those subsidiaries of the group whose functional currency is different from the presentation currency and, moreover, corresponds to the currency of a hyperinflationary economy; its restated results, cash flow and financial situation are converted to the presentation currency at the closing exchange rate on the date of the consolidated financial statements.

The exchange rates used correspond to those fixed in the country where the subsidiary is located, whose functional currency is different to the U.S. dollar.

Effects of Exchange Rate Fluctuations

Our functional currency is the U.S. dollar for the pricing of our products, composition of our balance sheet and effects on our results of operations. In 2022, approximately 44% of our revenues were in U.S. dollars or in currencies pegged to the U.S. dollar and approximately 70% of our expenses were denominated in dollars or pegged to the U.S. dollar, particularly fuel costs, landing and over-flight fees, aircraft rentals, insurance and aircraft components and supplies.

A substantial majority of our liabilities are denominated in U.S. dollars (60.0% as of December 31, 2022), including bank loans, certain air traffic liabilities, and certain amounts payable to our suppliers. As of December 31, 2022, 75.9% of our assets were denominated in U.S. dollars, principally aircraft, cash and cash equivalents, accounts receivable and other fixed assets. Substantially all of our commitments, including operating lease and purchase commitments for aircraft, are denominated in U.S. dollars.

Balance sheet imbalance denominated in currencies other than the functional currency of each specific entity creates a foreign exchange rate exposure that impacts our foreign exchange losses and gains due to exchange rate fluctuations. We recorded a net foreign exchange gain of US$131.4 million in 2021 and net foreign exchange gain of US$26.0 million in 2022, which are set forth in our consolidated statement of income under "Foreign Exchange gains/(losses)." For more information, see Notes 2.3 and 28 to our audited consolidated financial statements.

Critical Accounting Policies

The Company has used estimates to value and record some of the assets, liabilities, income, expenses and commitments. Basically, these estimates refer to:

(a) Evaluation of possible losses due to impairment of intangible assets with indefinite useful life

(b) Useful life, residual value, and impairment of property, plant, and equipment

(c) Recoverability of deferred tax assets

(d) Air tickets sold that will not be finally used.

(e) Valuation of miles and points awarded to holders of loyalty programs, pending use.

(f) Provisions needs, and their valuation when required

(g) Leases

See Note 4 (Accounting estimates and judgments) to our audited consolidated financial statements for a full description of our critical accounting policies.

IFRS/Non-IFRS Reconciliation

We use "Cost per ASK" and "Cost per ASK excluding fuel price variations" in analyzing operating expenses on a per unit basis. "ASKs" (available seat kilometers) measures the number of seats of capacity available for the transportation of passengers multiplied by the kilometers flown across our network. To obtain our unit costs, which are used by our management in the analysis of our results, we divide our total Operating Expenses by our total ASKs. The cost component is further adjusted to obtain "costs per ASK excluding fuel price variations," in order to remove the impact of changes in fuel prices for the year. "Cost per ASK" and "Cost per ASK excluding fuel price variations" do not have a standardized meaning, and as such may not be comparable to similarly titled measures provided by other companies. These metrics should not be considered in isolation or as a substitute for operating expenses or as indicators of performance or cash flows or as a measure of liquidity.

	2022	2021	2020
Cost per ASK			
Operating expenses (US$ thousands)	9,638,086	6,230,623	5,999,957
Divided by ASK (million)	113,851.9	67,635.7	55,688.0
= Cost per ASK (US$ cents)	8.47	9.21	10.77
Cost per ASK excluding fuel price variations			
Operating expenses (US$ thousands)	9,638,086	6,230,623	5,999,957
- Aircraft fuel (US$ thousands)	3,882,505	1,487,776	1,045,343
Divided by ASK (million)	113,851.9	67,635.7	55,688.0
= Cost per ASK excluding fuel price variations (US$ cents)	5.06	7.01	8.90

Other Operating Measures

LATAM uses revenues per ASK or ATK, as applicable, in analyzing revenues on a per unit basis. To obtain unit revenues, we divide our passenger revenues by our total ASKs and our cargo revenues by our total ATKs. We use our revenues as defined under IFRS for purposes of the calculation of this metric. Revenues per ASK or ATK, as the case may be, do not have a standardized meaning, and as such may not be comparable to similarly titled measures provided by other companies. This metric is not an IFRS measure of performance or liquidity. It should not be considered in isolation or as a substitute for revenues or as indicators of performance or cash flows as a measure of liquidity.

The table below shows the calculation of our revenues per ASK or ATK, as applicable, in each of the periods indicated.

	2022	2021	2020
Passenger Revenues (US$ thousands)	7,636,429	3,342,381	2,713,774
ASK (million)	113,852.2	67,635.7	55,688.0
Passenger Revenues/ASK (US$ cents)	6.71	4.94	4.87
Cargo Revenues (US$ thousands)	1,726,092	1,541,634	1,209,893
ATK (million)	6,255.7	4,788.1	4,708.3
Cargo Revenues/ATK (US$ cents)	27.59	32.20	25.70

Seasonality

Operating revenues are substantially dependent on overall passenger and cargo traffic volume, which is subject to seasonal and other changes in traffic patterns. Passenger revenues are generally higher in the first and fourth quarters of each year, during the southern hemisphere's spring and summer. In the Brazilian passenger air transportation market, there is generally higher demand for air transportation services in the second half of the year, making the second quarter the weakest for the Company. However, seasonality is partially mitigated by LATAM's focus on business passengers (which are less sensitive to seasonality). Additionally, the expansion of the LATAM group into other countries and the cargo segment with different seasonal patterns has also moderated the overall seasonality of the passenger business. COVID-19 has also disrupted traditional seasonality patterns and introduced new factors to consider, such as the consideration of months or seasons in which the number of cases tends to be higher, traveling restrictions and requirements imposed by different countries, vaccination rates or the surge or spread of new variants of COVID-19.

Operating Data

The table below presents LATAM's unaudited operating data as of and for the year ended December 31, 2020, December 31, 2021 and December 31, 2022. LATAM believes this operating data is useful in reporting the operating performance of its business and may be used by certain investors in evaluating companies operating in the global air transportation sector. However, these measures may differ from similarly titled measures reported by other companies, and should not be considered in isolation or as a substitute for measures of performance in accordance with IFRS. This unaudited operating data is not included in or derived from LATAM's financial statements.

	For the year ended and as of December 31,		
Operating Data	**2022**	**2021**	**2020**
ASKs (million)	113,852.2	67,635.7	55,688.0
RPKs (million)	92,587.8	50,316.5	42,624.4
ATKs (million)	6,255.7	4,788.1	4,708.3
RTKs (million)	3,532.5	3,034.9	3,077.8

B. Liquidity and Capital Resources

LATAM's cash and cash equivalents amounted to US$1,216.7 million as of December 31, 2022, US$1,046.8 million as of December 31, 2021, and US$1,695.8 million as of December 31, 2020. Additionally, the Company had short-term marketable securities totaling US$0.3 million as of December 31, 2022, US$0.3 million as of December 31, 2021, US$0.3 million as of December 31, 2020. LATAM's cash and cash equivalents and marketable securities totaled US$1,217.0 million as of December 31, 2022, US$1,047.2 million as of December 31, 2021 and US$1,696.2 million as of December 31, 2020.

The US$169.8 million increase in cash and cash equivalents and marketable securities from 2021 to 2022 can be explained mainly by the successful exit from Chapter 11 with a solid financial position and the recovery in travel demand due to the reopening of the borders as vaccine distribution ramped up, offset by the increase of capital expenditures corresponding to the same increase in the operation given to the recovery of passenger traffic.

The US$649.0 million decrease in cash and cash equivalents and marketable securities from 2020 to 2021 can be explained mainly by the continued limited operations due to the restrictions and border closures of countries during the COVID-19 outbreak and deferral of capital expenditures corresponding to the previous year compensated by partial draws of the Debtor in Possession ("DIP") financing during the year.

Cash position and liquidity

The following table provides a summary of our cash flows from operating activities, investing activities and financing activities for the years ended December 31, 2022, 2021 and 2020 and our total cash position as of December 31, 2022, 2021 and 2020.

	2022	2021	2020
		(in US$ million)	
Net cash flow from operating activities	96.8	(174.2)	(494.7)
Net cash flow from (used in) investing activities	(749.0)	(552.5)	33.6
Net cash flow from (used in) financing activities	855.0	109.6	1,120.8
Effects of variation in the exchange rate on cash and cash equivalents	(33.0)	(31.9)	(36.5)
Cash and cash equivalents at the beginning of the year	1,046.8	1,695.8	1,072.6
Cash and cash equivalents at the end of the year	1,216.7	1,046.8	1,695.8

As of December 31, 2022 in addition to cash and marketable securities, LATAM has US$1,100 million related to two undrawn Revolving Facilities.

Net cash flows from operating activities

Cash flow from operations derives primarily from providing air passenger and cargo transportation to customers. Operating cash outflows are primarily related to expenses of airline operations, including fuel consumption. Net cash inflows from operating activities in 2022 increased by US$271.0 million, from US$(174.2) million to US$96.8 million, mainly due to an increase in operations (a 68% increase in ASKs operated compared to 2021) thanks to the recovery of the operation and the lifting of the most severe travel restrictions across the region.

Net cash inflows from operating activities in 2021 increased by US$320.5 million, from US$(494.7) million to US$ (174.2) million, mainly due to an increase in operations (a 21% increase compared to 2020) thanks to the recovery of the operation and the lifting of the most severe travel restrictions across the region.

Net cash flow used in investing activities

Net cash used in investing activities in 2022 increased to US$749.0 million from US$552.5 million in 2021. The increase is mainly due to the increase in operations following the recovery of passenger traffic after a significant decrease in the number of travelers due to the COVID-19 period, which implied an increase in investing activities including maintenance activities and purchase of spare components.

Net cash used in investing activities in 2021 increased to US$ 552.5 million from US$33.6 million in 2020. The increase is explained mainly by deferred capital expenditures in aircraft, engines, freighter conversions, maintenance and investment projects from 2020 and by the recovery in operation.

Net cash flows used in financing activities

In 2022, net cash in financing activities amounted to US$855.0 million, an increase of US$745.3 million from the US$109.6 million in cash used in financing activities in 2021. The company paid US$9,767.9 million in loan repayments, an increase of US$9,304.8 million explained mainly by the emergence from Chapter 11 and certain increased payments related to the DIP financing. Total debt issuances in 2022 amounted to US$7,988.4 million, an increase of US$7,196.7 million compared to US$791.1 million issued in 2021. The Company also obtained equity instruments in 2022 by US$3,751.8 million related to the successful exit from Chapter 11.

In 2021, net cash in financing activities amounted to US$109.6 million, a decrease of US$1,011.2 million from the US$1,120.8 million in cash used in financing activities in 2020. In 2021, the company paid US$463.0 million in loan repayments, a reduction of US$330.7 million explained mainly by the Chapter 11 process. Total debt issuances in 2021 amounted to US$ 791.1 million, a decrease of US$ 1,006.6 million compared to US$ 1,798.3 million issued in 2020.

Sources of financing

Fleet Financing

LATAM typically finances the fleet with long-term loans covering between 80% and 100% of the net purchase price. It also finances our aircraft under sale and leaseback arrangements and operational leases in order to add flexibility to the fleet. For more information regarding fleet financing, please refer to the information below and to "-E. Contractual Obligations-Long Term Indebtedness."

From time to time in the past, we have considered, and may consider in the future, other forms of financing such as equity or debt, either secured or unsecured, securitization of cargo or ticket receivables or the securitization of fleet and engines.

Revolving Facilities

As of December 31, 2022, the Company has US$ 1,100 million fully committed and available from the undrawn Revolving Facility. The available revolver capacity consists of two lines of credit: one for US$ 600 million and another for US$ 500 million.

Capital expenditures

Capital expenditures are related to the acquisition of aircraft, maintenance CAPEX, restocking of parts, IT-related CAPEX, fleet projects such as cabin retrofits, cargo freighter conversions, and certain other strategic projects. LATAM's capital expenditures is recorded in the Financial Statements in its cash flow statement through the following lines: Purchase of Property, Plant and Equipment, Purchases of Intangible Assets, and is part of Payments to Suppliers for the Supply of Goods and Services. Purchase of Property, Plant and Equipment totaled US$780.5 million in 2022, US$597.1 million in 2021 and US$324.3 million in 2020, and purchases of intangible assets totaled US$50.1 million in 2022, US$88.5 million in 2021 and US$75.4 million in 2020. Maintenance CAPEX associated with operating leases included in Payments to Suppliers totaled US$163.7 million in 2022, US$149.1 million in 2021 and US$66.0 million in 2020. See "-Sources of financing" above.

The following chart sets forth the Company's estimated capital expenditures from 2023 to 2025 calendar year, which are subject to change and may differ from the actual capital expenditures. PDPs and Other expenditures, as shown in the table below, represent estimated cash out flows for the Company that will be recorded in the Net cash flow from (used in) investing activities under the Property Plant and Equipment and Purchases of Intangible Assets and in the Net cash flow from operating activities for the case of the maintenance related to the operating leases fleet. In the case of fleet commitments, in the below table they are presented as estimated Fleet CAPEX and the aircraft price of Fleet CAPEX represents the present value of the right of use aircraft (as per IFRS16) assumed to be received under operating lease agreements. However, aircraft arriving under an operating lease do not represent a cash outflow upon their arrival, but rather represent the recognition of a right-of-use asset and a lease liability, and therefore will not be recorded in the Cash Flow Statement as per IFRS accounting rules.

	Estimated capital expenditures by year, as of December 31, 2023		
	2023	**2024**	**2025**
	(in US$ millions)		
Fleet Commitments [1]	(835)	(539)	(1,253)
PDPs [2]	50	(57)	(66)
Other expenditures [3]	(1,165)	(1,301)	(1,068)

(1) The number of aircraft included in Fleet CAPEX calculation includes all the committed deliveries (from manufacturers and lessors) with estimates regarding current scheduled delivery dates. The aircraft price of Fleet CAPEX represents the present value of the right of use aircraft under operating lease agreements, as per IFRS16.

(2) Represents pre-delivery payments made by LATAM, or inflows received by LATAM after the delivery of the aircraft is made.

(3) Other Expenditures include estimates of capital expenditures on spare engines and parts, maintenance of fleet, projects and others, plus purchases of intangible assets.

For reference, LATAM group's fleet commitments presented as the value of all committed deliveries by manufacturers and/or lessors by year are US$1,217.0 million for 2023, US$756.8 million for 2024 and US$1,520.5 million for 2025. In the table above these commitments are assumed to be received under operating leases. In general, LATAM evaluates financing alternatives to meet its fleet commitments and therefore the amounts presented are not necessarily indicative of a cash outflow and depending on the type of lease agreement (operating or financial lease), the Cash Flow Statement will record fleet delivery differently: for financial leases, cash out will be recorded in the Net cash flow from (used in) investing activities based on the purchase price of the aircraft.

Long Term Indebtedness

Secured Debt

Aircraft Debt

1. ECA/EX-IM: Bank loans & bonds guaranteed by Export-Import Bank of the United States ("EX-IM Bank") and Export Credit Agency ("ECA") guaranteed loan debt. As of December 31, 2022, the total outstanding amount under these facilities was US$781 million.

2. Commercial Bank Loans: As of December 31, 2022, secured commercial bank loans debt totaled US$546 million.

3. Tax Leases: LATAM has secured debt through Japanese Leases with a call option ("JOLCO"). As of December 31, 2022, the outstanding obligations under these tax leases were US$202 million.

Non Aircraft Debt

1. Term Loan B Facility: On October 18, 2022, LATAM Airlines Group S.A., together with Professional Airline Services, Inc., a Florida corporation and a wholly owned subsidiary of LATAM, issued a five-year term loan facility of US$ 1,100 million with an interest rate, at LATAM's election, of either (i) Adjusted Term SOFR plus an applicable margin of 9.5%, or (ii) ABR, plus an applicable margin of 8.5%. As of December 31, 2022, the outstanding amount under the Term Loan B Facility was US$ 1,100 million.

2. Senior Secured Notes: On October 18, 2022, LATAM Airlines Group S.A., together with Professional Airline Services, Inc., a Florida corporation and a wholly owned subsidiary of LATAM, issued (i) senior secured notes due 2027 for an aggregate principal amount of US$450 million with a coupon of 13.375% and (ii) senior secured notes due 2029 for and aggregate principal amount of US$ 700 million with a coupon of 13.375%. As of December 31, 2022, the outstanding amount under the Senior Secured Notes was US$1,150 million.

3. Spare Engine Facility: On November 3, 2022, LATAM Airlines Group S.A., acting through its Florida branch, issued a five-year credit facility guaranteed by spare engines for a principal amount of US$275 million. As of December 31, 2022, the outstanding amount under the Spare Engine Facility was US$275 million.

4. Pre-Delivery Payments ("PDP") financing: As of December 31, 2022, the outstanding amount under PDP financings was US$71 million.

5. Other Guaranteed Obligations: As of December 31, 2022, the outstanding amount with the U.S. Export-Import Bank ("EXIM Bank") was US$87 million. This portion of debt is derived from the sale of old aircraft, where the sale price was less than the debt outstanding, which left a shortfall financed by EXIM Bank and now guaranteed indirectly by other EXIM aircraft.

Unsecured Debt

1. Local Bonds: On September 5, 2022, LATAM Airlines Group S.A. registered with the *Comisión para el Mercado Financiero*, the Chilean local regulator, local bonds in the aggregate amount of UF 3,818,042 comprised of the Series F Bonds (BLATM-F), with a maturity in 2042 and a coupon of 2%. As of December 31, 2022, the outstanding amount of Local Bonds was US$157 million.

2. Commercial Bank Loans: As of December 31, 2022, unsecured Commercial Bank loans debt at LATAM Airlines Brazil stood at US$304 million.

As of December 31, 2022, the average interest rate of our debt was 9.3%. Out of the total debt, approximately 52% accrues interest at a fixed rate (through a stated fixed interest rate) or is subject to interest rate caps.

As of December 31, 2022, LATAM had US$4.7 billion in nominal financial debt liabilities. Of this amount, US$305 million are considered disputed claims.

As of December 31, 2022, we had purchase obligations with Airbus and Boeing totaling US$13.2 billion (according to manufacturer's list price), with deliveries between 2023 and 2029, as set forth below:

- Narrow-body passenger aircraft deliveries (Airbus A320-Family): 83 aircraft
- Wide-body passenger aircraft deliveries (Boeing 787-9): 2 aircraft

2022 Fleet Additions

During 2022, LATAM completed the addition of the following wide-body aircraft:

- Four Boeing 787-9 through operating leases.

During 2022, LATAM completed the addition of the following narrow-body aircraft:

- Four Airbus A320 Neo through operating leases and one Airbus A320 through a short term lease.

2021 Fleet Additions

During 2021, LATAM completed the addition of the following wide-body aircraft:

- Five Boeing 787-9 through operating leases.

During 2021, LATAM completed the addition of the following narrow-body aircraft:

- Two Airbus A320 through operating leases, and eleven Airbus A321 through operating leases.

C. Research and Development, Patents and Licenses, etc.

Trademark **LATAM** has been registered in Argentina, Australia, Bolivia, Canadá, China, Colombia, South Korea, Costa Rica, Cuba, Ecuador, El Salvador, Guatemala, Honduras, Hong Kong, India, Japan, Mexico, Nicaragua, New Zealand, Panama, Paraguay, Peru, Dominican Republic, Taiwan, European Union, Uruguay, the United States, and Venezuela; Trademark **LATAM AIRLINES** has been registered in Argentina, Bolivia, China, Colombia, South Korea, Cuba, Ecuador, El Salvador, Guatemala, Honduras, India, Japan, Mexico, Nicaragua, Panama, Paraguay, Peru, Dominican Republic, Taiwan, European Union, Uruguay and Venezuela.

LATAM AIRLINES ARGENTINA has been registered in Argentina; **LATAM AIRLINES COLOMBIA** has been registered in Colombia; **LATAM AIRLINES ECUADOR** has been registered in Ecuador; **LATAM AIRLINES PARAGUAY** has been registered in Paraguay and **LATAM AIRLINES PERU** has been registered in Peru. **LATAM CARGO** has been registered and/or renewed in Argentina, Bolivia, Colombia, Ecuador, Mexico, Paraguay, Peru, European Union, United Kingdom, Uruguay, the United States, and Venezuela. **LATAM CARGO BRASIL** has been registered in Brazil; **LATAM CARGO COLOMBIA** has been registered in Colombia; **LATAM CARGO MEXICO** has been registered in Mexico.

LATAM CORPORATE has been registered in Argentina, Bolivia, Colombia, Costa Rica, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, Dominican Republic, European Union, United Kingdom and Uruguay. **LATAM FIDELIDADE** has been registered in the following countries, Argentina, Australia, Colombia, Ecuador, Mexico, New Zealand, Paraguay, Peru, European Union, United Kingdom, Uruguay, and the United States. **FIDELIDAD** has been registered in Argentina; **FIDELIDAD TAM** has been registered in Paraguay; **LATAM LINEAS AEREAS** has been registered in Argentina, Colombia, Ecuador and Peru; **LATAM MRO** has been registered in Argentina; Bolivia, Colombia, Ecuador, Mexico, Paraguay, Peru, European Union, United Kingdom, Uruguay, the United States, and Venezuela. **LATAM PASS** has been registered in Argentina, Bolivia, Colombia, Ecuador, Mexico, New Zealand, Paraguay, Peru, European Union, United Kingdom, Uruguay, the United States, Venezuela. **LATAM PASS MILES** has been registered in New Zealand and Australia. **LATAM TOURS** has been registered in Argentina, Colombia, Ecuador and Peru. **LATAM TRADE** has been registered in Argentina, Bolivia, Colombia, Costa Rica, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, Dominican Republic, European Union, United Kingdom and Uruguay. Trademark **LATAM TRAVEL** has been registered in Argentina, Bolivia, Colombia, Ecuador, Mexico, Paraguay, Peru, European Union, United Kingdom, Uruguay, the United States, and Venezuela; trademark **LATAM TRAVEL SOLUTIONS** has been registered in Panama; **LATAM VIAGENS** has been registered in Brazil; **LATAM, JUNTOS MÁS LEJOS** has been registered in Argentina and Ecuador. **LATAM, TOGETHER, FURTHER** has been registered in Australia, New Zealand, United Kingdom and the European Union.

LATAMPLAY has been registered in Argentina, Colombia and Ecuador. **LATIN AIRLINE NETWORK** has been registered in Mexico, Nicaragua, New Zealand, United Kingdom and the European Union. **LIBREVOLADOR** has been registered in Bolivia, Ecuador, Paraguay and Peru. **LIBREVOLADORES** has been registered in Bolivia, Ecuador, Paraguay and Peru. **LIDERES DEL SERVICIO** has been registered in Argentina, **LINEA AEREA CARGUERA DE COLOMBIA** has been registered in Colombia.

TAM has filed for trademark registration, registered or renewed the following trademarks in Brazil, **LATAM; LATAM AIRLINES; LATAM AIRLINES BRASIL; LATAM CARGO, LATAM CARGO BRASIL; LATAM FIDELIDADE; LATAM MRO, LATAM PASS; LATAM TRADE; TAM LINHAS AÉREAS; LATAM TRAVEL; LATAM VIAGENS; LATAM TRADE; LATAMPLAY; MERCADO LATAM; VAMOS LATAM.**

D. Trend Information

For 2023, LATAM expects total passenger ASK growth to be between 20% and 24% versus 2022. International passenger growth for the full year 2023 is expected to be between 37% and 40%. LATAM Airlines Brazil's domestic passenger ASKs in the Brazilian market are expected to increase between 8% and 11%. LATAM group's domestic ASKs in Spanish-speaking countries (SSC) are expected to increase by approximately 8% to 11%.

Regarding cargo operations, LATAM expects cargo ATKs to increase between 20% and 23% for full year 2023, driven by the increases in LATAM's international passenger capacity which result in additional capacity related to the space in the belly of those aircrafts, accompanied by the addition of new cargo freighters.

During 2022, LATAM group operated in a context of significant recovery for air travel, propelled by the ease of travel restrictions in the domestic markets where the group operates and in the regions where most of the LATAM's international operations are concentrated, such as North America and Europe. Following LATAM's emergence from Chapter 11 on November 3, 2022, LATAM's goal is to continue to increase the efficiency of its operations with a leaner and more efficient cost structure, allowing LATAM to keep strengthening its network by launching new routes and destinations while keeping a strong focus on profitability and cash generation.

LATAM will continue to use fuel hedging programs and fuel surcharge in our operation to help minimize the impact of short-term movements in crude oil prices. As of February 28, 2023, LATAM had hedged approximately 26%, 44%, 28% and 13% of its estimated fuel consumption for the first, second, third and fourth quarters of 2023 respectively.

E. Critical Accounting Estimates

For information on the Company's accounting estimated, see Note 4 of our audited consolidated financial statements below.

ITEM 6 DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

A. Directors and Senior Management

The LATAM Airlines Group S.A.'s board of directors consists of nine directors who are elected every two years for two-year terms at annual regular shareholders' meetings or, if necessary, at an extraordinary shareholders' meeting, and may be re-elected. Pursuant to the fourth transitory article of LATAM's by-laws, the current board of directors elected at the extraordinary shareholders' meeting held on November 15, 2022 (the "Extraordinary Shareholders' Meeting"), shall remain in office for two years from its election. Upon expiration of such period, the board of directors shall summon a new extraordinary shareholders' meeting to proceed with the election of the new board of directors. The board of directors elected at such Extraordinary Shareholders' Meeting shall exceptionally remain in office for a period longer than the two-year period established in article eight of the by-laws and shall remain in office until the first ordinary shareholders' meeting held after the second anniversary of its appointment, at which time the board of directors shall be completely renewed in accordance with the applicable legal and regulatory provisions.

The board of directors may appoint replacements to fill any vacancies that occur during periods between elections. Scheduled meetings of the board of directors are held once a month and extraordinary board of directors' meetings are called by the chairman of the board of directors. Extraordinary meetings can be called by the chairman, or when requested by one or more directors if the need for such a meeting is previously approved by the chairman, unless the meeting is requested by a majority of the directors or the vice-chairman, in which case the meeting must be held without the previous approval of the chairman. Board compensation is determined at the Shareholders' Meeting and is the same for all board members, with the exception of the chairman who is entitled to double the amount received by any other director. On November 15th, 2022, the shareholders agreed on (i) a fixed annual compensation of US$80,000 for each board member part of the Board; (ii) a fixed amount of US$50,000 for each board member part of the Audit Committee and; (iii) a fixed annual compensation of US$20,000 for each one of the sub-committees in which the director participates, with a maximum of US$40,000 annually for all the sub committees, payable monthly at the rate of one-twelfth of such amount. The aforementioned remuneration is payable regardless of the number of board meetings directors attend, without limit of sessions. Mr. Neruda, Mr. van Geloven and Mr. Moghbel have waived their compensations as board members, members of the Audit Committee and members of the sub committees.

The current board of directors was elected at the extraordinary shareholders' meeting held on November 15, 2022.

The following are LATAM Airlines Group's directors:

Directors	**Position**
Ignacio Cueto Plaza[(1)]	Director / Chairman
Bornah Moghbel	Director / Vice-Chairman
Enrique Cueto Plaza[(1)]	Director
Frederico Curado	Independent Director
Antonio Gil Nievas	Director
Michael Neruda	Director
Bouk van Geloven	Director
Sonia J.S. Villalobos	Director
Alexander D. Wilcox	Director

Senior Management	**Position**
Roberto Alvo	Chief Executive Officer LATAM
Ramiro Alfonsín	Chief Financial Officer LATAM
Emilio del Real	Chief People Officer LATAM
Juan Carlos Menció	Chief Legal Officer
Paulo Miranda	Chief Customer Officer LATAM
Hernán Pasman	Chief Operations Officer LATAM
Juliana Rios	Chief Digital and IT Officer
Martin St. George	Chief Commercial Officer LATAM
Juan José Tohá	Director of Corporate Affairs and Sustainability

(1) Messrs. Ignacio and Enrique Cueto are brothers. Both are members of the Cueto Group, which is defined in "Item 7" as a "Major Shareholder."

Biographical Information

Set forth below are brief biographical descriptions of LATAM Airlines Group's directors and senior management. All of LATAM's directors are Chilean citizens, with the exception of three members.

Directors

Mr. Ignacio Cueto has served as a member of LATAM Airlines Group's board of directors and as Chairman since April 2017 and was re-elected to the board of directors of LATAM in April 2019, April 2020 and November 2022. Mr. Cueto's career in the airline industry extends over 30 years. In 1985, Mr. Cueto assumed the position of Vice President of Sales at Fast Air Carrier, a national cargo company of that time. In 1985, Mr. Cueto became Service Manager and Commercial Manager for the Miami sales office. Mr. Cueto later served on the board of directors of Ladeco (from 1994 to 1997) and LAN (from 1995 to 1997). Mr. Cueto served as President of LAN Cargo from 1995 to 1998, as Chief Executive Officer-Passenger Business from 1999 to 2005, and as President and Chief Operating Officer of LAN since 2005 until the combination with TAM in 2012. Mr. Cueto later served as LAN's CEO until April 2017. Mr. Cueto also led the establishment of the different affiliates that the Company has in South America, as well as the implementation of key alliances with other airlines. Mr. Cueto is a member of the Cueto Group. As of December 31, 2022, Mr. Cueto shared in the beneficial ownership of 30,389,446,225 common shares of LATAM Airlines Group (5.0% of LATAM Airlines Group's outstanding shares) held by the Cueto Group. For more information, see "Item 7. Major Shareholders and Related Party Transactions."

Mr. Bornah Moghbel has been the Vice-Chairman of the Board at LATAM Airlines Group since November 2022. He is a Co-Founder and Partner of Sixth Street, a leading global investment firm that offers capital solutions to companies across all stages of growth. Based in New York, Mr. Moghbel leads Sixth Street's corporate investing in public markets as well as its global asset investing business. After co-founding Sixth Street in 2009, Mr. Moghbel established the firm's presence in Europe before returning to the United States in 2016. Prior to joining Sixth Street, Mr. Moghbel was an investor at Silver Point Capital and he began his career in the Financial Sponsors Group at UBS Investment Bank. He earned a B.A. in Economics, with high honors, and a minor in Business Administration from the University of California, Berkeley.

Mr. Enrique Cueto has served as a member of LATAM Airlines Group's board of directors since April 2020. Formerly, he held the position of LATAM Airlines Group's Chief Executive Officer ("CEO"), since the combination between LAN and TAM in June 2012. From 1983 to 1993, Mr. Cueto was Chief Executive Officer of Fast Air, a Chilean Cargo airline. From 1993 to 1994, Mr. Cueto was a member of the board of LAN Airlines. Thereafter, Mr. Cueto held the position of CEO of LAN until June 2012. Mr. Cueto is a member of the Board of the Endeavor foundation, an organization dedicated to the promotion of entrepreneurship in Chile. Mr. Cueto holds a degree in Economic Sciences from the Catholic University of Chile and is the brother of Mr. Ignacio Cueto, Chairman of the board. Mr. Cueto is also a member of the Cueto Group. As of December 31, 2022, Mr. Cueto shared in the beneficial ownership of 30,389,446,225 common shares of LATAM Airlines Group (5.0% of LATAM Airlines Group's outstanding shares) held by the Cueto Group. For more information, see "Item 7. Major Shareholders and Related Party Transactions."

Mr. Frederico Curado has been on the Board of LATAM Airlines Group since November 2022, as an independent director. He has also been an independent director of Transocean since 2013, is Chair of its HSE and Sustainability Committee and a member of the Corporate Governance Committee. Mr. Curado is also an independent director at ABB since 2016 and is Chair of its Compensation Committee. He was CEO of Embraer from 2007 to 2016 and CEO of Ultrapar from 2017 to 2021. Mr. Curado holds a B.Sc in Mechanical-Aeronautical Engineering from the Aeronautics Institute of Technology (ITA) and an Executive MBA from the University of São Paulo, Brazil.

Mr. Antonio Gil Nievas joined LATAM Airlines Group's Board of Directors in November 2022. He is also a board member at SQM, a Chilean and NYSE publicly listed company. Mr. Gil Nievas has over 25 years of experience in strategic, management, financial and investment leadership roles at global, European and Latin American levels. He was CEO of Moneda Asset Management and worked at JP Morgan, serving as Managing Director, Global CFO and member of the global executive committees of several businesses, among other positions. Mr. Gil Nievas holds a MSc. and BSc. in industrial engineering with a major in electronics from ICAI (Universidad Pontificia Comillas, Spain). He obtained his MBA from Harvard Business School and also completed the Stanford Executive Program.

Mr. Michael Neruda has been a member of the Board at LATAM Airlines Group since November 2022. He is a Partner of Sixth Street, a leading global investment firm that offers capital solutions to companies across all stages of growth. Based in San Francisco, Mr. Neruda leads Sixth Street's corporate investing in public markets. Prior to joining Sixth Street in 2015, Mr. Neruda was a Director at Watershed Asset Management, where he led investments in the consumer and energy sectors. Mr. Neruda was previously an investment analyst at MHR Fund Management, Silver Point Capital and Merrill Lynch. He received a B.S. in Management Science and Engineering from Stanford University, is a CFA Charterholder and currently serves on the Board of Governors of the Boys & Girls Clubs of San Francisco.

Mr. Bouk Van Geloven joined the Board of LATAM Airlines Group in November 2022. He is the Managing Director of the North American investment team at Strategic Value Partners LLC, which he joined in 2014, with a focus on sectors such as airlines, infrastructure, packaging and industrials. From 2011 to 2014, Mr. van Geloven was at J.P. Morgan Cazenove in their Strategic M&A Advisory team. Mr. van Geloven has two Master of Science degrees in Econometrics and Quantitative Finance from the Vrije Universiteit Amsterdam. He has served on multiple boards whilst at SVP and he is currently a member of the Boards of Klöckner Pentaplast and Southern Graphics Systems, and is part of the Advisory Committee of Mattress Firm.

Mrs. Sonia J.S. Villalobos joined the Board of LATAM Airlines in August 2018. Mrs. Villalobos is a Brazilian citizen and a regular member of the board of directors of Petrobras and Telefónica Vivo. She is a founding partner of the company Villalobos Consultoria since 2009 and a professor of post-graduate courses in finance at Insper since 2016. Between 2005 and 2009, she was the Manager of Funds in Latin America, in Chile, managing mutual and institutional funds of Larrain Vial AGF. From 1996 to 2002, Mrs. Villalobos was responsible for Private Equity investments in Brazil, Argentina and Chile for Bassini, Playfair & Associates, LLC. As of 1989 she was Head of Research of Banco Garantia. She graduated in Public Administration from EAESP / FGV in 1984 and obtained a Master in Finance from the same institution in 2004. She was the first person to receive the CFA certification in Latin America, in 1994.

Mr. Alexander Wilcox has served on LATAM Airlines Group's board of directors since October 2020. Mr. Wilcox resides in the United States and has broad experience in the aviation industry where he has held executive positions in several airlines between 1996 and 2005. Mr. Wilcox is a cofounder and the CEO of JSX, a public charter commuter air carrier in the U.S. Mr. Wilcox attended the University of Vermont and earned a BA in Political Science and English.

Senior Management

Mr. Roberto Alvo has been the Chief Executive Officer ("CEO") of LATAM since March 31, 2020. Prior to this, he worked as Chief Commercial Officer ("CCO") of LATAM, in charge of managing the group's passenger and cargo revenue. Previously, he was Vice-President of International and Alliances at LATAM Airlines, and Vice-President of Strategic Planning and Development. Mr. Alvo joined LAN Airlines in November 2001, where he served as Chief Financial Officer of LAN Argentina, as Manager of Development and Financial Planning at LAN Airlines, and as Deputy Chief Financial Officer of LAN Airlines. Before working for the group, Mr. Alvo held various positions at Sociedad Química y Minera de Chile S.A., a leading Chilean non-metallic mining company. He is a civil engineer, and holds an MBA from IMD in Lausanne, Switzerland.

Mr. Ramiro Alfonsín is LATAM's Chief Financial Officer ("CFO"), a position he has held since July 2016. Formerly, he worked 16 years for Endesa, a leading utilities company, in Spain, Italy and Chile, where he served as Deputy Chief Executive Officer and Chief Financial Officer for their Latin American operations. Before joining the utilities sector, he worked for five years in Corporate and Investment Banking for several European banks. Mr. Alfonsin holds a degree in Business Administration from Pontificial Catholic University of Argentina.

Mr. Emilio del Real is the LATAM Chief People Officer, a position he took over in August 2005. Between 2003 and 2005, he was Human Resources Manager at D&S, a Chilean retail company. Between 1997 and 2003, he served in various positions at Unilever, including Human Resources Manager of Unilever Chile, and Manager of Training and Recruitment and Management Development for Latin America. Mr. Del Real has a degree in Psychology from the Gabriela Mistral University.

Mr. Juan Carlos Menció has been the Chief Legal Officer at LATAM Airlines Group since September 1, 2014. Previously, he held the position of General Counsel for North America for LATAM Airlines Group and its affiliates, as well as General Counsel for its worldwide Cargo Operations, both since 1998. Prior to joining LATAM, he was in private practice in New York and Florida, representing various international airlines. Mr. Menció obtained his Bachelor's Degree in International Finance and Marketing from the School of Business at the University of Miami and his Juris Doctor Degree from Loyola University.

Mr. Paulo Miranda has been LATAM's Chief Customer Officer since May 2019. Miranda has over 20 years of experience in the aviation industry, having held different positions, first at Delta Air Lines in the United States, and then at Gol Linhas Aéreas in Brazil. In his last role, Mr. Miranda was responsible for the Client Experience department, having previously worked in finance and alliances, as well as in the negotiation and implementation of joint ventures. Mr. Miranda holds a Bachelor of Business Administration degree from the Carlson School of Management, University of Minnesota, USA.

Mr. Hernán Pasman has been the Chief Operations Officer of LATAM Airlines Group since October, 2015. He joined LAN Airlines in 2005 as a head of strategic planning and financial analysis of the technical areas. Between 2007 and 2010, Mr. Pasman was the Chief operating officer of LAN Argentina, then, in 2011 he served as Chief Executive Officer for LAN Colombia. Prior to joining the company, between 2001 and 2005, Mr. Pasman was a consultant at McKinsey & Company in Chicago. Between 1995 and 2001, Hernan held positions at Citicorp Equity Investments, Telefonica de Argentina and Argentina Motorola. Mr. Pasman holds a Civil Engineering degree from ITBA (1995) and an MBA from Kellogg Graduate School of Management (2001).

Mrs. Juliana Rios has over 20 years of experience in services and technology in the financial and airline industries. Her career spans business transformation, mergers & acquisitions, digitization, IT, and large-scale project management, such as PSS migration. As Chief IT & Digital Officer, she leads LATAM Airlines' digital transformation efforts. Prior to joining LATAM, Mrs. Rios was a senior executive at Banco Santander, Brazil, spearheading the retail business and customer experience strategy. She headed integration programs in Brazil, Italy and the Netherlands. Mrs. Rios holds a Bachelor's in Business Administration and an MBA in Corporate Management from IBMEC, Brazil.

Mr. Martin St. George joined LATAM Airlines Group in 2020 as Chief Commercial Officer after a 30+ year career in the airline industry in both North America and Europe. Prior to joining LATAM, he ran a strategy consulting firm for airlines and travel industry clients in the United States, the Caribbean and Europe, and even served as Acting CCO at Norwegian Air Shuttle ASA. From 2006 to 2019, he worked for JetBlue Airways, in positions in marketing, networking, and finally, as COO at JetBlue. Mr. St. George holds a degree in civil engineering from the Massachusetts Institute of Technology.

Mr. Juan José Tohá is a journalist with a specialty in Sustainability from Oxford University, as well as a Master's and PhD in Communication from the Autonomous University of Barcelona. He has vast experience in the design and implementation of communication strategies and the interaction of organizations with their environment. He has served in FAO's Latin America and Caribbean regional office in Santiago, Chile, and as Communications Manager for Codelco and BHP South America, among others. In 2019, he joined LATAM group as Director of Corporate Affairs and Sustainability, reporting directly to the CEO of LATAM group, and he coordinates the corporate strategy of Public Affairs, External Communications, and Sustainability.

B. Compensation

For information on executive compensation, see "-D. Employees" below.

C. Board Practices

Our board of directors has nine members. The terms of each of our current directors will expire in 2 years from November 15, 2022, unless previously renewed in accordance to applicable law or pursuant to the Company's Chapter 11 proceedings. See "-Directors and Senior Management" above.

Committees

Board of Directors' Committee and Audit Committee

Pursuant to the *Ley sobre Sociedades Anónimas No. 18,046* ("Chilean Corporation Act") and the *Reglamento de Sociedades Anónimas* (the "Regulation to the Chilean Corporate Law", and together with the Chilean Corporation Act, the "Chilean Corporate Law"), LATAM Airlines Group must have a board of directors' committee composed of no less than three board members. LATAM Airlines Group has established a three-person Board of Directors' Committee, which, among other duties, is responsible for:

- examining the reports of LATAM Airlines Group's external auditors, the balance sheets and other financial statements submitted by LATAM Airlines Group's administrators to the shareholders, and issuing an opinion with respect thereto prior to their presentation to the shareholders for their approval;
- evaluating and proposing external auditors and rating agencies;
- proposing a general policy for managing conflicts of interest and pronouncing on the company's general policies;
- reviewing internal control reports pertaining to related-party transactions;
- examining and reporting on all related-party transactions; and
- reviewing the pay scale of LATAM Airlines Group's senior management.

Under Chilean Corporate Law we are required, to the extent possible, to appoint a majority of independent board members to the board of directors committee. Pursuant to the Chilean Corporation Act, no person shall be considered independent who, at any time during the previous eighteen months: (1) Maintained any relationship, interest or economic, professional, credit or commercial dependence, of a nature and relevant volume, with the company, other companies of the financial conglomerate to which the company belongs, its comptroller, or principal executive officer of any one of them, or was a director, manager, administrator, principal executive officer or advisor of such companies; (2) Was a close relative (i.e., parents, father/mother in law, siblings, sisters/brothers in law), to any one of the persons referred to in 1 above; (3) Was a director, manager, administrator or principal executive officer of non-profit organizations that received contributions or large donations from any individual referred to in clause 1 above; (4) Was a partner or shareholder that possessed or controlled, directly or indirectly, 10% or more of the company's capital; a director; manager; administrator or principal executive officer of entities who had provided consulting or legal services, for relevant amounts, or of external audit, to the persons referred to in 1 above; or (5) Was a partner or shareholder who possessed or controlled, directly or indirectly, 10% or more of the company's capital; a director; manager; administrator or principal executive officer of principal competitors, suppliers or clients of the company. Should there be more than three directors entitled to participate in the directors committee, the board of directors shall elect the members of the directors committee by unanimous vote.

Should the board of directors fail to reach an agreement, preference to be appointed to the committee shall be given to directors elected with the highest percentage of votes cast by shareholders that individually control or possess less than 10% of the company's shares. If there is only one independent director, such director shall appoint the other members of the committee among non-independent directors. Such directors shall be entitled to exercise full powers as members of the committee. The chairman of the board of directors shall not be entitled to be appointed as a member of the committee nor any of its subcommittees, unless he is an independent director.

To be elected as independent director, the candidates must be proposed by shareholders that represent 1% or more of the shares of the company, at least 10 days prior to the date of the shareholders' meeting called to that end. The candidate who obtains the highest number of votes shall be elected as independent director.

Pursuant to U.S. regulations, we are required to have an audit committee of at least three board members, which complies with the independence requirements set forth in Rule 10A-3 under the Exchange Act. Given the similarity in the functions that must be performed by our board of directors' committee and the audit committee, our Board of Directors' Committee serves as our Audit Committee for purposes of Rule 10A-3 under the Exchange Act.

As of December 31, 2022, all of the members of our Board of Directors' Committee, which also serves as our Audit Committee, were independent under Rule 10A-3 of the Exchange Act. As of December 31, 2022, the committee members were Mr. Frederico Curado, Mr. Michael Neruda and Mrs. Sonia J.S. Villalobos. We pay each member of the committee a fixed annual remuneration of US$50,000, payable monthly at the rate of one-twelfth of such amount, regardless of the number of board meetings they attend, without limit of sessions.

Other LATAM Board Committees

LATAM's board of directors has also established four other committees to review, discuss and make recommendations to our board of directors. These include a Strategy & Sustainability Committee, a Leadership Committee, a Finance Committee and a Customers and Businesses Committee. The Strategy & Sustainability Committee focuses on the corporate strategy, current strategic issues and the three-year plans and budgets for the main business units and functional areas and high-level competitive strategy reviews. The Leadership Committee focuses on, among other things, group culture, high-level organizational structure, appointment of the LATAM CEO and his or her other reports, corporate compensation philosophy, compensation structures and levels for the LATAM CEO and other key executives, succession or contingency planning for the LATAM CEO and performance assessment of the LATAM CEO. The Finance Committee is responsible for financial policies and strategy, capital structure, monitoring policy compliance, taxation strategy and the quality and reliability of financial information. Finally, the Customers and Businesses Committee is responsible for setting the competitive strategies of the Customers and Commercial Vice Presidencies with a focus on sales, marketing, network and fleet initiatives, customer experience and revenue management. We pay each member of a sub-committee a fixed annual compensation of US$20,000 for each of the sub-committees of which the Director is a member, payable monthly at the rate of one-twelfth of such amount, with a cap thereon of US$40,000 per year for all the sub-committees of which the Director may be a member, payable monthly at the rate of one-twelfth of the latter amount. The compensation is payable to the Directors as members of one or more sub-committees of the board, regardless of the number of sessions of sub-committees of the board that they attend, without limit of sessions.

In June 2014, LATAM's board of directors established a Risk Committee to oversee the creation, implementation and management of a risk matrix for the Company.

Corporate Governance Practices

The company follows strict procedures in order to comply with current legislation in the United States and in Chile on corporate governance. In this context, the Company has published a Manual for Corporate Practices which can be found on the LATAM investor relations website and incorporates the applicable legislation in its policies and decisions. Information obtained on, or accessible through, this website is not incorporated by reference herein and shall not be considered part of this annual report.

D. Employees

The following table sets forth the number of employees in various positions at the Company.

	As of December 31,		
Employees ending the period	**2022**	**2021**	**2020**
Administrative	4,628	4,372	4,477
Sales	815	891	982
Maintenance	5,083	4,541	4,487
Operations	10,904	9,352	10,195
Cabin crew	7,423	6,708	5,918
Cockpit crew	3,654	3,250	3,056
Total	**32,507**	**29,114**	**29,115**

(1) As of December 31, 2022, approximately 54,6% of our employees worked in Brazil, 23,8% in Chile, 9,3% in Peru, 0,6% in Argentina, 5,3% in Colombia, 1,3% in Ecuador and 5,0% in the rest of the world.

Our salary structure is comprised of: (a) fixed payments (base salary and other fixed payments such as legal gratifications, local bonus, company seniority and others, depending on each country's law and market practice); (b) short term incentives (associated with corporate, area and individual performance), applicable to our ground staff; (c) long term incentives (applicable to our senior executives (Senior Directors and above).

According to the local law requirements, we make pension and social security contributions on behalf of our employees. Additionally, for our air staff and specialized professionals such as mechanics, we have fixed and variable payments, subject to the local collective agreements.

Regarding benefits, we usually provide life insurance and medical insurance, complementary to the coverage provided by the legal system. We also grant other benefits, according to local market practice (meal, transportation, maternal and paternal leave, etc.). In addition, we have a global staff travel program, which grants free and discounted tickets to our permanent employees.

Long Term Incentive Compensation Program

LP3 compensation plans (2020-2023)

The Company implemented a program for a group of executives effective between October 2020 and March 2023 (the "Compensation Plan"), which consisted of an extraordinary bonus to be paid annually or subject to accrual and based on target prices of the shares of LATAM. The program expired in March 2023 without any payments having been made.

Corporate Incentive Plan

As part of the Backstop Agreements, the parties agreed on proposed terms for a Corporate Incentive Plan, subject to the approval, allocation and implementation by the company's board of directors. The Corporate Incentive Plan is expected to be equivalent to 2.5% of the fully-diluted, fully-converted post-reorganization shares, is intended to be implemented after the date of substantial consummation of the Plan of Reorganization (the "Effective Date") by the board of directors to be elected post-Effective Date, and is anticipated to cover senior executives, other executives, and other employees, in the terms and conditions of, and as described in the Backstop Agreements. The terms and conditions of any subsequent incentive plans are expected to be determined and approved by the current board of directors, in its sole discretion.

Labor Relations

LATAM has maintained and intensified its efforts to ensure that labor relations between the group, its employees and their legal representatives are carried out through dialogue and result in agreements that benefit both parties, but always with safety criteria for the operation, efficiency, sustainability and care for people. During the year, the company has had to make the necessary adjustments essential to maintaining its sustainability, as a result of which the collective agreements (Protocols) were maintained with the different unions aimed at adapting the operational conditions and costs associated especially with the personnel of air (command and cabin crew). One of the main efforts that the company had to carry out during 2022 was the implementation of the remote work models that it had to apply as a result of the pandemic, modifications to labor legislation and restrictions from health organizations. However, the company continues to be concerned with constantly evaluating possible labor conflicts, for which it is always preparing contingency plans if necessary.

Chile

In 2022, 13 collective bargaining processes were carried out with unions, all of which were initiated voluntarily and in advance of the expiration of the legal deadlines. The aforementioned collective bargaining negotiations involved: Administration Unions (5), Maintenance Unions (4) and Pilots Unions (4), having a total of 3,583 employees involved in such negotiations. Of the 13 collective bargaining processes carried out, 10 were concluded in advance of the legal deadlines, therefore, without any possibility of contingency for the operation. The remaining 3 collective bargaining processes ended in accordance with the legal deadlines, i.e. a regulated negotiation in accordance with current legislation. On the other hand, regardless of the type of collective bargaining process (early or regulated), all of them were finally approved by large majorities of the respective assemblies, i.e., with an average approval of over 80%. As a result of this intense collective bargaining process, agreements were signed involving 65% of unionized workers in Chile, and these processes will continue in 2023 with 7 new collective bargaining agreements planned: Cabin Crew Unions (4), Administration Unions (2) and Pilots Union (1).

Ecuador

In July 2019, the Company renewed its voluntary agreement with the pilot's association in Ecuador, valid until July 2023. Then, this agreement was modified on June 26, 2020, with its term being extended until December 31, 2023.

Colombia

In Colombia during 2022 the Company maintained the agreements signed in 2021 with the following union groups: (i) the Technicians Union (ACMA), which will be in effect until December 2024, (ii) the Cabin Crew Union (ACAV), which will be in effect until December 2024, (iii) the Industrial Union of Aviation Workers (SINTRATAC), which will be in force until December 2024, (iv) non-union employees of Airport and the Cabin Crew, which will be in force until December 2024.

Ending 2022, with the Pilots' Latam Colombia Union (ADALAC), the Company anticipated the collective bargaining, which will be in effect until December 2024 and with respect to the pilots' union (ACDAC), the Colombian Court resolved a partial decision regarding the arbitration of 2019.

Peru

In Peru, there are six unions that represent workers from different functional areas: pilots, cabin crew, aircraft technicians, flight dispatchers and airport workers. Our current collective agreements were signed for a duration of four years.

In July 2022 LATAM Airlines Peru concluded negotiations with the cabin crew union and aircraft technicians union in direct agreement (4 years). In 2022 we started the collective bargaining process with the following unions: other aircraft technicians, airport workers, pilots and flight dispatchers.

Brazil

Under Brazilian law, the term of collective bargaining agreements is limited to two years. LATAM Airlines Brazil's collective bargaining agreements are valid for one year. LATAM Airlines Brazil has historically negotiated collective bargaining agreements with eleven unions in Brazil- one crew flight union, which represents pilots, copilots and flight attendants, and ten ground staff unions. In December 2022, LATAM Airlines Brazil successfully renegotiated collective bargaining agreements with all unions.

E. Share Ownership

As of February 28, 2023, the members of our board of directors and our executive officers as a group owned 5.02% of our shares. None of our directors or executive officers has voting rights that are different from any of our other shareholders. See "Item 7. Major Shareholders and Related Party Transactions."

For a description of stock options granted to our executive officers, see "-D. Employees-Long Term Incentive Compensation Program."

F. Disclosure of a registrant's action to recover erroneously awarded compensation

Not applicable.

ITEM 7 MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

A. Major Shareholders

As of February 28, 2023, Sixth Street Partners Management Company beneficially owned 27.9% of our common shares; Strategic Value Partners beneficially owned 16.0% of our common shares, Delta Air Lines owned 10.0% of our common shares; Qatar Airways Investments (UK) Ltd. owned 10.0% of our common shares (9.999999992% over LATAM's statutory capital); Sculptor Capital beneficially owned 6.5% of our common shares; and the Cueto Group owned 5.0% of our common shares. This information and the information in the table below is based upon information from Schedules 13D and 13G filed with the SEC.

Mr. Ignacio Cueto (Chairman of the Board of LATAM), Mr. Enrique Cueto (LATAM board member) and certain other Cueto family members and entities controlled by them, comprise the Cueto Group. As of December 31, 2022 the Cueto Group beneficially owned (as defined in Rule 13d-3 under the Securities Exchange Act) 5.0% of LATAM Airlines Group's common shares. Pursuant to a shareholders' agreement entered into by the Backstop Creditors and the Backstop Shareholders in connection with LATAM's emergence from bankruptcy proceedings, Delta Air Lines, Inc., Qatar Airways Investments (UK) Ltd. and the Cueto Group are entitled to elect four of the nine members of our board of directors. See "-Shareholders' Agreements."

The table below sets forth additional information regarding the beneficial ownership of our common shares, as of January 31, 2023, by our major shareholders or shareholder groups, and minority shareholders.

	Beneficial ownership (as of January 31, 2023)	
Shareholder	**Number of shares of common stock beneficially owned**	**Percentage of common stock beneficially owned**
Sixth Street Partners Management Company	168,669,825,995	27.87%
Strategic Value Partners	96,815,692,279	16.00%
Delta Airlines, Inc.	60,722,284,826	10.03%
Qatar Airways Investments (UK) LTD	60,640,7692,249	10.02%*
Sculptor Capital	39,480,189,422	6.52%
Cueto Group	30,389,446,225	5.02%
Others	148,513,940,268	24.54%
Total	**605,232,148,264**	**100%**

(*) Qatar owns 9.999999992% of shares over LATAM's statutory capital, represented by 606,407,693,000 shares.

As of February 28, 2023, other minority investors held 24.54% of our stock, with 0.01% of our capital stock held in the form of ADSs. It is not practicable for us to determine the number of ADSs or common shares beneficially owned in the United States. As of February 28, 2023, we had 2,095 record holders of our common shares. It is not practicable for us to determine the portion of shares held in Chile or the number of record holders in Chile. All of our shareholders have identical voting rights.

In the past three years, the only significant changes in the percentage of ownership held by any of LATAM's major currently existing shareholders have been represented by a decrease in the Cueto's group ownership from 16.4% as of February 28, 2022 to 5.0% as of February 28, 2023; and a decrease in Delta Airlines' ownership from 20.0% as of February 28, 2022 to 10.0% as of February 28, 2023.

Shareholders' Agreements

On or around the date of LATAM's emergence from bankruptcy proceedings (the "Effective Date") in accordance with the terms and conditions of the Chapter 11 plan confirmed by the Bankruptcy Court on June 18, 2022, the Backstop Creditors and the Backstop Shareholders entered into a Shareholders' Agreement (the "Shareholders' Agreement") that provides, among other things, that: (A) for a two year term following the Effective Date, the parties to the Shareholders' Agreement shall vote their shares so that the LATAM Airlines Group S.A. Board of Directors will comprise, both initially and in the filling of any vacancies thereon, nine directors, who in accordance with Chilean law, shall be appointed as follows: (i) five directors, including the vice-chair of the LATAM Airlines Group S.A. Board of Directors, nominated by the Backstop Creditors; and (ii) four directors, including the chair of the LATAM Airlines Group S.A. Board of Directors (who shall be a Chilean national), nominated by the Backstop Shareholders; and (B) for the first five years after the Effective Date, in the event of a wind-down liquidation or dissolution of LATAM Airlines Group S.A., recoveries on the shares delivered in exchange for the New Convertible Notes Class B to the extent the conversion option thereunder is exercised, shall be subordinated to any right of recovery for any shares delivered or to be delivered upon conversion of the New Convertible Notes Class A or New Convertible Notes Class C, in each case held by the Backstop Creditors on the Effective Date.

Composition of the LATAM Airlines Group Board

On November 15, 2022, Mr. Ignacio Cueto Plaza was elected as President of the Board.

On November 15, 2022 the board of directors of LATAM Airlines Group was renewed, with Mr. Ignacio Cueto Plaza, Mr. Bornah Moghbel, Mr. Enrique Cueto Plaza, Mr. Frederico Curado, Mr. Antonio Gil Nievas, Mr. Michael Neruda, Mr. Bouk van Geloven, Mrs. Sonia J.S. Villalobos, and Mr. Alexander Wilcox elected.

Management of the LATAM Airlines Group

The CEO of LATAM is the highest ranked officer of LATAM Airlines Group and reports directly to the LATAM board of directors. The CEO LATAM is tasked with the general supervision, direction and control of the business of the LATAM Airlines Group. In the case of a departure of the current CEO LATAM, our board of directors will select the successor after receiving the recommendation of the Leadership Committee.

The head office of the LATAM Airlines Group continues to be located in Santiago, Chile.

Voting Agreements, Transfers and Other Arrangements

Voting Agreements

The parties to the Holdco I shareholder's agreement and TAM shareholders agreement have agreed to vote their voting shares of Holdco I and shares of TAM so as to give effect to the agreements with respect to representation on the TAM board of directors discussed above.

Transfer Restrictions

As provided in the aforementioned shareholders' agreements, TEP Chile may sell all voting shares of Holdco I beneficially owned by it as a block, subject to satisfaction of the block sale provisions, if a release event (as described below) occurs. A "release event" will occur if (i) a capital increase of LATAM Airlines Group occurs, (ii) TEP Chile does not fully exercise the preemptive rights granted to it under applicable law in Chile with respect to such capital increase in respect of all of its restricted LATAM Airlines Group common shares, and (iii) after such capital increase is completed, the individual designated by TEP Chile for election to the board of directors of LATAM Airlines Group with the assistance of the Cueto Group is not elected to the board of directors of LATAM Airlines Group. As a result of the implementation of the restructuring set forth in our Plan of Reorganization, a "release event" occurred. However, no sale of the voting shares of Holdco I beneficially owned by TEP Chile has been implemented.

Restriction on transfer of TAM shares

LATAM agreed in the Holdco I shareholders' agreement not to sell or transfer any shares of TAM stock to any person (other than our affiliates) at any time when TEP Chile owns any voting shares of Holdco I. However, LATAM will have the right to effect such a sale or transfer if, at the same time as such sale or transfer, LATAM (or its assignee) acquires all the voting shares of Holdco I beneficially owned by TEP Chile for an amount equal to TEP Chile's then current tax basis in such shares and any costs TEP Chile is required to incur to effect such sale or transfer. TEP Chile has irrevocably granted us the assignable right to purchase all of the voting shares of Holdco I beneficially owned by TEP Chile in connection with any such sale.

Conversion Option

Pursuant to the Holdco I shareholders' agreement, we have the unilateral right to convert our shares of non-voting stock of Holdco I into shares of voting stock of Holdco I to the maximum extent allowed under law and to increase our representation on the TAM and Holdco I boards of directors if and when permitted in accordance with foreign ownership control laws in Brazil and other applicable laws if the conversion would not have an adverse effect (as defined above under the "-Transfer Restrictions" section). In February 2019, we completed the procedures for the exchange of shares of Holdco I S.A., through which LATAM Airlines Group SA increased its indirect participation in TAM S.A., from 48.99% to 51.04%. This transaction was undertaken pursuant to the Provisional Measure 863/2018 of December 13, 2018, through which the participation of up to 100% of foreign capital in airlines in Brazil is permitted.

If we can purchase and/or convert our shares and we do not timely exercise our right to do so, then the controlling shareholders of TAM will have the right to put their shares of voting stock of Holdco I to us for an amount equal to the sale consideration.

Acquisitions of TAM Stock

The parties have agreed that all acquisitions of TAM common shares by LATAM Airlines Group, Holdco I, TAM or any of their respective subsidiaries from and after the effective time of the combination will be made by Holdco I.

B. Related Party Transactions

See "Item 4. Information on the Company-B. Business Overview-Chapter 11 Proceedings through 2021-Debtor-in-Possession Financing."

General

We have engaged in a variety of transactions with our affiliates, including entities owned or controlled by certain of our major shareholders. In the ordinary course of business, we render to and receive from related companies' services of various types, including aircraft leases, aircraft interchanges, freight transportation and reservation services. Such transactions, none of which is individually material, are summarized in Note 32 to our audited consolidated financial statements for the fiscal year ended December 31, 2022.

On August 2, 2016, the board of directors approved the Policy on Control of Related-Party Transactions of LATAM Airlines Group S.A. and its subsidiaries, which states:

- Related-party means, among others, subsidiaries, affiliates, natural persons or legal entities with control of 10% or more of the Company's voting stock, vice presidents, directors or senior executives as well as their respective spouses, relatives, and companies in which said persons are either direct or indirect owners of 10% or more of the Company's voting stock, or in which they have held a position over the last 18 months.

- Related-Party Transactions can only be executed if said transactions are in LATAM's interest and adjust to price, terms and conditions prevalent in the market for similar transactions with other third parties at the time of its approval.

Any and all negotiations, acts, contracts or operations in which a company of the LATAM Group and a party related to such company serve as the participants will be subject to the Policy.

DIP Financing

See "Item 4. Information on the Company-B. Business Overview-Chapter 11 Proceedings through 2022-Debtor-in-Possession Financing."

C. Interests of experts and counsel

Not applicable.

ITEM 8 FINANCIAL INFORMATION

A. Consolidated Financial Statements and Other Financial Information

See "Item 18. Financial Statements" and pages F-1 through F-163.

Legal and Arbitration Proceedings

We are involved in routine litigation and other proceedings relating to the ordinary course of business. The following is a description of all the material legal and arbitration proceedings.

International Cargo Airlines Investigations

In February 2006 the European Commission ("EC"), the Department of Justice of the United States ("DOJ"), the Canadian Competition Bureau ("CCB"), and the Brazilian Administrative Counsel for Economic Defense ("Conselho Administrativo de Defesa Econômica" or "CADE"), among others, initiated a global investigation of a large number of international cargo airlines (among them LAN Cargo) for possible price fixing of cargo fuel surcharges and other fees in the European and United States air cargo markets. As previously announced, LAN Cargo reached plea agreements with the DOJ and the CCB, which included the payment of fines, in relation to such investigation.

On November 9, 2010, the EC imposed fines on 11 air carriers for a total amount of €799.4 million (equivalent to approximately US$1.1 billion). The fine imposed against LAN Cargo and its parent company, LAN, totaled €8.2 million (equivalent to approximately US$8.8 million). LAN provisioned US$25 million during the fourth quarter of 2007 for such fines, and maintained this provision until the fine was imposed in 2010. In 2010, LAN recorded a US$14.1 million gain (pre-tax) from the reversal of a portion of this provision. This was the lowest fine applied by the EC, which includes a significant reduction due to LAN's cooperation with the Commission during the course of the investigation. In accordance with European Union law, on January 24, 2011 this administrative decision was appealed by LAN Cargo and LAN to the General Court in Luxembourg. Any judgment by the General Court may also be appealed to the Court of Justice of the European Union. The European Court of Justice overturned the Commission's decision on December 16, 2015. On May 20 2016 the EC confirmed that they had decided not to appeal the case and to issue a new decision with the aim of correcting the faults identified in the judgment by the European Court of Justice.

On March 17, 2017, the EC re-adopted its decision and imposed on LAN Cargo and its parent company, LATAM, a fine in the same amount, €8.2 million, as the original fine. On May 31, 2017 LAN Cargo and LATAM requested the annulment of this EC decision to the General Court of the European Union. In December 2017 LAN Cargo and LATAM presented their arguments for this annulment and in July 2019 LAN CARGO and LATAM participated in a hearing in the Court of Justice of the European Union in which we confirmed our request for annulment of the decision or instead a reduction of the amount of the fine. On March 30, 2022, the European Court issued its ruling and reduced the amount of our fine from MUS$8,797 ($8,220,000) to MUS$2,397 ($2,240,000). This ruling was appealed by LAN Cargo, S.A. and LATAM on June 9, 2022. All the other eleven airlines also appealed the ruling affecting them. The European Commission responded to our appeal on September 7, 2022. LAN Cargo, S.A. and LATAM responded to the Commission's arguments on November 11, 2022. The European Commission has until January 24, 2023 to replicate our defense. On December 17, 2020, the European Commission submitted proof of claim for the total amount of the fine (KUS$10,072 or €8,220,000) to the Bankruptcy Court. The amount of this claim has been modified to MUS$2,397, subject to the possible appeal of the judgment of the European Court.

Civil actions have also been initiated against many airlines, including LAN Cargo and LATAM Airlines Group, in various European countries (Great Britain, Norway, Holland and Germany). The two only judicial processes still pending in Norway and the Netherlands are in the evidentiary stages. There has been no activity in Norway since January 2014 and in the Netherlands, since February 2021. The amounts are indeterminate.

On September 3, 2013, CADE published its decision to impose a fine of US$51.0 million against ABSA, after an investigation, commenced in 2008, against several cargo airlines and airlines officers over allegations of anticompetitive practices regarding fuel surcharges in the air cargo business. CADE also imposed fines upon a former Director and two former employees in the amounts of US$1.0 million and US$510,000 respectively. On December 5, 2013 ABSA filed its application for Administrative Reconsideration before CADE. On December 19, 2014, CADE issued a new decision which reduced the fine against ABSA to US$ 9,823,135 (based on an exchange rate of US$ 1 = R$ 3.3080). CADE also reduced the fines against ABSA's Director and employees to US$ 247,896 and US$ 123,040, respectively (also based on an exchange rate of US$ 1 = R$ 3.3080). ABSA has initiated a judicial appeal against the Union Federal seeking an additional reduction of the fine amount. In December 2018, a Federal Court Judge ruled against ABSA, indicating that it will not apply an additional reduction to the fine imposed. The court's decision was published on March 12, 2019. On March 13, 2019, ABSA filed a motion seeking clarification of the federal court's decision. On April 1, 2019, a response to the motions for clarification filed by ABSA was presented. On May 24, 2019, the motions for clarification of ABSA were not accepted.

On June 18, 2019, an appeal was filed by ABSA. On August 14, 2019, CADE's deadline for filing counter arguments was certified. On August 25, 2019, records were sent to the court. On the same date, the records were distributed to Desa Marli Marques Ferreira. On April 27, 2020, a petition was presented by ABSA attaching the renewal of the insurance-judicial policy. On April 19, 2021, a petition was presented by ABSA attaching the renewal of the insurance-judicial policy. On July 19, 2021, CADE filed a statement challenging the policy presented. On August 11, 2021, ABSA filed a petition with evidence of the regular status of the policy presented. On October 26, 2021, a decision was rendered determining the regularization of the policy by ABSA. On October 27, 2021, ABSA filed a petition reiterating the terms of its last petition, demonstrating the regularity of the policy presented. On February 8, 2022, ABSA was summoned to regularize the policy presented, by proving the existence of a reinsurance contract. On February 16, 2022, ABSA presented proof of reinsurance by Ezze Seguros. At the moment, the judgment of ABSA's appeal is awaited.

Jose Marti Airport Complaint

On September 27, 2019 a lawsuit was filed against LATAM Airlines Group S.A. and American Airlines Inc. ("American") in the U.S. District Court for the Southern District of Florida under the Cuban Liberty and Democratic Solidarity Act, 22 U.S.C. Section 6021 et seq., (the "Helms-Burton Act"). Plaintiff Jose Ramon Lopez Regueiro alleged in the complaint that he holds an interest in the Jose Marti Airport which was confiscated by the Cuban government in 1959, and that LATAM Airlines Group S.A. unlawfully "trafficked" in the said property. The plaintiff sought all available statutory remedies, including the award of damages for the alleged trafficking in the expropriated property, plus reasonable attorney's fees and costs incurred, treble damages, post-judgment interest, and any other relief deemed appropriate by the court. On April 6, 2020, the Court issued an Order of Temporary Suspension given the inability to proceed with the case on a regular basis as a result of the indefinite duration and restrictions of the global pandemic and required the parties to notify on a monthly basis of the possibility of proceeding.

The stay with respect to the claims against American was lifted and consequently American successfully obtained a dismissal from the Southern District court on the grounds that: (1) the property at issue in an Helms-Burton Act lawsuit must have been confiscated from a U.S. national, and (2) an Helms-Burton Act plaintiff must have been a U.S. national when he acquired his claim to the property or at least before the Helms-Burton Act's enactment date, March 12, 1996.

The stay with respect to the claims against LATAM remained in place until the conclusion of the Chapter 11 proceedings. Plaintiff's failure to file a proof of claim against LATAM under the Chapter 11 proceedings barred plaintiff from any claims against LATAM. As a result, the plaintiff agreed to dismiss his complaint with prejudice against LATAM. A status report was submitted to the Court confirming the same. Dismissal is pending.

Chapter 11 Proceedings

On May 26, 2020, LATAM Airlines Group S.A. and 28 subsidiaries (the "Initial Debtors") individually filed a voluntary reorganization petition with U.S. Bankruptcy Court for the Southern District of New York according to Chapter 11 of the U.S. Bankruptcy Code. On July 7 and 9, 2020, 9 additional affiliated debtors (the "Subsequent Debtors," and together with the Initial Debtors, the "Debtors"), including TAM Linhas Aereas S.A., filed a voluntary reorganization petition with the Court according to Chapter 11 of the U.S. Bankruptcy Code. On November 26, 2021, the Debtors submitted a joint reorganization plan together with an informational statement. On May 11, 2022, the Debtors submitted a revised version of the Plan. On June 18, 2022, the Bankruptcy Court issued the Confirmation Order confirming the Reorganization Plan filed by the Debtors (the "Confirmation Order"). On July 5, 2022, a Special Shareholders Meeting of LATAM approved implementing the Restructuring Plan and issuing the required instruments to be able to exit the Chapter 11 Procedure. On November 3, 2022, the Debtors exited the Chapter 11 proceedings and emerged as the "Reorganized Debtors". The effective date of the exit (the "Effective Date") of LATAM's reorganization and financing plan (the "Reorganization Plan") was approved and confirmed in the U.S. reorganization procedure according to the rules of Chapter 11 in Title 11 of the U.S. Code. On November 17, 2022, the Reorganized Debtors filed a motion to consolidate the administration of certain remaining matters, including the reconciliation of claims that have not yet been allowed or disallowed, in the lead Chapter 11 case of LATAM Parent and for entry of a final decree closing the Chapter 11 cases of LATAM Parent's debtor-affiliates. The Bankruptcy Court entered an Order on December 14, 2022 granting the motion to consolidate the administration of remaining matters in the lead Chapter 11 case of LATAM Parent. As a result, the dockets for all 37 debtor-affiliates of LATAM Parent were marked "closed" on December 23, 2022.

Additional information regarding recent developments in the Chapter 11 proceedings can be found in "Item 4. Information on the Company-B. Business Overview-Recent Developments in 2022 involving our Chapter 11 Proceedings."

On June 1, 2020, LATAM Airlines Group SA, in its capacity as foreign representative of the reorganization proceedings under the rules of Chapter 11 described above, filed the request for recognition of the Chapter 11 proceedings as a main proceeding, pursuant to Law 20,720 (the "Chilean Insolvency Act") in Chile, before the 2° Civil Court of Santiago (the "Chile Insolvency Court"). Case N° C-8553-2020. On June 4, 2020, the Chile Insolvency Court issued a ruling granting such a request. All appeals filed against such decision were rejected and, therefore, is final. Due to the fact that November 3, 2022 was the Effective Date of the reorganization plan approved and confirmed in the main proceeding, on November 10, 2022, the representative of the foreign proceeding submitted to the court his last monthly report in accordance with the Communications Protocol Cross-border.

On June 4, 2020, LATAM Airlines Group S.A. and the companies that were admitted to a Chapter 11 reorganization proceeding (the "Debtors") before the United States District Court for the Southern District of New York (the "US Bankruptcy Court") requested the Colombian Superintendence of Companies (the "Superintendence of Companies") recognize the Chapter 11 reorganization proceeding in Colombia on the grounds of the Colombian cross border insolvency regulation (Title III of Law 1116 of 2006). On June 12, 2020, the Superintendence of Companies recognized the reorganization proceeding filed before the US Bankruptcy Court as the main proceeding and ordered several measures regarding the assets of the Colombian Debtors. On August 26, 2022, the Superintendence of Companies recognized the order issued by the US Bankruptcy Court on June 24, 2022, by which it authorized the DIP Exit Financing proposal filed by the Debtors and authorized the termination of the guarantees granted in the Amended and Reinstated DIP Financing and the execution of new guarantees. On November 3, 2022, the Debtors notified the US Bankruptcy Court, creditors and interested parties of the effective date of the Reorganization Plan.

On May 26, 2020, LATAM Finance Limited submitted a request for a provisional liquidation in the Grand Court of the Cayman Islands, covered in the reorganization proceeding filed before the Bankruptcy Court of the United States of America, which was accepted on May 27, 2020 by the Grand Court of the Cayman Islands. On September 28, 2020, LATAM Finance Limited filed a petition to suspend the liquidation. On October 9, 2020, the Grand Court of the Cayman Islands accepted the petition and extended the status of temporary liquidation for a period of 6 months. The lawsuit continues to be active. On May 13, 2021, LATAM Finance Limited filed a petition to suspend the liquidation. On May 18, 2021, the Grand Court of the Cayman Islands accepted the petition and extended the status of temporary liquidation until October 9, 2021. The lawsuit continues to be active. On December 1, 2021, LATAM Finance Limited filed a petition to suspend the liquidation, which was accepted by the Grand Court of the Cayman Islands. This extended the status of the provisional liquidation through April 9, 2022. On August 22, 2022, LATAM Finance Limited petitioned for a suspension of the liquidation, which was granted by the Grand Court of the Cayman Islands, extending the status of the provisional liquidation to October 9, 2022. An additional petition to suspend the liquidation was sustained by the Grand Court of the Cayman Islands on October 4, 2022. Currently the proceeding remains open.

On May 26, 2020, Peuco Finance Limited submitted a request for a provisional liquidation in Grand Court of the Cayman Islands, covered in the reorganization proceeding filed before the Bankruptcy Court of the United States of America, which was accepted on May 27, 2020 by the Grand Court of the Cayman Islands. On September 28, 2020, Peuco Finance Limited filed a petition to suspend the liquidation. On October 9, 2020, the Grand Court of the Cayman Islands accepted the petition and extended the status of temporary liquidation for a period of 6 months. The lawsuit continues to be active. On May 13, 2021, Peuco Finance Limited filed a petition to suspend the liquidation. On May 18, 2021, the Grand Court of the Cayman Islands accepted the petition and extended the status of temporary liquidation until October 9, 2021. The lawsuit continues to be active. On December 1, 2021, Peuco Finance Limited filed a petition to suspend the liquidation, which was accepted by the Grand Court of the Cayman Islands. This extended the status of the provisional liquidation through April 9, 2022. On August 22, 2022, Peuco Finance Limited petitioned for a suspension of the liquidation, which was granted by the Grand Court of the Cayman Islands, extending the status of the provisional liquidation to October 9, 2022. An additional petition to suspend the liquidation was sustained by the Grand Court of the Cayman Islands on October 4, 2022. Currently the proceeding remains open.

On July 7, 2020, Piquero Leasing Limited submitted a request for a provisional liquidation in Grand Court of the Cayman Islands, covered in the reorganization proceeding filed before the Bankruptcy Court of the United States of America, which was accepted on July 10, 2020, by the Grand Court of the Cayman Islands. Piquero Leasing Limited entered a motion to suspend the liquidation on September 28, 2020. The Grand Court of the Cayman Islands granted the motion and extended the provisional liquidation status for 6 months. The procedure continues. On May 13, 2021, Piquero Leasing Limited filed a petition to suspend the liquidation. On May 18, 2021, the Grand Court of the Cayman Islands accepted the petition and extended the status of temporary liquidation until October 9, 2021. The lawsuit continues to be active. On December 1, 2021, Piquero Leasing Limited filed a petition to suspend the liquidation, which was accepted by the Grand Court of the Cayman Islands. This extended the status of the provisional liquidation through April 9, 2022. On August 22, 2022, Piquero Leasing Limited petitioned for a suspension of the liquidation, which was granted by the Grand Court of the Cayman Islands, extending the status of the provisional liquidation to October 9, 2022. An additional petition to suspend the liquidation was sustained by the Grand Court of the Cayman Islands on October 4, 2022. Currently the proceeding remains open.

Class Actions

On June 25, 2020, the National Corporation of Consumers and Users ("CONADECUS") filed a class action against LATAM Airlines Group S.A. in a Chilean Court, for alleged breaches of the Law on Protection of Consumer Rights due to flight cancellations caused by the COVID-19 Pandemic, requesting the nullity of possible abusive clauses, the imposition of fines and compensation for damages in defense of the collective interest of consumers. On July 4, 2020 we filed a motion for reversal against the ruling that declared the action filed by CONADECUS admissible, a decision is pending to date. On July 11, 2020 we requested the Court to comply with the suspension of this case, ruled by the Chile Insolvency Court, in recognition of the foreign reorganization procedure pursuant to the Chilean Insolvency Act, for the entire period that said proceeding lasts, a request that was accepted by the Court. CONADECUS filed a motion for reconsideration and an appeal against this resolution should the motion for reconsideration be dismissed. The Chile Insolvency Court dismissed the reconsideration motion on August 3, 2020, but admitted the appeal. The appeal is currently pending before the Santiago Court of Appeals. On December 22, 2022, LATAM filed a motion requesting the stay to be lifted, given the current state of the reorganization procedure. On December 30, 2022, CONADECUS agreed to LATAM's request. On January 23, 2023, the Santiago Court of Appeals granted LATAM's motion and lifted the stay. Notwithstanding its decision on the stay, the Santiago Court of Appeals still wants to hear oral arguments on the case, scheduling a hearing for March 1, 2023. The amount at the moment is undetermined. Parallel to the lawsuit in Chile, on August 31, 2020, CONADECUS filed on appeal with the Bankruptcy Court because of the automatic suspension imposed by Section 362 of the Bankruptcy Code that, among other things, prohibits the parties from filing or continuing with claims that involve a preliminary petition against the Borrowers. CONADECUS petitioned (i) for a stay of the automatic suspension to the extent necessary to continue with the class action against LATAM in Chile and (ii) for a joint hearing by the Bankruptcy Court and the Chile Insolvency Court to hear the matters relating to the claims of CONADECUS in Chile. On September 16, 2020, the Borrowers filed their objection against CONADECUS' appeal and the Official Unsecured Creditors Committee presented a statement in support of the Borrowers' position. On December 18, 2020, the Bankruptcy Court partially granted CONADECUS's request, only in the sense of allowing them to continue with their appeal against the resolution of the 23rd Civil Court and only for the purposes that the Court of Appeals determine whether or not the suspension is appropriate under the Chilean Insolvency Act. On February 9, 2021, the Bankruptcy Court entered an order to lift the automatic stay to permit the continuation of CONADECUS' appeal in Chile against the judicial approval of a class action settlement with the Chilean Association of Consumers and Users ("AGRECU").

Class Action Lawsuit filed by AGRECU against LATAM Airlines Group S.A. for alleged breaches of the Law on Protection of Consumer Rights due to flight cancellations caused by the COVID-19 Pandemic, requesting the nullity of possible abusive clauses, the imposition of fines and compensation for damages in defense of the collective interest of consumers. LATAM has hired specialist lawyers to undertake its defense.

On July 7, 2020 we were notified of the lawsuit. We filed our statement of defense on August 21, 2020. The Court admitted the statement of defense and convened the parties to a settlement hearing on October 1, 2020. A settlement was reached with AGRECU at that hearing that was approved by the Court on October 5, 2020. On October 7, 2020, the 25th Civil Court confirmed that the decision approving the settlement was final and binding. CONADECUS filed a brief on October 4, 2020 to become a party and oppose the agreement, which was dismissed on October 5, 2020. It petitioned for an official correction on October 8, 2020 and the annulment of all proceedings on October 22, 2020, which were dismissed, costs payable by CONADECUS, on November 16, 2020 and November 20, 2020, respectively. LATAM presented reports on the implementation of the agreement on May 19, 2021, November 19, 2021 and May 19, 2022. CONADECUS still has appeals pending against these decisions. The amount at the moment is undetermined.

Legal proceedings involving LATAM Airlines Brazil

TAM Linhas Aéreas S.A. is party to one action filed by relatives of victims of an accident that occurred in October 1996 involving one of its Fokker 100 aircraft, in addition to 22 actions filed by residents of the region where the accident occurred, who claimed pain and suffering, and a class action related to this accident. All suits have now been concluded except one suit brought by the association of residents of a local street in respect of which TAM has been found liable by the 2nd Instance Court for damages to be assessed, subject to an appeal to the Superior Court. Most residents of the relevant street appear to have already been compensated through individual claims, which have been satisfied and thus should not be entitled to further compensation. No steps have been taken by any residents to try to obtain further compensation through the decision in favor of the residents' association. Any further damages resulting from the aforementioned legal claim are covered by the civil liability guarantee provided for in TAM's insurance policy with Itaú Unibanco Seguros S.A. (now Chubb Seguros).

In relation to the Airbus A320 aircraft (PR-MBK) accident of TAM Linhas Aéreas S.A. (TAM) at CGH on July 17, 2007, settlements were concluded directly between the insurers/reinsurers and the victims' families, third parties and ex-employees. Almost all claims and suits have now been concluded and there is ongoing litigation against TAM relating to only one fatal victim and one third party land owner. The administrative action regarding the extent of the primary insurance coverage payable regarding victims on board the aircraft remains on appeal by TAM and the other defendants to the Superior Court in Brasília. No steps have been taken by any party to attempt preliminary execution of the 2nd Instance decision and there should be good arguments to defend any such action based on the releases signed by all claimants upon receiving final compensation. The insurance coverage with Itaú Unibanco Seguros S.A. (now Chubb Seguros) is adequate to cover any further liabilities arising and LATAM Airlines Brazil will not incur any expenses that were not contemplated by the scope of the insurance policy.

Tax related proceedings

TAM Linhas Aereas and other plaintiffs filed an ordinary claim with a request for injunctive relief for non-payment of the Airline Workers Fund, a tax charged monthly at the rate of 2.5% of an airline's total payroll. Currently, judgment is pending on an appeal that TAM lodged challenging the initial decision (which was ruled in favor of the Brazilian National Institute of Social Security ("INSS")). Regarding the period between 2004 and 2012, the INSS issued a tax assessment notice charging amounts as a result of TAM Linhas Aereas' non-payment of the Airline Workers Fund. The company made cash deposits to the Court of total amounts required to guarantee the debts potentially owed. The administrative proceedings have been suspended until the conclusion of the judicial claim. The approximate adjusted value of amounts potentially due in such proceeding as of December 31, 2012 was US$43.3 million. In the opinion of our legal advisors, losing in this proceeding is possible. Assuming payment of this tax is required by law, we have established a provision in the amount of US$73.986 million million (R$386.039.934,74) related to TAM's part as of December 31, 2022.

TAM Linhas Aereas S.A. is a plaintiff in judicial claim against the Brazilian government from 1993 seeking indemnity for damages suffered because of the break-up of an air transportation concession agreement that resulted in the freezing of TAM's prices from 1988 to September 1993 in order to maintain operations with the prices set by the Brazilian government during that period. The process is currently being heard before the Federal Regional Court and judgment is pending an appeal by TAM. The amount of potential recovery is indeterminate at this time. The original amount is estimated at US$44.1 million (R$246,086,745.00). This sum is subject to delinquent interest since September 1993 and inflation adjustment since November 1994. Based on the opinion of TAM's legal advisors, and recent rulings handed down by the Brazilian Supreme Court of Justice in favor of airlines in similar cases (specifically, actions filed by Transbrasil and Varig), we believe that TAM's likelihood of success is possible, even after the second judicial level court issued decision denying the claim. The Company filed a motion for clarification on the basis of omitted points in the judgment, which is pending in the Court. The motion for clarification was judged. The company will appeal to the higher courts (STJ and STF).We have not recognized these credits in our financial statements and will only do so if and when a positive decision is rendered final by the Court.

TAM Linhas Aereas S.A. filed an ordinary claim, with a request for early judgment, to discuss the legality of charging the Adicional das Tarifas Aeroportuárias ("Additional Airport Tariffs," or "ATAERO"), which are charged at a rate of 50% on the value of tariffs and airport tariffs. A decision by the superior court is pending. The amount of potential recovery is indeterminate at this time. The decision by the superior court (STJ) is pending since May 2020.

A tax assessment was issued by the Brazilian IRS for the collection of Income Tax ("IRPJ") and Social Contribution on Net Income ("CSLL"), and a fine of 150% and interest was imposed on TAM. In summary, the Brazilian IRS intends to levy IRPJ and CSLL on the alleged capital gain earned by TAM S.A. as a result of the reduction of the capital stock of the controlled company Multiplus S/A. On December 31, 2022 the updated amount of the assessment and fees discussed was approximately US$114.392 million (R$ 545.359.629,14 million). The Administrative Court issued a second level decision canceling the tax assessment. This decision was challenged by the Brazilian IRS before the third level Administrative Superior Court. The appeal from IRS is pending judgment by Administrative Superior Court ("CSRF").

A tax assessment was issued by the São Paulo Municipality in order to charge tax (ISS) on tour packages sold by Fidelidade Viagens e Turismo S/A between 2010 and 2015.The Company believes that a favorable outcome is possible. A first level decision was issued favorable to the company, but remains subject to appeal by the counterparty. The appeal from the São Paulo Municipality has been pending a verdict since May 2020. On July 2021 the Court denied the São Paulo Municipality appeal. The Municipality of São Paulo presented a new appeal which is awaiting a decision in the STJ. In June 2022, the STJ upheld the favorable decision for the Company and rejected the Treasury's appeal. In September 2022 there was a favorable definitive closure for the Cia.

A tax assessment of PIS/COFINS credits was issued by the Brazilian IRS on International Air Freight Shipping Services in the amount of US$ 10.095 million (R$ 52.674.540,95 million) as of December 31, 2022. The Administrative Court issued decisions canceling the total penalty and the major part of the amounts owed. The remaining amount is still under determination by the Brazilian IRS.

Federal Revenue Service issued a tax assessment notice against TAM Linhas Aereas S.A. in the amount of US$ 106.331 million (R$554.803.668,75 million) as of December 31, 2022, due to alleged irregularities of the Company related to the social security contribution on the risks of work accident ("GILRAT," former "SAT"), in the term from November 2013 until December 2017. TAM Linhas Aereas S.A. has presented their defense to the Administrative Court, but on February 7, 2019 the court denied the defense and kept the tax assessment. The proceedings are now pending the judgment on the appeal filed before the second level Court (the "CARF"). In the opinion of our legal advisors, losing in this proceeding is possible. It is important to highlight that the Company won a similar case where the Brazilian IRS was seeking the same contribution related the years 2011-2012, and this assessment was canceled by the Administrative Court.

On December 12, 2019 Brazilian tax authority issued a Tax Assessment of PIS COFINS credits related to 2014 on the amount of US$37.062 million (R$193.381.694,20 million), as of December 31, 2021. The company filed the defense in the same ground of the case reported above about PIS COFINS. In September 2020, the company was informed that the defense was denied. The appeal filed by the Company is pending judgment.

Federal Revenue Service issued a tax assessment notice against TAM Linhas Aereas S.A. in the amount of US$ 15.904 million (R$82.984.625,34 million) as of December 31, 2022, due to alleged irregularities of the Company related to the social security contribution on the risks of work accident ("GILRAT," former "SAT"), in the term from January/December 2018. TAM Linhas Aereas S.A. will present the Administrative Defense. In the opinion of our legal advisors, losing in this proceeding is possible. It is important to highlight that the Company won a similar case where the Brazilian IRS was seeking the same contribution related the years 2011-2012, and this assessment was canceled by the Administrative Court.

It is important to highlight that TAM Linhas Aereas S.A. has other relevant legal cases involving tax issues.

In addition, there are a few claims made to, and/or legal proceedings filed against the Company, though those are not expected to have a material impact on the Group's financial situation or profitability. While it is not feasible to predict the outcome of the pending claims, proceedings, and investigations described with certainty, management is of the opinion that their ultimate disposition should not have a material adverse effect on the Company's financial position, cash flows, or results of operations.

For additional legal proceedings relating to the ordinary course of the business, please see Note 30 (Contingencies) in our audited consolidated financial statements.

Dividend Policy

In accordance with the Chilean Corporate Law, and provided it does not have carryover financial losses, LATAM must distribute cash dividends equal to at least 30% of its annual consolidated net profits calculated in accordance with IFRS, subject to limited exceptions. If there is no net income in a given year, LATAM can elect but is not legally obligated to distribute dividends out of retained earnings. The board of directors may declare interim dividends out of profits earned during such interim period. Pursuant to LATAM's by-laws, the annual cash dividend is approved by the shareholders at the annual ordinary shareholders' meeting held between February 1 and April 30 of the year following the year with respect to which the dividend is proposed. All outstanding common shares are entitled to share equally in all dividends declared by LATAM, except for the shares that have not been fully paid by the shareholder after being subscribed.

We declare cash dividends in U.S. dollars, but make dividend payments in Chilean pesos, converted from U.S. dollars at the observed exchange rate five business days prior to the day we first make payment to shareholders. Holders of ADSs will be entitled to receive dividends on the underlying common shares to the same extent as holders of common shares. Holders of ADRs on the applicable record dates will be entitled to receive dividends paid on the common shares represented by the ADSs evidenced by such ADRs. Dividends payable to holders of ADSs will be paid by us to the depositary in Chilean pesos and remitted by the depositary to such holders net of foreign currency conversion fees and expenses of the depositary and will be subject to Chilean withholding tax currently imposed at a rate of 35% (subject to credits in certain cases as described under "Item 10. Additional Information- E. Taxation-Cash Dividends and Other Distributions"). The amount of U.S. dollars distributed to holders of ADSs may be adversely affected by a devaluation of the Chilean currency that may occur before such dividends are converted and remitted. Owners of the ADSs will not be charged any dividend remittance fee by the depositary with respect to cash dividends.

Chilean law requires that holders of shares of Chilean companies that are not residents of Chile register as foreign investors under one of the foreign investment regimes established by Chilean law in order to have dividends, sale proceeds or other amounts with respect to their shares remitted outside Chile through the Formal Exchange Market (*Mercado Cambiario Formal*).

LATAM Airlines did not pay the dividend planned for May 28, 2020, even though it was approved and agreed in the 2020 shareholder's meeting of April 30, 2020, due to Chapter 11 proceedings. The rules of the Chapter 11 proceedings prohibited the Company from distributing dividends to its shareholders during the bankruptcy. In addition, any plan of reorganization cannot provide distributions to shareholders on account of the pre-petition claims unless senior creditors are paid in full. Given that the Company presented losses in fiscal year 2021, the last ordinary shareholders' meeting held on April 20, 2022, accordingly did not make a pronouncement on the distribution of profits for that fiscal year.

The table below sets forth the cash dividends per common share and per ADS paid by LATAM, as well as the number of common shares entitled to such dividends, for the years indicated. Dividends per common share amounts reflect common share amounts outstanding immediately prior to the distribution of such dividend.

Dividend for year:	Payment Date(s)	Total dividend payment	Number of common shares entitled to dividend	Cash dividend per common share	Cash dividend per ADS
		(U.S. dollars)	(in millions)	(U.S. dollars)	(U.S. dollars)
2019[1]	n.a.	$ 0.00	$ 606.41	$ 0.00	$ 0.00
2020	n.a.	$ 0.0	$ 606.41	$ 0.0	$ 0.0
2021	n.a.	$ 0.0	$ 606.41	$ 0.0	$ 0.0

(1) Although dividend reserves of US$57,129,120 were set aside for 2019, we did not pay dividends in 2020 due to our Chapter 11 proceedings.

B. Significant Changes

Except as otherwise disclosed in our audited consolidated financial statements and in this annual report, there have been no significant changes in our business, financial conditions or results of operations since December 31, 2022.

ITEM 9 THE OFFER AND LISTING

A. Offer and Listing Details

The principal trading market for our common shares is the Santiago Stock Exchange ("SSE"). The common shares have been listed on the SSE under the symbol "LAN" since 1989, and the ADSs were listed on the NYSE under the symbol "LFL" on November 7, 1997. LATAM was delisted from the NYSE on June 22, 2020, following its filing for voluntary protection under Chapter 11 of the Bankruptcy Code. As of the date of this annual report, the ADSs are traded in the over-the-counter market, which is a less liquid market, and our ADR program, with JP Morgan Chase Bank, N.A. as depositary, is not open for issuances. There is no defined timeline for re-opening the ADR program or for returning to the U.S. public markets.

In August 2022, LATAM filed a registration statement on Form F-1 for the proposed resale of its common shares in the form of ADSs pursuant to the Registration Rights Agreement entered into by and among LATAM, the Backstop Creditors and the Backstop Shareholders. LATAM then filed an amendment to its registration statement on Form F-1 in October 2022. There is no defined timeline for the effectiveness of the registration statement.

As of December 31, 2022, the Company's statutory capital is represented by 606,407,693,000 shares, all issued, ordinary and without nominal value. From that amount, and as of the same date, a total of 605,231,854,725 shares had been subscribed and paid, including common shares represented by ADSs. This is the result of the capital increase approved by the company's shareholders at the extraordinary meeting held on July 5, 2022 in the context of the implementation of its Reorganization Plan and confirmed within its reorganization proceedings under Chapter 11 of Title 11 of the United States Code, as well as the emergence from such proceeding. The Company's statutory capital of 606,407,693,000 shares is comprised of the sum of (i) the 606,407,693 shares outstanding prior to the capital increase, and (ii) the 605,801,285,307 shares underlying both the US$800 million Equity Rights Offering and the aggregate number of shares underlying each of the Convertible Notes A, B and C; issued as part of LATAM's capital increase.

In February 2022, the Company filed an application to register an additional 200 million ADRs (American Depositary Receipt) with the Securities Exchange Commission ("SEC") with the sole purpose of having them available for issuance in the market, since most of the existing registered ADRs have already been issued. The Company informed that this does not mean that the Company is issuing new shares or increasing capital, but rather allowing investors in the United States to access the ADRs, which have as an underlying security LATAM's previously issued common stock.

B. Plan of Distribution

Not applicable.

C. Markets

Trading

Chile

The Chilean stock market, which is regulated by the CMF under Law 18,045 of October 22, 1981, as amended, which we refer to as the "Securities Market Act", is one of the most developed among emerging markets, reflecting the particular economic history and development of Chile. The Chilean government's policy of privatizing state-owned companies, implemented during the 1980s, led to an expansion of private ownership of shares, resulting in an increase in the importance of stock markets. Privatization extended to the social security system, which was converted into a privately managed pension fund system. These pension funds have been allowed, subject to certain limitations, to invest in stocks and are currently major investors in the stock market. Some market participants, including pension fund administrators, are highly regulated with respect to investment and remuneration criteria, but the general market is less regulated than the U.S. market with respect to disclosure requirements and information usage.

Equities, closed-end funds, fixed-income securities, short-term and money market securities, gold and U.S. dollars are traded on the SSE. In 1991, the SSE initiated a futures market with two instruments: U.S. dollar futures and Selective Shares Price Index, or IPSA, futures. Securities are traded primarily through an open voice auction system; a firm offers system or daily auctions. Trading through the open voice system occurs on each business day from 9:30 a.m. to 4:00 p.m. The SSE has an electronic system of trade, called *Telepregón HT*, which operates continuously for stocks trading in high volumes from 9:30 a.m. to 4:00 p.m. The Chilean Electronic Stock Exchange operates continuously from 9:30 a.m. to 4:00 p.m. each business day. In February 2000, the SSE Off-Shore Market began operations. In the Off-Shore Market, publicly offered foreign securities are traded and quoted in U.S. dollars.

D. Selling Shareholders

Not applicable.

E. Dilution

Not applicable.

F. Expenses of the Issue

Not applicable.

ITEM 10 ADDITIONAL INFORMATION

This Item reflects legal amendments affected by Chilean Law No. 20,382 on Corporate Governance, which was enacted on October 13, 2009, and came into effect on October 20, 2009, and Chilean Law No. 20,552, which modernized and encouraged competition in the financial system, which was enacted on November 6, 2011 and came into effect on December 17, 2011.

A. Share Capital

Not applicable.

B. Memorandum and Articles of Association

Set forth below is information concerning our share capital and a brief summary of certain significant provisions of our by-laws and Chilean law. This description contains all material information concerning the common shares but does not purport to be complete and is qualified in its entirety by reference to our by-laws, the Chilean Corporate Law and the Securities Market Law, each referred to below. For additional information regarding the common shares, reference is made to our by-laws, a copy of which is included as Exhibit 1.1 to this annual report on Form 20-F.

Organization and Register

LATAM Airlines Group is a publicly held stock corporation (*sociedad anónima abierta*) incorporated under the laws of Chile. LATAM Airlines Group was incorporated by a public deed dated December 30, 1983, an abstract of which was published in the Chilean Official Gazette (*Diario Oficial de la República de Chile*) No. 31,759 on December 31, 1983, and registered on page 20,341, No. 11,248 of the Chilean Real Estate and Commercial Registrar (*Registro de Comercio del Conservador de Bienes Raices de Santiago*) for the year 1983. Our corporate purpose, as stated in our by-laws, is to provide a broad range of transportation and related services, as more fully set forth in Article Four thereof.

General

Shareholders' rights in a Chilean corporation are generally governed by the company's by-laws and the Chilean Corporate Law. Article 22 of the Chilean Corporation Act states that the purchaser of shares of a corporation implicitly accepts its by-laws and any prior agreements adopted at shareholders' meetings. Additionally, the Chilean Corporate Law regulates the government and operation of corporations ("*sociedades anónimas,*" or S.A.) and provides for certain shareholder rights. Article 137 of the Chilean Corporation Act provides that the provisions of the Chilean Corporation Act take precedence over any contrary provision in a corporation's by-laws. The Chilean Corporate Law and our by-laws also provide that all disputes arising among shareholders in their capacity as such or between us or our administrators and the shareholders may either be submitted to arbitration in Chile or to the courts of Chile at the election of the plaintiff initiating the action. Despite the foregoing, it is forbidden for certain individuals (directors, senior managers, administrators and main executives of the corporation, and any shareholder that directly or indirectly holds shares whose book or market value exceed 5,000 UF at the moment of filing of the action) from submitting such action before the ordinary courts, thus obligating them to proceed with arbitration in all situations. Finally, Decree-Law No. 3,500 on Pension Fund Administrators, which allows pension funds to invest in the stock of qualified corporations, indirectly affects corporate governance and prescribes certain rights of shareholders. The Chilean Corporation Act sets forth the rules and requirements under which a corporation is deemed to be "publicly held." Article 2 of the Chilean Corporation Act defines publicly held corporations as corporations that register their shares with the *Registro de Valores* (Securities Registry) of the CMF. Article 2 also indicates that corporations must register their shares with the Securities Registry in the event that they have had more than 2,000 shareholders (or the number established by the CMF through a general rule) registered in the shareholders registry for twelve consecutive months, provided that registering such number does not compromise public faith, taking into account the type of shareholder, nature of the company or similar circumstances.

The framework of the Chilean securities market is regulated by the CMF under the Securities Market Act and the Chilean Corporate Law, which imposes certain disclosure requirements, restricts insider trading, prohibits price manipulation and protects minority investors. In particular, the Securities Market Act establishes requirements for public offerings, stock exchanges and brokers and outlines disclosure requirements for corporations that issue publicly offered securities.

Ownership Restrictions

Under Articles 12 and 20 of the Securities Market Act and General Rule 269 issued by the CMF in 2009, certain information regarding transactions in shares of publicly held corporations must be reported to the CMF and the Chilean stock exchanges on which the shares are listed. Since the ADRs are deemed to represent the shares underlying the ADSs, transactions in ADRs will be subject to those reporting requirements. Among other matters, the beneficial owners of ADSs that directly or indirectly hold 10% or more of the subscribed capital of LATAM Airlines Group, or that reach or exceed such percentage through an acquisition, are required to report to the CMF and the Chilean stock exchanges, the day following the event:

- any acquisition or disposition of shares; and

- any acquisition or disposition of contracts or securities, which price or performance depends on the price variation of the LATAM Airlines Group's shares.

These obligations are extended (i) to certain individuals (immediate family, next of kin and others) if the ADS holder is a natural person; (ii) to any entity controlled by the holder, if the ADS is a legal entity; and (iii) to groups, if a holder has any joint action agreement with other holders and the group reaches or exceeds the cited threshold.

In addition, majority shareholders must state in their report whether their purpose is to acquire control of the company or if they are making a financial investment.

Under Article 54 of the Securities Market Act and under CMF regulations, persons or entities that intend to acquire control, whether directly or indirectly, of a publicly held corporation, must follow certain notice requirements, regardless of the acquisition vehicle or procedure or whether the acquisition will be made through direct subscriptions or private transactions. In the first place, the potential acquirer must send a written communication to the target corporation, any companies controlling or controlled by the target corporation, the CMF and the Chilean stock exchanges on which the target's securities are listed, stating, among other things, the person or entity purchasing or selling and the price and material conditions of any negotiations. Subsequently, the potential acquirer must also inform the public of its planned acquisition by means of a publication in two Chilean newspapers with national distribution and by uploading such notice to the acquirer's website, if available. Both requirements shall be met at least ten business days prior to the date on which the acquisition transaction is to close, and in any event, as soon as negotiations regarding the change of control have been formalized or when confidential information or documents concerning the target are delivered to the potential acquirer. The notices must state, among other things, the person or entity purchasing or selling and the price and conditions of any negotiations.

In addition to the foregoing, Article 54A of the Securities Market Act requires that within two business days of the completion of the transactions pursuant to which a person has acquired control of a publicly traded company, a notice shall be published in the same newspapers in which the notice referred to above was published and notices shall be sent to the same persons mentioned in the preceding paragraphs.

Consequently, a beneficial owner of ADSs intending to acquire control of LATAM Airlines Group will be subject to the foregoing reporting requirements.

The provisions of the aforementioned articles do not apply whenever the acquisition is being made through a tender or exchange offer.

Title XXV of the Securities Market Act on tender offers and CMF regulations provide that certain transactions entailing the acquisition on control of a publicly held corporation must be carried out through a tender offer. In addition, Article 199 bis of the Chilean Securities Market Act extends the obligation to make a tender offer for the remaining outstanding shares to any person, or group of persons with a joint performance agreement, that, as a consequence of the acquisition of shares, becomes the owner of two-thirds or more of the issued shares with voting rights of a publicly held corporation. Such tender offer must be effected within 30 days from the date of such acquisition.

Article 200 of the Securities Market Act prohibits any shareholder that has taken control of a publicly traded company from acquiring, for a period of 12 months from the date of the transaction that granted it control of the publicly traded company, a number of shares equal to or higher than 3.0% of the outstanding issued shares of the target without making a tender offer at a price per share not lower than the price paid at the time of taking control. Should the acquisition from the other shareholders of the company be made on the floor of a stock exchange and on a pro rata basis, the controlling shareholder may purchase a higher percentage of shares, if so permitted by the regulations of the stock exchange.

Title XV of the Securities Market Act sets forth the basis for determining what constitutes a controlling power, a direct holding and a related party.

Capitalization

Under Chilean law, the shareholders of a corporation, acting at an extraordinary shareholders' meeting, have the power to authorize an increase in the corporation's share capital. When an investor subscribes issued shares, the shares are registered in that investor's name even without payment, and the investor is treated as a shareholder for all purposes except with regard to receipt of dividends and returns of capital, provided that the shareholders may, by amending the by-laws, also grant the right to receive dividends or distributions of capital despite not having paid for the subscribed shares. The investor becomes eligible to receive dividends once it has paid for the shares, or, if it has paid for only a portion of such shares, it is entitled to receive a corresponding pro rata portion of the dividends declared with respect to such shares, unless the company's by-laws provide otherwise. If an investor does not pay for shares for which it has subscribed on or prior to the date agreed upon for payment, the company is entitled under Chilean law to auction the shares on the appropriate stock exchange, and it has a cause of action against the investor to recover the difference between the subscription price and the price received for the sale of those shares at auction. However, until such shares are sold at auction, the investor continues to exercise all the rights of a shareholder (except the right to receive dividends and returns of capital, as noted above). Regarding shares issued but not paid for within the period determined by the extraordinary shareholders' meeting for their payment (which period cannot exceed three years from the date of such shareholders' meeting), until January 1, 2010 they were canceled and no longer available for subscription and payment. As of January 1, 2010, the board of directors of LATAM Airlines Group has a legal obligation to initiate the necessary legal actions to collect the unpaid amounts, unless the shareholders' meeting which authorized the capital increase allowed the board to abstain from taking such action by a vote of two thirds of the issued shares, in which case the former rule still applies. Once the foregoing legal actions are exhausted, the board of directors shall propose to the shareholders' meeting the appropriate capital adjustment measures, to be decided by simple majority. Fully paid shares are not subject to further calls or assessments or to liabilities of LATAM Airlines Group.

As of December 31, 2022, the Company's statutory capital is represented by 606,407,693,000 ordinary shares without nominal value. As of the same date, LATAM had a total of 605,231,854,725 shares subscribed and paid; and the balance, corresponding to 1,175,838,275 shares underlying convertible bonds issued (still unconverted as of such date) as part of LATAM's capital increase approved in July 5, 2022, is pending subscription and payment.

Chilean law recognizes the right of corporations to issue shares of common and preferred stock. To date, we have issued and are authorized by our shareholders to issue only shares of common stock. Each share of common stock is entitled to one vote.

Preemptive Rights and Increases in Share Capital

Chilean Corporate Law requires Chilean corporations to offer existing shareholders the right to subscribe a sufficient number of shares to maintain their existing percentage of ownership in a company whenever that corporation issues new shares for cash, except for up to 10% of the subscribed shares arising from the capital increase which may be designated to employee compensation pursuant to article 24 of the Chilean Corporation Act. Under this requirement, any preemptive rights will be offered by us to the depositary as the registered owner of the common shares underlying the ADSs, but holders of ADSs and shareholders located in the United States will not be allowed to exercise preemptive rights with respect to new issuances of shares by us unless a registration statement under the Securities Market Act is effective with respect to those common shares or an exemption from the registration requirements thereunder is available.

On September 13, 2022, we commenced preemptive rights offerings in Chile for New Convertible Notes Class A, New Convertible Notes Class B, New Convertible Notes Class C and ERO New Common Stock (each as defined in the Plan), which offerings concluded on October 12, 2022. In the case of potential subsequent preemptive rights, we intend to evaluate the costs and potential liabilities associated with the preparation and filing of a registration statement with the SEC, as well as the indirect benefits of enabling the exercise by the holders of ADSs and shareholders located in the United States of preemptive rights. In August 2022, LATAM filed a registration statement on Form F-1 for the proposed resale of its common shares in the form of ADSs pursuant to the Registration Rights Agreement entered into by and among LATAM, the Backstop Creditors and the Backstop Shareholders. LATAM then filed an amendment to its registration statement on Form F-1 in October 2022. There is no defined timeline for the effectiveness of the registration statement.

When preemptive rights are not made available to ADS holders, the depositary may sell those holders' preemptive rights and distribute the proceeds thereof if a secondary market for such rights exists and a premium can be recognized over the cost of such sale. In the event that the depositary does not sell such rights at a premium over the cost of any such sale, all or certain holders of ADRs may receive no value for the preemptive rights. Amounts received in exchange for the sale or assignment of preemptive rights relating to shares of our common stock will be taxable in Chile and in the United States. See "Item 10: Additional Information-E. Taxation-Chilean Tax-Capital Gains." If the rights cannot be sold, they will expire and a holder of our ADSs will not realize any value from the grant of the preemptive rights. In either case, the equity interest of a holder of our ADSs in us will be diluted proportionately. Thus, the inability of holders of ADSs to exercise preemptive rights in respect of common shares underlying their ADSs could result in a change in their percentage ownership of common shares following a preemptive rights offering.

Under Chilean law, preemptive rights are freely exercisable, transferable or waived by shareholders during a 30-day period commencing upon publication of the official notice announcing the start of the preemptive rights period in the newspaper designated by the shareholders' meeting. The preemptive right of the shareholders is the pro rata amount of the shares registered in their name in the shareholders' registry of LATAM Airlines Group as of the fifth business day prior to the date of publication of the notice announcing the start of the preemptive rights period. During such 30-day period (except for shares as to which preemptive rights have been waived), Chilean companies are not permitted to offer any newly issued common shares for sale to third parties. For that 30-day period and an additional 30-day period, Chilean publicly held corporations are not permitted to offer any unsubscribed common shares for sale to third parties on terms that are more favorable to the purchaser than those offered to shareholders. At the end of such additional 30-day period, Chilean publicly held corporations are authorized to sell non-subscribed shares to third parties on any terms, provided they are sold on a Chilean stock exchange.

Directors

Our by-laws provide for a board of nine directors. Compensation to be paid to directors must be approved by vote at the annual shareholders' meeting. We hold elections for all positions on the board of directors every two years. Under our by-laws, directors are elected by cumulative voting. Each shareholder has one vote per share and may cast all of his or her votes in favor of one nominee or may apportion his or her votes among any number of nominees. These voting provisions currently ensure that a shareholder owning more than 10% of our outstanding shares is able to elect at least one representative to our board of directors.

Under the Chilean Corporate Law, transactions of a publicly-held corporation with a "related" party must be conducted on an arm's-length basis and must satisfy certain approval and disclosure requirements which are different from the ones that apply to a privately-held company. The conditions apply to the publicly-held corporation and to all of its subsidiaries.

These transactions include any negotiation, act, contract or operation in which the publicly-held corporation intervenes together with either (i) parties which are legally deemed related pursuant to article 100 of the Chilean Securities Market Act, (ii) a director, senior manager, administrator, main executive or liquidator of the company, either on their own behalf or on behalf of a third party, including those individuals' spouses or close relatives, (iii) companies in which the foregoing individuals own at least 10% (directly or indirectly), or in which they serve as directors, senior managers, administrators or main executives, (iv) parties indicated as such in the publicly-traded company's by-laws, or identified by the board of directors' committee or (v) those who have served as directors, senior managers, administrators, main executives or liquidators of the counterparty in the last 18 months and are now serving in one of those positions at the publicly-traded company.

Pursuant to Article 147 of Chapter XVI of the Chilean Corporation Act, a publicly held corporation shall only be entitled to enter into a related-party transaction when it is in the interest of the company, the price, terms and conditions are similar to those prevailing in the market at the time of its approval and the transaction complies with the requirements and procedures stated below:

1. The directors, managers, administrators, principal executive officers or liquidators that have an interest or that take part in negotiations conducive to the execution of an arrangement with a related party of the open stock corporation, shall report it immediately to the board of directors or whomever the board designates. Those who breach this obligation will be jointly liable for damages caused to the company and its shareholders.

2. Prior to the company's consent to a related party transaction, it must be approved by the absolute majority of the members of the board of directors, with exclusion of the interested directors or liquidators, who nevertheless shall make public his/her/their opinion with respect to the transaction if it is so requested by the board of directors, which opinion shall be set forth in the minutes of the meeting. Likewise, the grounds of the decision and the reasons for excluding such directors from its adoption must also be recorded in the minutes.

3. The resolutions of the board of directors approving a related party transaction shall be reported at the next following shareholders' meeting, including a reference to the directors who approved such transaction. A reference to the transaction is to be included in the notice of the respective shareholders' meeting.

4. In the event that an absolute majority of the members of the board of directors should abstain from voting, the related-party transaction shall only be executed if it is approved by the unanimous vote of the members of the board of directors not involved in such transaction, or if it is approved in a shareholders' extraordinary meeting by two-thirds of the voting shares of the company.

5. If a shareholders' extraordinary meeting is called to approve the transaction, the board of directors shall appoint at least one independent advisor who shall report to the shareholders the terms of the transaction, its effects and the potential impact for the company. In the report, the independent advisor shall include all the matters or issues the directors committee may have expressly requested to be evaluated. The directors committee of the company or, in the absence of such committee, directors not involved in the transaction, shall be entitled to appoint an additional independent advisor, in the event they disagree with the appointment made by the board. The reports of the independent advisors shall be made available to the shareholders by the board on the business day immediately following their receipt by the company, at the company's business offices and on its internet site, for a period of at least 15 business days from the date the last report was received from the independent advisor, and such arrangement shall be communicated to the shareholders by means of a "Relevant Fact" (Communication sent to the CMF and the stock exchanges in Chile). The directors shall decide whether the transaction is in the best interest of the corporation, within five business days from the date the last report was received from the independent advisors.

6. When the directors of the company must decide on a related party-transaction, they must expressly state the relationship with the transaction counterparty or the interest involved. They shall also express their opinion on whether the transaction is in the best interest of the corporation, their objection or objections that the directors committee may have expressed, as well as the conclusions of the reports of the advisors. The opinions of the directors shall be made available to the shareholders the day after they were received by the company, at the business offices of the company as well as on its internet site, and such arrangement shall be reported by the company as a "Relevant Fact."

7. Notwithstanding the applicable sanctions, any infringement of the above provisions will not affect the validity of the transaction, but it will grant the company or the shareholders the right to sue the related party involved in the transaction for reimbursement to the company of a sum equivalent to the benefits that the operation reported to the counterpart involved in the transaction, as well as indemnity for damages incurred. In this case, the defendant bears the burden of proof that the transaction complies with the requirements and procedures referred to above.

Notwithstanding the above, the following related party transactions may be executed, pursuant to letters a), b) and c) of Article 147 of the Chilean Corporation Act, without complying with the requirements and procedures stated above, with prior authorization by the board:

1. Transactions that do not involve a "material amount." For this purpose, any transaction that is both greater than UF 2,000 (as of December, 31, 2022, approximately Ch$70.2 million) and in excess of 1% of the corporation's equity, or involving an amount in excess of UF 20,000 (as of December 31, 2022, approximately Ch$702.2 million) shall be deemed to involve a material amount. All transactions executed within a 12-month period that are similar or complementary to each other, with identical parties, including related parties, or objects, shall be deemed to be a single transaction.

2. Transactions that pursuant to the company's policy of usual practice as determined by its board of directors, are in the ordinary course of business of the company. Any agreement or resolution establishing or amending such policies shall have the approval of the board of directors' committee and shall be communicated as a "Relevant Fact" and made available to shareholders at the company's business offices and on its internet site, and the transaction shall be reported as a "Relevant Fact," if applicable. Such policy shall not authorize the subscription of acts or contracts that compromise more than the 10% of the assets of the company.

3. Transactions between legal entities in which the company possesses, directly or indirectly, at least 95% of the equity of the counterpart.

The usual practice policy adopted by the board of directors in the meeting held on December 29, 2009 established policies setting forth the transactions that fall within the ordinary course of business. That determination was publicly disclosed on the same day and is currently available on LATAM Airlines Group's website under the "Corporate Governance" section.

Shareholders' Meetings and Voting Rights

Chilean Corporate Law requires that an ordinary annual meeting of shareholders be held within the first four months of each year after being called by the board of directors (generally they are held in April, but in any case following the preparation of our financial statements, including the report of our auditors, for the previous fiscal year). The shareholders at the ordinary annual meeting approve the annual financial statements, including the report of our auditors, the annual report, the dividend policy and the final dividend on the prior year's profits, elect the board of directors and approve any other matter that does not require an extraordinary shareholders' meeting. The most recent extraordinary meeting of our shareholders was held on November 15, 2022, and the most recent ordinary annual meeting of our shareholders was held on April 20, 2022.

Extraordinary shareholders' meetings may be called by the board of directors, if deemed appropriate, and ordinary or extraordinary shareholders' meetings must be called by the board of directors when requested by shareholders representing at least 10.0% of the issued voting shares or by the CMF. In addition, as from January 1, 2010 there are two new rules in this regard: (i) the CMF may directly call for an extraordinary shareholders' meeting in case of a publicly-traded company, and (ii) any kind of shareholders' meeting may be self-convened and take place if all voting shares attend, regardless of the fulfillment of the notice and other type of procedural requirements.

Notice to convene the ordinary annual meeting or an extraordinary meeting is given by means of three notices which must be published in a newspaper of our corporate domicile (currently Santiago, Chile) designated by the shareholders at their annual meeting and, if the shareholders fail to make such designation, the notice must be published in the Chilean Official Gazette pursuant to legal requirements. The first notice must be published no less than 10 days and no more than 20 days in advance of the scheduled meeting. Notice also must be sent to the CMF and the Chilean stock exchanges no less than 10 days in advance of the meeting. Currently, we publish our official notices in the newspaper *La Tercera* (available online at www.latercera.com).

The quorum for a shareholders' meeting is established by the presence, in person or by proxy, of shareholders representing a majority of our issued common shares. If that quorum is not reached, the meeting can be reconvened within 45 days, and at the second meeting the shareholders present are deemed to constitute a quorum regardless of the percentage of the common shares that they represent.

Only shareholders registered with us on the fifth business day prior to the date of a meeting are entitled to attend and vote their shares. A shareholder may appoint another individual (who need not be a shareholder) as his or her proxy to attend and vote on his or her behalf. The proxies must fulfill the requirements set forth by the Chilean Corporate Law and its regulatory norms. Every shareholder entitled to attend and vote at a shareholders' meeting has one vote for every share subscribed.

The following matters can only be considered at an extraordinary shareholders' meeting:

- our dissolution;
- a merger, transformation, division or other change in our corporate form or the amendment of our by-laws;
- the issuance of bonds or debentures convertible into shares;
- the conveyance of 50% or more of our assets (whether or not it includes our liabilities);
- the adoption or amendment of any business plan which contemplates the conveyance of assets in excess of the foregoing percentage;
- the conveyance of 50% or more of the assets of a subsidiary, if the latter represents at least 20% of our assets;
- the conveyance of shares of a subsidiary which entails the transfer of control;
- granting of a security interest or a personal guarantee in each case to secure the obligations of third parties, unless to secure or guarantee the obligations of a subsidiary, in which case only the approval of the board of directors will suffice; and
- other matters that require shareholder approval according to Chilean law or the by-laws.

The matters referred to in the first seven items listed above may only be approved at a meeting held before a notary public, who shall certify that the minutes are a true record of the events and resolutions of the meeting.

The by-laws establish that resolutions are passed at shareholders' meetings by the affirmative vote of an absolute majority of those voting shares present or represented at the meeting. However, pursuant to the second paragraph of article 67 of the Chilean Corporation Act, the vote of a two-thirds majority of the outstanding voting shares is required to approve any of the following actions:

- a change in our corporate form, division or merger with another entity;
- amendment to our term of existence, if any;
- our early dissolution;
- change in our corporate domicile;
- decrease of our capital stock;
- approval of contributions and the assessment thereof whenever consisting of assets other than money;
- any modification of the authority reserved for the shareholders' meetings or limitations on the powers of the board of directors;
- decrease in the number of members of the board of directors;
- the conveyance of 50% or more of our assets (whether or not it includes our liabilities);
- the adoption or amendment of any business plan which contemplates the conveyance of assets in excess of the foregoing percentage;
- the conveyance of 50% or more of the assets of a subsidiary, if the latter represents at least 20% of our assets;

- the conveyance of shares of a subsidiary which entails the transfer of control;
- the form that dividends are paid in;
- granting a security interest or a personal guarantee in each case to secure obligations of third parties that exceeds 50% of our assets, unless to secure or guarantee the obligations of a subsidiary, in which case only approval of the board of directors will suffice;
- the acquisition of our own shares, when, and on the terms and conditions, permitted by law;
- all other matters provided for in the by-laws;
- the correction of any formal defect in our incorporation or any amendment to our by-laws that refers to any of the matters indicated in the first 16 items listed above;
- the institution of the right of the controlling shareholder who has purchased at least 95% of the shares to purchase shares of the outstanding minority shareholders pursuant to the procedure set forth in article 71 bis of the Chilean Corporation Act; and
- the approval or ratification of transactions with related parties, as per article 147 of the Chilean Corporation Act (described above).

Pursuant to the third transitory article of LATAM's by-laws, during a period of two years ending on November 3, 2024, all items referred to in the second paragraph of article 67 of the Chilean Corporation Act shall require the affirmative vote of at least 73% of the outstanding voting shares. Upon expiration of said term, this restriction shall automatically cease and the two-thirds majority contemplated in the second paragraph of said article 67 shall apply thereafter. Amendments to the by-laws that have the effect of establishing, modifying or eliminating any special rights pertaining to any series of shares require the consenting vote of holders of two-thirds of the shares of the affected series. As noted above, LATAM Airlines Group does not have a special series of shares.

In general, Chilean law does not require a publicly held corporation to provide the level and type of information that the U.S. securities laws require a reporting company to provide to its shareholders in connection with a solicitation of proxies. However, shareholders are entitled to examine the books of the company and its subsidiaries within the 15-day period before a scheduled meeting. No later than 10 days ahead of the scheduled shareholder's meeting, the board of directors of a publicly held corporation is required to publish on its website certain information, including that related to the issues to be discussed in such a meeting together with instructions to obtain copies of the relevant supporting documents. The board is also required to make available to the shareholders the annual report and the financial statements of the company, and to publish such information in the company's webpage at least 10 days in advance of the scheduled shareholders meeting. In addition to these requirements, we regularly have provided, and currently intend to continue to provide, together with the notice of shareholders' meeting, a proposal for the final annual dividend for shareholder approval. See "-Dividend and Liquidation Rights," below.

Chilean Corporate Law provides that, whenever shareholders representing 10% or more of the issued voting shares so request, a Chilean company's annual report must include such shareholders' comments and proposals in relation to the company's affairs, together with the comments and proposals set forth by the board of directors' committee. Similarly, Chilean Corporate Law provides that whenever the board of directors of a publicly held corporation convenes an ordinary meeting of the shareholders and solicits proxies for that meeting, or distributes information supporting its decisions or other similar material, it is obligated to include as an annex to its annual report any pertinent comments and proposals that may have been made by shareholders owning 10% or more of the company's voting shares who have requested that such comments and proposals be included, together with the comments and proposals set forth by the board of directors' committee.

Dividend and Liquidation Rights

In accordance with Chilean Corporate Law, LATAM Airlines Group must distribute an annual cash dividend equal to at least 30% of its annual net profits calculated in accordance with IFRS, unless otherwise decided by a unanimous vote of the holders of all issued shares, and unless and except to the extent it has accumulated losses. If there are no net profits in a given year, LATAM Airlines Group can elect but is not legally obligated to distribute dividends out of retained earnings. All outstanding common shares are entitled to share equally in all dividends declared by LATAM Airlines Group, except for the shares that have not been fully paid by the shareholder after being subscribed.

For all dividend distributions agreed by the board of directors in excess of the mandatory minimum of 30% noted in the preceding paragraph, LATAM Airlines Group may grant an option to its shareholders to receive those dividends in cash, or in shares issued by either LATAM Airlines Group or other public corporations. Shareholders who do not expressly elect to receive a dividend other than in cash are legally presumed to have decided to receive the dividend in cash. A U.S. holder of ADSs may, in the absence of an effective registration statement under the Securities Act or an available exemption from the registration requirement thereunder, effectively be required to receive a dividend in cash. See "-Preemptive Rights and Increases in Share Capital," above**.**

Dividends that are declared but not paid within the appropriate time period set forth in the Chilean Corporate Law (as to minimum dividends, 30 days after declaration; as to additional dividends, the date set for payment at the time of declaration) are adjusted to reflect the change in the value of the UF. The UF is a daily indexed, Chilean peso-denominated accounting unit designed to discount the effect of Chilean inflation and it is based on the previous month's inflation rate as officially determined. Such dividends also accrue interest at the then-prevailing rate for UF-denominated deposits during such period. The right to receive a dividend lapses if it is not claimed within five years from the date such dividend is payable. After that period, the amount not claimed is given to a non-profit organization, the National Corporation of Firefighters (*Cuerpos de Bomberos de Chile*).

In the event of LATAM Airlines Group's liquidation, the holders of fully paid common shares would participate pro rata in the distribution of assets remaining after payment of all creditors. Holders of shares not fully paid will participate in such distribution in proportion to the amount paid.

Approval of Financial Statements

The board of directors is required to submit our consolidated financial statements to the shareholders for their approval at the annual ordinary shareholders' meeting. If the shareholders reject the financial statements, the board of directors must submit new financial statements no later than 60 days from the date of that meeting. If the shareholders reject the new financial statements, the entire board of directors is deemed removed from office and a new board is to be elected at the same meeting. Directors who approved such financial statements are disqualified for re-election for the ensuing period.

Right of Dissenting Shareholders to Tender Their Shares

Chilean Corporate Law provides that, upon the adoption at an extraordinary meeting of shareholders of any of the resolutions or if any of the situations enumerated below takes place, dissenting or affected shareholders acquire the right to withdraw and to compel the company to repurchase their shares, subject to the fulfillment of certain terms and conditions. However, such right shall be suspended if we are a debtor in a bankruptcy liquidation proceeding, or if we are subject to a reorganization agreement approved in accordance with the Chilean Insolvency Act, unless such agreement allows the right to withdraw, or unless it is terminated by the issuance of a liquidation resolution. In the case of holders of ADRs, however, in order to exercise such rights, holders of ADRs would be required to first withdraw the common shares represented by the ADRs pursuant to the terms of the deposit agreement. Such holders of ADRs would need to perfect the withdrawal of the common shares on or before the fifth business day prior to the date of the meeting.

"Dissenting shareholders" are defined as those who attend a shareholders' meeting and vote against a resolution which results in the withdrawal right, or, if absent at such a meeting, those who state in writing to the company their opposition to such resolution within the following 30 days. Dissenting shareholders must perfect their withdrawal rights by tendering their stock to the company within thirty days after adoption of the resolution.

The price to be paid to a dissenting shareholder of a publicly held corporation is its market value. In the case of corporations which shares are actively traded on a stock exchange (*acciones con presencia bursátil*) pursuant to a General Rule issued by the CMF, the weighted average of the sales prices for the shares as reported on the Chilean stock exchanges on which the shares are quoted during the 60 stock-exchange-business-day period elapsed between the 30th and the 90th stock-exchange-business-days-preceding the shareholder resolution giving rise to the withdrawal right. If the shares of the corporation do not qualify as "actively traded" pursuant to the General Rules dictated by the CMF, the market price corresponds to the book value of the shares. Book value for this purpose equals paid capital plus reserves and profits, less losses, divided by the total number of subscribed shares (whether entirely or partially paid). For the purpose of making this calculation, the last balance sheet submitted to the CMF is used and adjusted to reflect inflation up to the date of the shareholders' meeting that gave rise to the withdrawal right.

The resolutions and situations that result in a shareholder's right to withdraw are the following:

- the transformation of the company;
- the merger of the company with or into another company;
- the conveyance of 50% or more of the assets of the company, whether or not such sale includes the company's liabilities;
- the adoption or amendment of any business plan which contemplates the conveyance of assets in excess of the foregoing percentage;
- the conveyance of 50% or more of the assets of a subsidiary, if the latter represents at least 20% of our assets;
- the conveyance of shares of a subsidiary which entails the transfer of control, if the subsidiary represents at least 20% of our assets;
- the creation of preferential rights for a class of shares or an extension, amendment or reduction to those already existing, in which case the right to withdraw only accrues to the dissenting shareholders of the class or classes of shares adversely affected;
- the correction of any formal defect in the incorporation of the company or any amendment to the company's by-laws that grants the right to withdraw;
- the granting of security interests or personal guarantees to secure or guarantee third parties' obligations exceeding 50% of the company's assets, except with regard to subsidiaries;
- if the CMF approves de-registering the shares of a publicly held corporation in the Securities Registry of the CMF, as resolved by the extraordinary shareholders' meeting;
- if the extraordinary shareholders' meeting resolves to close a publicly held corporation, in the event that the CMF had previously de-registered its shares in the Securities Registry of the CMF as a consequence of a sanctioning administrative process;
- if the controlling shareholder of a publicly-traded company reaches over 95% of the shares (in such case, the right must be exercised within 30 days of the date in which the threshold is reached, circumstance that must be communicated by means of a publication); and
- such other causes as may be established by the company's by-laws (no such additional resolutions currently are specified in our by-laws).

In addition, shareholders of publicly held corporations have the right to withdraw if a person acquires two-thirds or more of the outstanding shares of such corporation with the right to vote (except as a result of other shareholders not having subscribed and paid a capital increase) and does not make a tender offer for the remaining shares within 30 days after acquisition.

Under article 69 bis of the Chilean Corporation Act, the right to withdraw also is granted to shareholders (other than pension funds that administer private pension plans under the national pension law), under certain terms and conditions, if a company were to become controlled by the Chilean government, directly or through any of its agencies, and if two independent rating agencies downgrade the rating of its stock from first class because of certain actions specified in Article 69 bis undertaken by the company or the Chilean government that affect negatively and substantially the earnings of the company. Shareholders must perfect their withdrawal rights by tendering their shares to the company within 30 days of the date of the publication of the new rating by two independent rating agencies. If the withdrawal right is exercised by a shareholder invoking Article 69 bis, the price paid to the dissenting shareholder shall be the weighted average of the sales price for the shares as reported on the stock exchanges on which the company's shares are quoted for the six-month period preceding the publication of the new rating by two independent rating agencies. If, as previously described, the CMF determines that the shares are not actively traded on a stock exchange, the price shall be the book value calculated as described above.

There is no legal precedent as to whether a shareholder that has voted both for and against a proposal (such as the depositary) may exercise withdrawal rights with respect to the shares voted against the proposal. As such, there is doubt as to whether holders of ADRs who have not surrendered their ADRs and withdrawn common shares on or before the fifth business day prior to the shareholder meeting will be able to exercise withdrawal rights either directly or through the depositary with respect to the shares represented by ADRs. Under the provisions of the deposit agreement the depositary will not exercise these withdrawal rights.

The circumstance indicated above regarding ownership in excess of 95% by the controlling shareholder creates not only a withdrawal right for the remaining minority shareholders, but as of January 1, 2010, it could also create a "squeeze out" right by the controlling shareholder with respect to those same shareholders (granting a call option by means of which the controlling shareholder may buy-out the existing ownership participations) pursuant to the provisions of article 71 bis of the Corporation Act.

Registration and Transfers

DCV Registros S.A. ("DCV"), a local depository corporation, acts as LATAM Airlines Group's registration agent. In the case of jointly owned common shares, an attorney-in-fact must be appointed to represent the joint owners in dealings with us.

C. Material Contracts

Table of Material Contracts for the Purchase of Aircraft

Agreement	Date	Aircraft (number purchased)	Estimated Gross Value of Aircraft at List Price
		Boeing 787-8/9 Fleet	
Purchase Agreement No. 3256 with the Boeing Company	October 29, 2007	➢ Boeing 787-8 aircrafts (18)	US$ 3,200,000,000
		➢ Boeing 787-9 aircrafts (8)	
		➢ Option of purchasing fifteen additional aircraft to be delivered in 2017 and 2018	
Supplemental Agreement No. 1 to the Purchase Agreement No. 3256	March 22, 2010	➢ Advance scheduled delivery date of ten Boeing 787-8 aircraft and substitute four Boeing 787-9 aircraft into four Boeing 787-8 aircraft.	
Supplemental Agreement No. 3 to the Purchase Agreement No. 3256	August 24, 2012	➢ Replace two Boeing 787-8 aircraft with two Boeing 787-8 aircraft with a later delivery.	
Delay Settlement Agreement to the Purchase Agreement No. 3256	September 16, 2013	➢ Agreed to update delivery dates, settle consequences of delays and convert several future deliveries of B787-8 aircraft to B787-9 aircraft. This agreement was amended on April 22, 2015 to update delivery dates of certain aircraft.	
Supplemental Agreement No. 4 to the Purchase Agreement No. 3256	April 22, 2015	➢ Reschedule the delivery dates of four Boeing 787-8 aircraft and replace four Boeing 787-8 aircraft with four Boeing 787-9 aircraft.	
Supplemental Agreement No. 6 to the Purchase Agreement No. 3256	May 27, 2016	➢ Convert four Model 787-8 Aircraft to four Model 787-9 Aircraft, and Defer of two Model 787-9 Aircraft from 1Q 2018 and 2Q 2018 to 3Q 2018 and 4Q 2018 respectively.	
Supplemental Agreement No. 13 to the Purchase Agreement No. 3256	July 3, 2019	➢ To include certain letter agreements	
Supplemental Agreement No. 14 to the Purchase Agreement No. 3256	October 11, 2019	➢ Reschedule the delivery dates of four Boeing 787-8 aircraft	

Agreement	Date	Aircraft (number purchased)	Estimated Gross Value of Aircraft at List Price
Supplemental Agreement No. 15 to the Purchase Agreement No. 3256	October 11, 2019	➢ To incorporate Exhibit A1	
Supplemental Agreement No. 16 to the Purchase Agreement No. 3256	October 11, 2019	➢ Deferral of PDPs.	
Supplemental Agreement No. 17 to the Purchase Agreement No. 3256	February 17, 2020	➢ To include certain letter agreements.	
Supplemental Agreement No. 18 to the Purchase Agreement No. 3256	April 29, 2021	➢ Covering the cancellation of the delivery of four Boeing 787-9 aircraft.	
787 Settlement Agreement	June 17, 2022	➢ Agreed to update delivery dates and settle certain consequences.	
		Airbus A320-Family Fleet	
Second A320-Family Purchase Agreement with Airbus S.A.S.	March 20, 1998	➢ Airbus A320-Family aircrafts (5)	US$ 230,000,000
Amendment No. 1 to the Second A320-Family Purchase Agreement	November 14, 2003	➢ Exercise three purchase rights for Airbus 319 aircraft, among other things.	
Amendment No. 2 to the Second A320-Family Purchase Agreement	October 4, 2005	➢ Acquire 25 additional Airbus 320 family aircraft and 15 purchase rights for Airbus A320-Family aircraft.	
Amendment No. 3 to the Second A320-Family Purchase Agreement	March 6, 2007	➢ Exercise 15 purchase rights for 15 Airbus A320-Family Aircraft.	
		➢ According to clause 12.2 of the Second A320-Family Purchase Agreement, applicable to all subsequent amendments, in case of a failure, as defined in such agreement, a service life policy for a period of 12 years after delivery of any given aircraft shall apply.	

Agreement	Date	Aircraft (number purchased)	Estimated Gross Value of Aircraft at List Price
Amendment No. 5 to the Second A320-Family Purchase Agreement	December 23, 2009	➢ Airbus A320-Family aircrafts (30)	US$ 2,000,000,000
Amendment No. 6 to the Second A320-Family Purchase Agreement	May 10, 2010	➢ Convert the aircraft type of three aircraft and advance the scheduled delivery date of 13 aircraft.	
Amendment No. 8 to the Second A320-Family Purchase Agreement	September 23, 2010	➢ Convert the aircraft type of one aircraft and advance the scheduled delivery date of four aircraft.	
Amendment No. 9 to the Second A320-Family Purchase Agreement	December 21, 2010	➢ Airbus A320-Family aircrafts (50)	US$ 2,600,000,000
Amendment No. 10 to the Second A320-Family Purchase Agreement	June 10, 2011	➢ Convert the aircraft type of three aircraft, to select sharklets for some aircraft and to notify delivery dates for some aircraft.	
Amendment No. 11 to the Second A320-Family Purchase Agreement	November 3, 2011	➢ Convert the aircraft type of three aircraft and defer the scheduled delivery date of four aircraft.	
Amendment No. 12 to the Second A320-Family Purchase Agreement	November 19, 2012	➢ Convert the aircraft type of three aircraft, identify certain aircraft as Sharklet Installed Aircraft and others as Sharklet Capable Aircraft, as those are defined in such Purchase Agreement, and notify the scheduled delivery month for certain aircraft.	
Amendment No. 13 to the Second A320-Family Purchase Agreement	August 19, 2013	➢ Convert several A320 aircraft to A321 aircraft and to postpone the scheduled delivery dates of several aircraft.	
Amendment No. 16 to the Second A320-Family Purchase Agreement	July 15, 2014	➢ Covering cancellation and substitution of certain Aircraft.	
Novation Agreement to the Second A320-Family Purchase Agreement	October 30, 2014	➢ Novation of the original TAM A320/A330 Family Purchase Agreement from TAM to LATAM.	

Agreement	Date	Aircraft (number purchased)	Estimated Gross Value of Aircraft at List Price
Amendment No. 17 to the Second A320-Family Purchase Agreement	December 11, 2014	➢ Covering the substitution of certain Aircraft.	
Amendment No. 18 to the Second A320-Family Purchase Agreement	August 4, 2021	➢ Covering the postponement of certain relevant deadlines.	
		Airbus A320 NEO-Family Fleet	
A320 NEO Purchase Agreement	June 22, 2011	➢ Airbus 320 NEO Family aircraft (20)	US$ 1,700,000,000
		➢ Delivery scheduled to take place in 2017 and 2018	
Amendment No. 1 to the A320 NEO Purchase Agreement	February 27, 2014	➢ Covering the advancement of the date by which LATAM selects the propulsion systems.	
Amendment No. 2 to the A320 NEO Purchase Agreement	July 15, 2014	➢ Covering the order of incremental A320 NEO Aircraft.	
Amendment No. 3 to the A320 NEO Purchase Agreement	December 11, 2014	➢ Covering the order of incremental A320 NEO Aircraft and A321 NEO Aircraft.	
Amendment No. 4 to the A320 NEO Purchase Agreement	April 15, 2016	➢ Covering the reschedule of the delivery of eight Original NEO Aircraft and the conversion of four Original NEO Aircraft into A321 NEO Aircraft	
Amendment No. 5 to the A320 NEO Purchase Agreement	April 15, 2016	➢ Changes in the technical specifications of the aircraft to be received under this agreement.	
Amendment No. 6 to the A320 NEO Purchase Agreement	August 8, 2016	➢ Covering the cancellation of the delivery of four A320 NEO Aircraft.	
Amendment No. 7 to the A320 NEO Purchase Agreement	September 22, 2017	➢ Covering the rescheduling of certain A320 NEO Family Aircraft.	
Amendment No. 8 to the A320 NEO Purchase Agreement	December 21, 2018	➢ Covering the rescheduling of certain A320 NEO Family Aircraft.	

Agreement	Date	Aircraft (number purchased)	Estimated Gross Value of Aircraft at List Price
Amendment No. 9 to the A320 NEO Purchase Agreement	August 4, 2021	➢ Covering the rescheduling of certain A320 NEO Family Aircraft.	
		TAM Material Contracts – A320/A330 Family Purchase Agreement	
Purchase Agreement with Airbus S.A.S.	November 2006	➢ Airbus A320-Family aircrafts (31)	US$ 3,300,000,000
		➢ Airbus A330-200 aircrafts (6)	
		➢ Delivery was scheduled to take place between 2007 and 2010	
New Purchase Agreement with Airbus S.A.S.	January 2008	➢ Airbus A320-Family aircrafts (20)	US$ 2,140,000,000
		➢ Airbus A330-200 aircrafts (4)	
		➢ Delivery was scheduled to take place between 2007 and 2014	
New Purchase Agreement with Airbus S.A.S.	July 2010	➢ Airbus A320-Family aircrafts (20)	US$ 1,450,000,000
		➢ Delivery was scheduled to take place between 2014 and 2015	
New Purchase Agreement with Airbus S.A.S.	October 2011	➢ Airbus A320-Family aircrafts (10)	US$ 1,730,000,000
		➢ Airbus A320 NEO Family aircrafts (22)	
		➢ Delivery scheduled to take place between 2016 and 2018	
		➢ Ten option rights for Airbus A320 NEO Family aircraft	
Amendment No. 13 to the A320/A330 Purchase Agreement	November 2012	➢ Convert the aircraft type of A320 family aircraft.	
Amendment No. 14 to the A320/A330 Purchase Agreement	December 2012	➢ Convert the aircraft type of an A320 family aircraft and reschedule the delivery date of such aircraft.	

Agreement	Date	Aircraft (number purchased)	Estimated Gross Value of Aircraft at List Price
Amendment No. 15 to the A320/A330 Purchase Agreement	February 2013	➢ Changes to the scheduled delivery month of certain A320 Family Aircraft.	
Amendment No. 16 to the A320/A330 Purchase Agreement	February 2013	➢ Change to the aircraft type of certain A320 Family Aircraft, to the scheduled delivery month/quarter of certain A320 Family Aircraft and make certain changes to the dates by which TAM will select the propulsion systems and NEO propulsion systems for certain Aircraft.	
Amendment No. 17 to the A320/A330 Purchase Agreement	August 2013	➢ Change to the scheduled delivery month of a certain A320 Family Aircraft and to make the selection of the propulsion systems and NEO propulsion systems for certain Aircraft.	
Amendment No. 20 to the A320/A330 Purchase Agreement	June 2015	➢ Change to the schedule delivery month of one A321 Aircraft.	
Amendment No. 21 to the A320/A330 Purchase Agreement	December 2015	➢ Change to the schedule delivery month of two A320 NEO Aircraft.	
Amendment No. 23 to the A320/A330 Purchase Agreement	April 15, 2016	➢ Reflect the changes in the technical specifications of the aircraft to be received under this agreement.	
Amendment No. 24 to the A320/A330 Purchase Agreement	August 8, 2016	➢ Cancel the delivery of eight A320 NEO Aircraft.	
Amendment No. 26 to the A320/A330 Purchase Agreement	December 21, 2018	➢ Rescheduled delivery of five A320 NEO Aircraft and eleven A321 NEO Aircraft.	
		➢ Cancel the delivery of one A321 Aircraft.	
Amendment No. 27 to the A320/A330 Purchase Agreement	August 4, 2021	➢ Incremental order of 28 additional A320 NEO Family Aircraft.	
		➢ Rescheduling of certain A320 NEO Family Aircraft.	
Amendment No. 28 to the A320/A330 Purchase Agreement	July 20, 2022	➢ Incremental order of 17 additional A320 NEO Family Aircraft.	
		➢ Rescheduling and type conversion of certain A320 NEO Family Aircraft.	

Agreement	Date	Aircraft (number purchased)	Estimated Gross Value of Aircraft at List Price
TAM Material Contracts - A350 Family Purchase Agreement			
Purchase Agreement with Airbus S.A.S.	January 2008	➢ Airbus A350 aircrafts (22)	US$ 6,480,000,000
		➢ Ten option rights for Airbus A350 aircraft.	
Amendment No. 1 to the A350 Purchase Agreement	July 2010	➢ Exercise its option of five A350 XWB options.	
Amendment No. 2 to the A350 Purchase Agreement	July 2014	➢ Reschedule the delivery of certain A350-900XWB and to amend certain provisions to reflect the latest aircraft specification.	
Novation Agreement to the A350 Purchase Agreement	July 2014	➢ Novating the A350 purchase agreement from TAM to LATAM.	
Amendment No. 4 to the A350 Purchase Agreement	September 2015	➢ Modify certain terms and conditions of such agreement and to convert a number of A350-900 XWB Aircraft into A350-1000 XWB Aircraft.	
Amendment No. 5 to the A350 Purchase Agreement	November 2015	➢ Convert a number of A350-900 XWB aircraft into six A350-1000 XWB aircraft and to reschedule the delivery of certain A350-900 XWB.	
Amendment No. 7 to the A350 Purchase Agreement	August 8, 2016	➢ Change aircraft type, from two A350-900 XWB Aircraft to two A350 - 1000 XWB Aircraft.	
Amendment No. 9 to the A350 Purchase Agreement	September 22, 2017	➢ Convert two A350-1000 XWB Aircraft into A350-900 XWB Aircraft	
Amendment No. 10 to the A350 Purchase Agreement	December 21, 2018	➢ Convert four A350-1000 XWB Aircraft into A350-900 XWB Aircraft.	
		➢ Reschedule of six A350-900 XWB Aircraft and eight A350-1000 XWB.	
Amendment No. 11 to the A350 Purchase Agreement	April 29, 2019	➢ Reschedule of two A350-900 XWB Aircraft	
Amendment No. 12 to the A350 Purchase Agreement	August 5, 2019	➢ Reschedule of one A350-900 XWB Aircraft	
Termination Agreement in respect of the A350 Purchase Agreement	August 4, 2021	➢ Cancellation of 2 remaining deliveries of A350-1000 XWB Aircraft	

TAM Material Contracts - Boeing 777 Purchase Agreement

Agreement	Date	Aircraft (number purchased)	Estimated Gross Value of Aircraft at List Price
Purchase Agreement with Boeing	February 2007	➢ Boeing 777-32WER aircrafts (4)	US$ 1,070,000
Supplemental Agreement No. 1 to the Purchase Agreement	August 2007	➢ Exercise four option aircraft and to define certain aircraft configuration.	
Supplemental Agreement No. 2 to the Purchase Agreement	March 2008	➢ Document its agreement on the descriptions and pricing of some options and master changes related to certain aircraft.	
Supplemental Agreement No. 3 to the Purchase Agreement	December 2008	➢ Purchase of two incremental 777 aircraft.	
Supplemental Agreement No. 5 to the Purchase Agreement	July 2010	➢ Reschedule the delivery of certain aircraft.	
Supplemental Agreement No. 6 to the Purchase Agreement	February 2011	➢ Purchase of two incremental 777 aircraft.	
Supplemental Agreement No. 7 to the Purchase Agreement	May 2014	➢ Substitute two 777-300ER aircraft originally scheduled for delivery in 2014 for two 777-F aircraft for scheduled delivery in 2017.	
Supplemental Agreement No. 8 to the Purchase Agreement	April 2015	➢ Reschedule the delivery of certain aircraft.	
Supplemental Agreement No. 11 to the Purchase Agreement	October 11, 2019	➢ Option to cancel two Aircraft	
Supplemental Agreement No. 12 to the Purchase Agreement	February 3, 2020	➢ Cancellation of one Aircraft	
Supplemental Agreement No. 13 to the Purchase Agreement	April 29, 2021	➢ Cancellation of one Aircraft	

Other Material Contracts

Boeing

On May 9, 1997, we entered into the Aircraft General Terms Agreement with The Boeing Company ("AGTA"), applicable to all Boeing aircraft contracted for purchase from The Boeing Company.

Boeing Aircraft Holding Company

On May 8, 2018, we also entered into an Aircraft Lease Common Terms Agreement with The Boeing Aircraft Holding Company for the lease of two B777-200ER aircraft. The average term of the lease is 12 months.

Airbus A320-Family Fleet

Between April and August 2011, we entered into Buyback Agreements No. 3001, 3030, 3062, 3214 and 3216 with Airbus Financial Services for the sale of five A318 aircraft for approximately US$107 million.

Between August 2012 and January 2013, we entered into Buyback Agreements No. 3371, 3390, 3438, 3469 and 3509 with Airbus Financial Services for the sale of five A318 aircraft for approximately US$102 million.

Aercap Holdings N.V.

On May 28, 2013, we entered into a framework deed with Aercap Holdings N.V. for the sale and leaseback of several used A330-200 aircraft, which were returned to the lessor, and several new aircraft to be received from the manufacturer including A350-900, B787-8 and B787-9 aircraft. The estimated gross value (at list prices) of these aircraft is US$3.0 billion.

On February 25, 2022, we entered into lease agreements with Bank of Utah, not in its individual capacity but solely in its capacity as owner trustee (all having AerCap Group acting as a servicer) for the lease of six A321neo to be delivered in 2023. Also, on March 31, 2022, we entered into lease agreements with Bank of Utah,not in its individual capacity but solely in its capacity as owner trustee (all having AerCap Group acting as a servicer) for the lease of two additional A321neo to be delivered in 2023. These lease agreements are for a duration of twelve years.

Aircastle Holding Corporation Limited

On February 21, 2014, we entered into a framework deed with Aircastle Holding Corporation Limited for the lease of four B777-300ER already in the fleet. The four aircraft were manufactured in 2012 and the estimated market value (at list prices) of these aircraft is US$580 million. The average term of the original leases were 60 months, and the agreement was extended for another 84 months.

One of the four aircraft has been sold in July 2019 and is no longer part of such framework deed with Aircastle, but the aircraft remains in our fleet with a different lessor.

On January 11, 2019, we entered into lease agreements with Aircastle for the lease of 10 A320 aircraft. The lease agreements are for a duration of approximately seven to eight years.

GE Commercial Aviation

On April 30, 2007, we also entered into an Aircraft Lease Common Terms Agreement with GE Commercial Aviation Services Limited and two Aircraft Lease Agreements with Wells Fargo Bank Northwest N.A., as owner trustee, for the lease of two Boeing B777-200LRF aircraft. These aircraft were delivered in 2009 and the leases shall remain in place for a term of 96 months.

GE Engine Services LLC

On June 12, 2014, we (and TAM Linhas Aereas S.A.) entered into engine services agreement with GE Engine Services, LLC and GE Celma Ltda. for the provision of maintenance services of CF6-80C2B6F engines (which powers our B767 fleet) during 200 shop visits or 10 years, whichever occurs first.

On June 18, 2021, we entered into an engine services agreement with GE Engine Services, LLC for the provision of maintenance services of GE90-115BL engines, which power 10 B777 passenger fleet and 3 spare engines, for a period of 6 years.

CFM International

On December 17, 2010, we entered into General Terms Agreement No. CFM-1-2377460475 (the "GTA") and Letter Agreement No. 1 to GTA with CFM International, Inc. ("CFM") for the sale and support by CFM of CFM56-5B engines to power 70 A320 family aircraft and up to 14 CFM56-5B spare engines. On the same date, we entered into a Rate Per Flight Hour Engine Shop Maintenance Services Agreement with CFM for the provision by CFM of maintenance services for the above-mentioned installed and spare engines.

On December 31, 2014, we entered Letter Agreement No. 2 to GTA with CFM for the sale and support by CFM of CFM56-5B engines to power 20 A320 family aircraft and one spare engine.

On March 15, 2006, TAM Linhas Aereas S.A. entered into an engine services agreement with GE Celma Ltda. for the provision of maintenance services for CFM56-5B engines, which power 47 A320 Fam passenger fleet and 6 spare engines, for a period of 15 years per engine.

PW1100G-JM Engine Maintenance Agreement

In February 2014, we entered into an engine support and maintenance agreement with United Technologies International Corporation, Pratt & Whitney Division ("PW") for the sale, support and maintenance by PW of PW1100G-JM engines to power 42 A320NEO family aircraft and nine spare engines. It is also a rate per engine flight hour contract agreement, which includes cost control mechanisms for LATAM.

On April 30, 2015, PW assigned the agreement described above to International Aero Engines, LLC.

On November 22, 2022, we entered into Amendment 7 to the above-mentioned services agreement with International Aero Engines, LLC, for the sale and support by IAE of PW1100 engines to power additional A320neo family aircraft and additional option aircraft, and additional PW1100 spare engines.

Rolls-Royce PLC & Rolls-Royce TotalCare Services Limited

On September 30, 2009, we entered into General Terms Agreement No. DEG5307 (the "GTA") with Rolls-Royce PLC for the sale and support by Rolls-Royce of Trent 1000 engines to power 32 B787 family aircraft and up to 10 Trent 1000 spare engines. On the same date, we entered into a Rate Per Flight Hour Engine Shop Maintenance Services Agreement with Rolls-Royce TotalCare Services Limited for the provision by Rolls-Royce of maintenance services for the above-mentioned installed and spare engines, for a period of 15 years per engine.

On December 1, 2021, we entered into Amendment 7 to the above-mentioned services agreement with Rolls-Royce PLC, for the sale and support by Rolls-Royce of Trent 1000 engines to power 28 B787 family aircraft and additional option aircraft, and up to 13 Trent 1000 spare engines.

International Aero Engines AG

On October 12, 2006, we entered into an engine services agreement with IAE International Aero Engines AG for the provision of maintenance services of V2500-A5 engines, which power 53 A320 Fam passenger fleet and 9 spare engines, for a period of 12 years per engine.

On October 21, 2010, TAM Linhas Aereas S.A. entered into an engine services agreement with IAE International Aero Engines AG for the provision of maintenance services of V2500-A5 engines, which power 26 A320 Fam passenger fleet and 7 spare engines, for a period of 12 years per engine.

CFM International

On June 29, 2016, we entered into a Rate Per Flight Hour Agreement for Engine Shop Maintenance Services with CFM International, Inc., covering the maintenance, repair and overhaul of certain CFM56-5B engines.

Avolon Aerospace

On September 8, 2017, we entered into a lease agreement with Avolon Aerospace for the Sale and Leaseback of five A320 neo aircraft. The estimated market value of these aircraft is US$ 241,000,000. The average term of the leases is 144 months.

On January 16, 2018, we entered into a lease agreement with Avolon Aerospace of two A321-200 aircraft. The estimated market value of these aircraft is US$ 88,600,000. The average term of the lease is 124 months.

On September 9, 2021,we entered into lease agreements with Avolon for the lease of three 787-9. The lease agreements are for a duration of approximately thirteen years.

Vermillion Aviation

On September 3, 2019, we entered into lease agreements with Vermillion Aviation (Two) Limited (all having Vermillion Aviation Holdings Ireland Limited as servicer) for the lease of four A320 aircraft. The lease agreements are for a duration of approximately seven and eight years.

On February 1, 2021, we entered into additional lease agreements for the lease of two additional A320 aircraft with Vermillion Aviation (Nine) Limited (all having AMCK Aviation Holdings Ireland Limited acting as a servicer) for a duration of approximately nine years.

Sky Aero Management/ Dubai Aerospace Entreprise (DAE) Ltd.

On February 16, 2022, we entered into lease agreements with SFV Aircraft Holdings IRE 7 DAC, SFV Aircraft Holdings IRE 8 DAC and SFI Aircraft Holdings IX Designated Activity Company (all having Sky Aero Management acting as a servicer) for the lease of ten A320neo aircraft to be delivered on 2022, 2023 and 2024. The lease agreements are for a duration of twelve years.

In December 2022, four of the ten aircraft changed the servicer for Dubai Aerospace Entreprise (DAE) Ltd.

VMO Aircraft Leasing Ireland Service Co

On March 5, 2021, we entered into lease agreements with Wilmington Trust Company, not in its individual capacity but solely in its capacity as owner trustee, (all having VMO Aircraft Leasing Ireland Service Co. acting as a servicer) for the lease of eleven A321 aircraft. On April 23, 2021, we entered into lease agreements with UMB Bank N.A.not in its individual capacity but solely in its capacity as owner trustee (all having VMO Aircraft Leasing Ireland Service Co. acting as a servicer) for the lease of four 787-9 aircraft. The lease agreements are for a duration of approximately nine to ten years.

In July 2022, we entered into lease agreements for the lease of two Airbus A321-271NX aircraft with UMB Bank N.A. not in its individual capacity but solely in its capacity as owner trustee (all having Avolon Aerospace Leasing Limited acting as a servicer) for a duration of approximately 12 years.

In October 2022, we entered into lease agreements for the lease of two additional B787 aircraft with UMB Bank N.A.not in its individual capacity but solely in its capacity as owner trustee (all having VMO Aircraft Leasing Ireland Service Co. acting as a servicer) for a duration of approximately twelve years.

SABRE Contract

On May 4, 2015, we entered into a Master Services License Agreement with SABRE Inc. Pursuant to this agreement SABRE Inc., will grant LATAM access and use of certain reservation systems. This agreement will be effective for an initial period of 10 years.

In addition, LATAM has distribution agreements in place with SABRE as well as with other distribution providers. On May 1, 2020 we entered into a new Sabre Participant Carrier Distribution and Services Agreement. This agreement will be effective for successive 1-year periods until terminated anytime by either party upon at least 180 days' notice.

AMADEUS Contract

On May 1, 2020, we entered into the Amended and Restated Addendum to the Global Distribution Agreement for Full Content and Channel Parity with Amadeus, an agreement effective for an initial period of two years. On January 14, 2021, LATAM rejected this contract, as part of its Chapter 11 proceedings, which took effect on March 1, 2021. Notwithstanding the foregoing, on March 12, 2021 LATAM and Amadeus entered into a new Amended and Restated Addendum to the Global Distribution Agreement for Full Content and Channel Parity. This Addendum will be automatically renewed for periods of one year, until terminated anytime upon at least 90 days' notice.

TRAVELPORT Contract

On June 1, 2021, we entered into the Content Amendment to the Travelport International Global Airline Distribution Agreements. This Addendum will be automatically renewed for periods of one year, until terminated anytime upon at least 90 days' notice before the end of any Additional Term.

V2500-A5 Engine Maintenance Service Agreement

In 2020, LATAM together with TAM entered into an Engine Maintenance Services Agreement with MTU Maintenance Hannover GmBH, for the maintenance of certain V2500 engines.

CFM56-5B Engine Maintenance Contract

In March 2006, TAM entered into a services agreement with GE Celma, a Brazilian subsidiary of General Electric Engine Services division, for the maintenance by GE Celma of CFM56-5B engines to power 25 A320 family aircraft and four spare engines.

In March 2007 TAM entered into the Amendment 1 to the above-mentioned services agreement with GE Celma, extending the maintenance services to the engines powering additional 16 A320 family aircraft and two spare engines.

Petrobras

In July 2021, we entered into an Aviation Fuel Supply Agreement with Petrobras Distribuidora S.A. and a local agreement for services in Brazil. These Agreements will be effective until June 30, 2024.

World Fuel Services

In October 2006, we entered into an Aviation Fuel Supply Agreement with World Fuel Services INC. Later we entered into local agreements for services in Chile, México, Colombia and USA. These Agreements will be effective until December 31, 2023.

Air BP-Copec

In December 2021, we entered into an Aviation Fuel Supply Agreement with Air BP Copec S.A. for services in Chile. These Agreements will be effective until January 31, 2023. An extension until April 30, 2023 has been agreed until new conditions are negotiated.

Repsol

In January 2023, we entered into an Aviation Fuel Supply Agreement with Repsol Marketing SAC and related companies. The agreement includes a local agreement for services in Peru valid until December 31, 2023.

D. Exchange Controls

Foreign Investment and Exchange Controls in Chile

The Central Bank of Chile is responsible, among other things, for monetary policies and exchange controls in Chile. Equity investments, including investments in shares of stock by persons who are non-Chilean residents, have been generally subject in the past to various exchange control regulations restricting the repatriation of their investments and the earnings thereon.

Article 47 of the Central Bank Act and former Chapter XXVI of the Central Bank Foreign Exchange Regulations regulated the foreign exchange aspects of the issuance of ADSs by a Chilean company until April 2001. According to former Chapter XXVI, the Central Bank of Chile and the depositary had to enter into an agreement in order to gain access to the formal exchange market. The issuers of the shares underlying the ADSs and the custodian could also be parties to these agreements.

On April 16, 2001, the Central Bank of Chile agreed that, effective April 19, 2001:

- prior foreign exchange restrictions would be eliminated; and
- a new Compendium of Foreign Exchange Regulations (*Compendio de Normas de Cambios Internacionales*) would be applied

The main objective of these amendments, as declared by the Central Bank of Chile, is to facilitate movement of capital in and out of Chile and to encourage foreign investment.

In connection with the change in policy, the Central Bank of Chile eliminated the following restrictions:

- a reserve requirement with the Central Bank of Chile for a period of one year (this mandatory reserve was imposed on foreign loans and funds brought into Chile to purchase shares other than those acquired in the establishment of a new company or in the capital increase of the issuing company; the reserve requirement was gradually decreased from 30% of the proposed investment to 0%);
- the requirement of prior approval by the Central Bank of Chile for certain operations;
- mandatory return of foreign currency to Chile;
- mandatory conversion of foreign currency into Chilean pesos;
- Under the new regulations, only the following limitations apply to these operations:
- the Central Bank of Chile must be provided with information related to certain operations; and
- certain operations must be conducted with the Formal Exchange Market.

The Central Bank of Chile also eliminated Chapter XXVI of the Compendium of Foreign Exchange Regulations, which regulated the establishment of an ADR facility by a Chilean company. Pursuant to the new rules, it is no longer necessary to seek the Central Bank of Chile's prior approval in order to establish an ADR facility or to enter into a foreign investment contract with the Central Bank of Chile.

However, all contracts executed under the provisions of former Chapter XXVI (including the foreign investment contract among LATAM Airlines Group, the Central Bank of Chile and the ADS depositary, or the "Foreign Investment Contract"), remained in full force and effect and continued to be governed by the provisions, and continued to be subject to the restrictions, set forth in former Chapter XXVI at the time of its abrogation. Our Foreign Investment Contract guaranteed ADS investors access to the Formal Exchange Market to convert amounts from Chilean pesos into U.S. dollars and repatriate amounts received with respect to deposited common shares or common shares withdrawn from deposit or surrender of ADRs (including amounts received as cash dividends and proceeds from the sale in Chile of the underlying common shares and any rights arising from them).

On May 10, 2007, the Board of the Central Bank of Chile resolved to interpret the regulations regarding the former Chapter XXVI in connection with the access granted to the Formal Exchange Market. These regulations allowed entities that carry out capital increases by means of the issuance of cash shares before August 31, 2007 to apply the aforementioned regulation to their capital increases, but only once and only if those shares can be fully subscribed and paid by August 31, 2008, among other conditions. Consequently, capital increases carried out after August 31, 2007 will have no guaranteed access to the Formal Exchange Market.

On October 17, 2012, the Central Bank of Chile, the depositary and LATAM Airlines Group entered into a termination agreement in respect of LATAM's existing foreign investment contract. ADR holders were notified about this termination in accordance with Section 16 of the Deposit Agreement. Upon termination of the foreign investment contract, holders of ADSs and the depositary no longer have guaranteed access to the Formal Exchange Market. Currently, the ADS facility is governed by Chapter XIV of the Compendium on "Regulations applicable to Credits, Deposits, Investments and Capital Contributions from Abroad." According to Chapter XIV, the establishment or maintenance of an ADS facility is regarded as an ordinary foreign investment, and it is not necessary to seek the Central Bank of Chile's prior approval in order to establish an ADS facility. The establishment or maintenance of an ADS facility only requires that the Central Bank of Chile be informed of the transaction, and that the foreign currency transactions related thereby be conducted through the Formal Exchange Market.

Investment in Our Shares and ADRs

Currently, investments made by foreign investors in shares of our common stock are subject to the following requirements:

- any foreign investor acquiring shares of our common stock who brought funds into Chile for that purpose must bring those funds through an entity participating in the Formal Exchange Market;

- any foreign investor acquiring shares of our common stock to be converted into ADSs or deposited into an ADR program who brought funds into Chile for that purpose must bring those funds through an entity participating in the Formal Exchange Market;

- in both cases, the entity of the Formal Exchange Market through which the funds are brought into Chile must report such investment to the Central Bank of Chile;

- all remittances of funds from Chile to the foreign investor upon the sale of the acquired shares of our common stock or from dividends or other distributions made in connection therewith must be made through the Formal Exchange Market;

- all remittances of funds from Chile to the foreign investor upon the sale of shares underlying ADSs or from dividends or other distributions made in connection therewith must be made through the Formal Exchange Market; and

- all remittances of funds made to the foreign investor must be reported to the Central Bank of Chile by the intervening entity of the Formal Exchange Market.

When funds are brought into Chile for a purpose other than to acquire shares to convert them into ADSs or deposit them into an ADR program and subsequently such funds are used to acquire shares to be converted into ADSs or deposited into an ADR program such investment must be reported to the Central Bank of Chile by the custodian within 10 days following the end of each month within which the custodian is obligated to deliver periodic reports to the Central Bank of Chile.

When funds to acquire shares of our common stock or to acquire shares to convert them into ADSs or deposit them into an ADR program are received by us abroad (i.e., outside of Chile), such investment must be reported to the Central Bank of Chile directly by the foreign investor or by an entity participating in the Formal Exchange Market within ten days following the end of the month in which the investment was made.

All payments in foreign currency in connection with our shares of common stock or ADSs made from Chile through the Formal Exchange Market must be reported to the Central Bank of Chile by the entity participating in the transaction. In the event there are payments made outside of Chile, the foreign investor must provide the relevant information to the Central Bank of Chile directly or through an entity of the Formal Exchange Market within the first ten calendar days of the month following the date on which the payment was made.

There can be no assurance that additional Chilean restrictions applicable to the holders of ADSs, the disposition of shares of our common shares underlying ADSs or the conversion or repatriation of the proceeds from such disposition will not be imposed in the future, nor can we assess the duration or impact of such restriction if imposed.

This summary does not purport to be complete and is qualified by reference to Chapter XIV of the Central Bank of Chile's Foreign Exchange Regulations, a copy of which is available in Spanish and English versions at the Central Bank's website at www.bcentral.cl.

Voting Rights

Holders of our ADSs, which represent common shares, may instruct the depositary to vote the shares underlying their ADRs. If we ask holders for instructions, the depositary will notify such holders of the upcoming vote and arrange to deliver our voting materials to such holders. The materials will describe the matters to be voted on and explain how holders may instruct the depositary to vote the shares or other deposited securities underlying their ADSs as they direct by a specified date. For instructions to be valid, the depositary must receive them on or before the date specified as "Vote Cut-Off Date." The depositary will try, as far as practical, subject to Chilean law and the provisions of our by-laws, to vote or to have its agents vote the shares or other deposited securities as holders instruct. Otherwise, holders will not be able to exercise their right to vote unless they withdraw the shares. However, holders may not know about the meeting far enough in advance to withdraw the shares. We will use our best efforts to request that the depositary notify holders of upcoming votes and ask for their instructions.

If the depositary does not receive voting instructions from a holder by the specified date, it will consider such holder to have authorized and directed it to give a discretionary proxy to a person designated by our board of directors to vote the number of deposited securities represented by such holder's ADSs. The depositary will give a discretionary proxy in those circumstances to vote on all questions to be voted upon unless we notify the depositary that:

- we do not wish to receive a discretionary proxy;
- we think there is substantial opposition to the particular question; or
- we think the particular question would have an adverse impact on our shareholders.

The depositary will only vote or attempt to vote as such holder instructs or as described above.

We cannot assure holders that they receive the voting materials in time to ensure that they can instruct the depositary to vote their shares. This means that holders may not be able to exercise their right to vote and there may be nothing they can do if their shares are not voted as they requested.

Exchange Rates

Prior to 1989, Chilean law permitted the purchase and sale of foreign exchange only in those cases explicitly authorized by the Central Bank of Chile. The Central Bank Act liberalized the rules that govern the ability to buy and sell foreign currency. The Central Bank Act empowers the Central Bank of Chile to determine that certain purchases and sales of foreign currency specified by law must be carried out exclusively in the Formal Exchange Market, which is made up of the banks and other entities authorized by the Central Bank of Chile. All payments and distributions with respect to the ADSs must be conducted exclusively in the Formal Exchange Market.

For purposes of the operation of the Formal Exchange Market, the Central Bank of Chile sets a reference exchange rate (*dólar acuerdo*). The Central Bank of Chile resets the reference exchange rate monthly, taking internal and external inflation into account, and adjusts the reference exchange rate daily to reflect variations in parities between the Chilean peso, the U.S. dollar, the Japanese yen and the European euro.

The observed exchange rate (*dólar observado*) is the average exchange rate at which transactions were actually carried out in the Formal Exchange Market on a particular day, as certified by the Central Bank of Chile on the next banking day.

In order to keep fluctuations in the average exchange rate within certain limits, the Central Bank of Chile has in the past intervened by buying or selling foreign currency on the formal exchange market. In September 1999, the Central Bank of Chile decided to limit its formal commitment to intervene and decided to exercise it only under extraordinary circumstances, which are to be announced in advance. The Central Bank of Chile also committed to provide periodic information about the levels of its international reserves.

Purchases and sales of foreign exchange effectuated outside the Formal Exchange Market are made through the Informal Exchange Market (*Mercado Cambiario Informal*). There are no limits on the extent to which the rate of exchange in the Informal Exchange Market can fluctuate above or below the observed exchange rate.

Although our results of operations have not been significantly affected by fluctuations in the exchange rates between the peso and the U.S. dollar because our functional currency is the U.S. dollar, we are exposed to foreign exchange losses and gains due to exchange rate fluctuations. Even though the majority of our revenues are denominated in or pegged to the U.S. dollar, the Chilean government's economic policies affecting foreign exchange and future fluctuations in the value of the peso against the U.S. dollar could adversely affect our results of operations and an investor's return on an investment in ADSs.

E. Taxation

Chilean Tax

The following discussion relates to Chilean income tax laws presently in force, including Ruling No. 324 of January 29, 1990 of the Chilean Servicio de Impuestos Internos ("Chilean IRS") and other applicable regulations and rulings, all of which are subject to change. The discussion summarizes the principal Chilean income tax consequences of an investment in the ADSs or common shares by a person who is neither domiciled in, nor a resident of, Chile or by a legal entity that is incorporated abroad not organized under the laws of Chile and does not have a branch or a permanent establishment located in Chile (such an individual or entity is referred to herein as a Foreign Holder). For purposes of Chilean tax law, an individual holder is (i) a resident of Chile if such person remains in Chile, whether continuously or not, for a period or periods exceeding a total of 183 days, within any twelve-month period; and/or (ii) domiciled in Chile if such person's main place of business is located in the country. The discussion is not intended as tax advice to any particular investor, which can be rendered only in light of that investor's particular tax situation.

Under Chilean law, provisions contained in statutes such as tax rates applicable to foreign investors, the computation of taxable income for Chilean purposes and the manner in which Chilean taxes are imposed and collected may only be amended by another statute. In addition, the Chilean tax authorities enact rulings and regulations of either general or specific application and interpret the provisions of Chilean tax law. Chilean tax may not be assessed retroactively against taxpayers who act in good faith relying on such rulings, regulations and interpretations, but Chilean tax authorities may change these rulings, regulations and interpretations prospectively. On February 4, 2010, representatives of the governments of the United States and Chile signed an income tax treaty. The treaty will have to be approved by the U.S. Senate before it becomes effective and considering the latest changes proposed by the U.S. Congress, if approved in that jurisdiction the Chilean government also will have to move the tax treaty through its own Congress.

On February 4, 2022, Law No. 21,420 was published. The law aims to reduce or eliminate certain tax exemptions. The new law limits the non-taxable income benefit on capital gain on the disposal of public traded instruments, incorporating a 10% single tax on capital gains obtained by non-institutional investors on the sale of those instruments, tax effective for operations as of September 2, 2022.

Finally, on July 7, 2022 the Chilean government submitted to Congress a tax reform bill that includes amendments to the Income Tax Law, the Tax Code, the VAT Law, the introduction of a new wealth tax, among others. Among the aspects to be highlighted are: (i) the incorporation of a new general tax regime for large companies, which would separate the taxation of companies from that of their owners, and replace the current Partially Integrated Regime. Under this new proposed regime there would be a new Chilean Withholding Tax on dividends of 22% without the First Category Tax or "FCIT" credit. However, in the case of taxpayers resident in a country with which Chile has signed a double tax treaty that is currently in force, and who are also beneficiaries of such income, the FCIT will be credited against the respective Chilean withholding tax; (ii) alignment of capital gains obtained in the disposal of stock market instruments (shares and others) tax treatment to dividends, subjecting them to a 22% tax rate; (iii) administrative qualification of the General Anti-Avoidance Rule (GAAR); (iv) incorporation of an anonymous tax whistleblower; (v) modification of the Chilean IRS' appraisal authority (Article 64 of the Chilean Tax Code); (vi) limitation on the use of carry-forward tax losses; (vi) the introduction of a new tax applied on undistributed taxable profits held by Chilean passive investment companies; (vii) the creation of a 2% development tax aimed at promoting R&D expenditure, among other relevant proposed changes. However, on March 8, 2023, the bill was rejected by the House of Representatives. In this scenario, the government may insist that the bill be approved by the Senate (which requires a quorum of 2/3) or re-submit the bill to the House of Representatives after a 1-year period.

Cash Dividends and Other Distributions

Under the Partially Integrated Regime, cash dividends we pay with respect to the ADSs or common shares held by a Foreign Holder will be subject to a 35% Chilean withholding tax, which we withhold and pay over to the Chilean tax authorities (the "Withholding Tax"). A credit against the Withholding Tax is available based on the corporate income tax rate of the year of distribution and provided a sufficient balance of accumulated corporate income tax credits is available. These credits correspond to corporate income tax we actually paid on the accumulated income (referred to herein as the "First Category Tax" or "FCIT"). However, this credit does not reduce the Withholding Tax on a one-for-one basis because it also increases the base on which the Withholding Tax is imposed. In addition, if we distribute less than all of our distributable income, the credit for First Category Tax we pay is proportionately reduced. If we register net income and a tax loss, no credit against the Withholding Tax may be available.

The Partially Integrated Regime reduces the amount of First Category Tax creditable against the Withholding Tax for certain Foreign Holders. As a general rule, only 65% of the First Category Income Tax credit will actually offset the Withholding Tax. However, if a tax treaty is in place between Chile and the country of domicile of a Foreign Holder and such Foreign Holder is entitled to treaty benefits in relation to the income, the full First Category Tax credit will continue to be available to be offset against the Withholding Tax.

Under a transitory provision included in Law No. 21,210, in effect until December 31, 2026, the full 27% First Category Tax will also be creditable against the 35% Withholding Tax if the recipient of a dividend distribution is a shareholder resident in a country with which Chile has a tax treaty signed before January 1st, 2020, even if such treaty is not yet in force. This last tax reform extended this benefit which was included by the Law No. 20,780 and was in force until December 31, 2021.

In general, the example below illustrates the effective Withholding Tax burden on a cash dividend received by a Foreign Holder assuming a Withholding Tax rate of 35%, a First Category Tax rate of 27% and a distribution of 30% of the consolidated net income of the Company after payment of the First Category Tax:

	Foreign Holder in Treaty Country	**Foreign Holder in Non-Treaty Country**
The Company's taxable income	100.00	100.00
First Category Tax (27% of Ch$100).	(27.00)	(27.00)
Net distributable income	73.00	73.00
Dividend distributed (*)	21.90	21.90
First category increase	8.10	8.10
Amount subject to Withholding Tax (**)	30.00	30.00
Withholding Tax	(10.50)	(10.50)
Credit for First Category Tax	8.10	8.10
Add back 35% of the First Category Tax	N/A	(2.84)
Net tax withheld	(2.40)	(5.27)
Net dividend received	19.5	16.64
Effective dividend withholding rate	11%	24%

(*) 30% of net distributable income.

(**) The dividend of Ch$21.90 grossed up with the First Category Tax credit of Ch$8.10.

The effective rate of Withholding Tax to be imposed on dividends we pay will depend on the First Category Tax rate applicable in the year of distribution and on the balance of First Category Income Tax credits accumulated by the Company. The First Category Tax rate is 27% for 2018 and following years. The First Category Tax credits generated as of 2017, will be allocated first. Once the balance of First Category Tax credits generated as of 2017 are exhausted, the First Category Tax credits accumulated until December 31, 2016 will be used. In that event the First Category Tax credit available against the Withholding Tax will not correspond to the First Category Tax rate of the year of distribution but to the average rate of First Category Tax credits accumulated until December 31, 2016. This average rate will be determined by dividing the aggregate First Category Tax Credits accumulated until December 31, 2016 by the aggregate retained taxable profits accumulated at the same date. The First Category Tax credits accumulated until December 31, 2016 are not subject to the First Category Tax Credit Restitution irrespective of whether a tax treaty is in place with the country of the Foreign Holder or not.

The First Category Tax credits accumulated until December 31, 2016 correspond to the First Category Tax we actually paid on the income generated in a given year. For earnings generated from 1991 until 2001, the First Category Tax rate was 15%. The rate was 16.0% in 2002, 16.5% in 2003, 17% from 2004 until 2010, 20% from 2011 until 2013, 21% in 2014, 22.5% in 2015, 24% in 2016 and 25.5% in 2017 for companies subject to the Partially Integrated Regime.

In the event that the accumulated First Category Tax credits are not sufficient to cover any particular dividend, we will generally withhold tax from the dividend at the full 35% rate.

Dividend distributions made in kind would be subject to the same Chilean tax rules as cash dividends based on the fair market value of the relevant assets. Stock dividends and the distribution of preemptive rights are not subject to Chilean taxation.

Capital Gains

Gains from the sale or other disposition by a Foreign Holder of ADRs evidencing ADSs outside Chile will not be subject to Chilean taxation. The deposit and withdrawal of common shares in exchange for ADRs will not be subject to any Chilean taxes.

Gains realized on a sale or disposition of common shares by a Foreign Holder (as distinguished from sales or exchanges of ADRs evidencing ADSs representing such common shares) may be subject to a 35% Tax. However, a gain not exceeding 10 Annual Tax Units (app US 8,650 as of January 6, 2023) recognized by a Foreign Holder without taxable presence in Chile in a sale to a non-related buyer will not be taxable. The proceeds of the sale or disposition are subject to a withholding of 35% applicable on the gain. If the gain subject to taxation cannot be determined, the Foreign Holder is subject to a provisional withholding of 10% of the total proceeds, without any deduction, when the amounts are paid to, credited to, accounted for, put at the disposal of, or corresponding to, the Foreign Holder. The Foreign Holder would be entitled to request a tax refund for any amounts withheld in excess of the taxes actually due in April of the following year upon filing its corresponding tax return.

Notwithstanding the above, Article 107 of the Chilean Income Tax Law provides for a 10% sole tax on capital gains arising from the sale of shares of listed companies traded in the stock markets (except for capital gains obtained by "institutional investors" –as defined in Article 4 bis (d) of the Chilean Securities Market Act–, whether domiciled or resident in Chile or abroad, which will be tax exempt if the legal requirements are met). In general terms, the referred provision mandates that in order to qualify for this special tax treatment: (i) the shares must be of a publicly held stock corporation with a "high trading presence" status in the Chilean Stock Exchanges; (ii) the sale must be carried out in a Chilean Stock Exchange authorized by the CMF, or in a tender offer subject to Chapter XXV of the Chilean Securities Market Act or as the consequence of a contribution to a fund as regulated in Article 109 of the Chilean Income Tax Law; (iii) the shares which are being sold must have been acquired on a Chilean Stock Exchange, or in a tender offer subject to Chapter XXV of the Chilean Securities Market Act, or in an initial public offering (due to the creation of a company or to a capital increase), or due to the exchange of convertible publicly offered securities, or due to the redemption of a fund's quota as regulated in Article 109 of the Chilean Income Tax Law; and (iv) the shares must have been acquired after April 19, 2001.

The buyer or stockbroker or securities agent acting on behalf of the Foreign Holder shall withhold the amount of the sole tax at the time the sales price is paid, remitted, credited into account or placed at the disposal of the Foreign Holder. The withholding shall be made at 10% rate on the taxable gain, unless the buyer or stockbroker or securities agent acting on behalf of the Foreign Holder does not have sufficient information to determine such capital gain, in which case the withholding shall be made at a provisional rate of 1% on the total price, without any deduction. In this last case, the Foreign Holder must file an annual tax return to pay any differences between the withheld amounts and the final applicable tax, or to request a refund if the first were made in excess of the final tax.

According to Ruling No. 1,480 (issued on August 22, 2014), the Chilean IRS confirmed that capital gains stemming from the sale of shares with high stock market presence acquired through the exchange of American Depositary Receipts (ADRs) for shares is subject to the same tax regime as the gain on the sale of any stock with high stock market presence, which according to the rules enforce as of such date, were not subject to taxes in Chile. Thus, according to the recent modifications, such ruling should imply that they would be subject to the sole tax at a rate of 10%. Such reduced rate is applicable provided that the ADRs comply with the requirements established by the CMF for the public offering of securities in Chile (i.e. if the ADRs are registered in the Foreign Securities Registry of the CMF, or their registration has been exempted by the CMF under a cooperation agreement signed with regulators of foreign markets), and the underlying shares have been registered in the Securities Registry of the CMF and on a Chilean Stock Exchange. According to General Ruling No. 327, issued by the CMF on January 17, 2012, shares are considered to have a high presence in the stock exchange when they:

- are registered in the Securities Registry;
- are registered in a Chilean Stock Exchange; and
- meet at least one of the following requirements:
- have an adjusted presence equal to or above 25%;
- have a Market Maker (this requirement is limited under Law No. 21,420).

To calculate the adjusted presence of a particular share, the aforementioned regulation first requires a determination of the number of days in which the operations regarding the stock exceeded, in Chilean pesos, the equivalent of 1,000 UF (app US$ 41,080 as of January 6, 2023) within the previous 180 business days of the stock market. That number must then be divided by 180, multiplied by 100, and expressed in a percentage value.

To meet the "Market Maker" requirement the issuer of the shares must execute a written contract with a stockbroker incorporated in Chile that fulfills some additional requirements. Law No. 21,210 modified this provision in those cases where the high stock market presence is given exclusively by virtue of a Market Maker. In such cases, the capital gain tax exemption would apply only for the term of one year from the first public offering of the securities.

A capital gain tax exemption for "foreign institutional investors" such as mutual funds and pension funds was repealed as from May 1, 2014, by Law 20,712. However, the law includes a grandfathering provision for shares acquired before May 1, 2014. This provision establishes an exemption on the capital gain obtained in the sale of shares that are publicly traded and have a high presence in a stock exchange when the sale is made by a foreign institutional investor, provided that the sale is made in a local stock exchange or in a public tender in accordance with the provisions of the Securities Market Act, or in the redemption of fund quotas, and the shares were acquired before May 1, 2014.

Pursuant to the regulations of the grandfathering rule, to qualify for the exemption, the taxpayer must be incorporated or formed outside of Chile, not have a domicile in Chile, and must qualify as a foreign institutional investor according to the requirements set forth in the law. In addition, the foreign institutional investor must not directly or indirectly participate in the control of the corporations issuing the shares it invests in, nor possess or participate directly or indirectly in 10% or more of the capital or the profits of such corporations. Furthermore, the foreign institutional investor must execute a written contract with a bank, or a stockbroker incorporated in Chile. In this contract, the bank or stockbroker must undertake to execute purchase and sale orders, verify the applicability of the tax exemption or tax withholding, and inform the Chilean IRS of the investors it works with and the transactions it performs. Finally, the foreign institutional investor must register with the Chilean IRS by means of a sworn statement issued by such bank or stockbroker.

The tax basis of common shares received in exchange for ADRs will be the acquisition value of the common shares on the date of exchange duly adjusted for local inflation. For purposes of Ruling No. 324, dated January 29, 1990, issued by the Chilean IRS, the valuation procedure set forth in the deposit agreement, which values the shares that are being exchanged at the highest reported sales price at which they trade on the stock exchange on the day on which the transfer of such shares is recorded on the books of the company's share registrar, will determine the Foreign Holder's acquisition value for this purpose. In the case where the sale of the shares is made on a day that is different from the date on which the exchange is recorded, capital gains subject to taxation in Chile may be generated. Notwithstanding the foregoing, following the criteria of Ruling No. 3708, dated October 1, 1999, issued by the Chilean IRS, the deposit agreement provides that in the event that the exchanged shares are sold by the Foreign Holder on a Chilean stock exchange on the same day on which the transfer is recorded on the company's share registrar or within two Chilean business days prior to the date on which the sale is recorded on those books, the acquisition value of such exchanged shares shall be the price registered in the invoice issued by the stock broker that participated in the sale transaction.

The date of acquisition of the ADSs is considered to be the date of acquisition of the shares for which the ADSs are exchanged.

The exercise of preemptive rights relating to the common shares will not be subject to Chilean taxation. Any gain obtained by a Foreign Holder without taxable presence in Chile on the sale of preemptive rights relating to the common shares will be subject to Withholding Tax (the former being creditable against the latter).

Other Chilean Taxes

Please note that there should not be Chilean inheritance, gift or succession taxes applicable to the ownership, transfer or disposition of ADSs by a Foreign Holder, but such taxes generally will apply to the transfer at death or by gift of the common shares by a Foreign Holder. However, in the inheritance of a Foreign Holder, assets located abroad may only be subject to inheritance, gift or succession taxes when they have been acquired with resources originating in Chile. There are no Chilean stamp, issue, registration or similar taxes or duties payable by Foreign Holders of ADSs or common shares.

Withholding Tax Certificates

Upon request, we will provide to Foreign Holders appropriate documentation evidencing the payment of the Withholding Tax (net of the applicable First Category Tax credit).

Material United States Federal Income Tax Considerations

This section describes the material U.S. federal income tax consequences to a U.S. holder (as defined below) of owning common shares or ADSs. It applies to you only if you hold your common shares or ADSs as capital assets for tax purposes. This section does not purport to be a complete analysis or listing of all potential U.S. federal income tax considerations that may be relevant to U.S holders with respect to their ownership and disposition of ADSs or common shares. Accordingly, it is not intended to be, and should not be construed as, tax advice. This section does not apply to you if you are a member of a special class of holders subject to special rules, including:

- a dealer in securities,
- a trader in securities that elects to use a mark-to-market method of accounting for securities holdings,
- a tax-exempt organization,
- a financial institution,
- a regulated investment company,
- a real estate investment trust,
- a life insurance company,
- a person liable for alternative minimum tax,
- a person that directly, indirectly or constructively owns 10% or more of the vote or value of our stock,
- a person that holds common shares or ADSs as part of a straddle or a hedging or conversion transaction,

- a person that purchases or sells common shares or ADSs as part of a wash sale for tax purposes,
- a U.S. holder (as defined below) whose functional currency is not the U.S. dollar,
- a U.S. expatriate,
- a person who acquired our ADSs or common shares pursuant to the exercise of any employee share option or otherwise as compensation, or
- a partnership or other pass-through entity or arrangement treated as such (or a person holding our ADSs or common shares through a partnership or other pass-through entity or arrangement treated as such).

If you are a member of a special class of holders subject to special rules, you should consult your tax advisor with regard to the U.S. federal income tax treatment of an investment in the common shares or ADSs. Moreover, this summary does not address the U.S. federal estate, gift, or the Medicare contribution tax applicable to net investment income of certain non-corporate U.S. holders or alternative minimum tax considerations, or any U.S. state, local, or non-U.S. tax considerations of the acquisition, ownership and disposition of common shares and ADSs.

This section is based on the Internal Revenue Code of 1986, as amended (the "Code"), its legislative history, existing and proposed Treasury regulations, published rulings and court decisions, all as of the date hereof. These laws are subject to change, possibly on a retroactive basis. On February 4, 2010, representatives of the governments of the United States and Chile signed a proposed income tax treaty, but the proposed treaty is not in force or effect, because the U.S. Senate has not consented to its ratification by the President of the United States.

The laws on which this section is based are subject to differing interpretations. No ruling has been sought from the U.S. Internal Revenue Service (the "U.S. IRS") with respect to any U.S. federal income tax consequences described below, and there can be no assurance that the U.S. IRS or a court will not take a contrary position.

In addition, this section is based in part upon the representations of the Depositary and the assumption that each obligation in the Deposit Agreement and any related agreement will be performed in accordance with its terms.

If an entity that is treated as a partnership for U.S. federal income tax purposes holds the common shares or ADSs, the U.S. federal income tax treatment of a partner will generally depend on the status of the partner and the tax treatment of the partnership. A partner in a partnership holding the common shares or ADSs should consult its tax advisor with regard to the U.S. federal income tax treatment of an investment in the common shares or ADSs.

For purposes of this summary, a "U.S. holder" is a beneficial owner of common shares or ADSs that is a citizen or resident of the United States or a U.S. domestic corporation or that otherwise is subject to U.S. federal income taxation on a net income basis in respect of such common shares or ADSs.

ADSs

As a result of our Chapter 11 proceedings, LATAM was delisted from the NYSE on June 22, 2020. Our ADSs continue to trade in the over-the-counter market under the ticker "LTMAY." In general, and taking into account the earlier assumptions, for U.S. federal income tax purposes, if you hold ADRs evidencing ADSs, you will be treated as the beneficial owner of the common shares represented by those ADRs. Exchanges of common shares for ADRs, and ADRs for common shares, generally will not be subject to U.S. federal income tax.

The U.S. Treasury has expressed concerns that intermediaries in the chain of ownership between the holder of an ADS and the issuer of the security underlying the ADS may be taking actions that are inconsistent with the beneficial ownership of the underlying security. Accordingly, the creditability of any foreign taxes paid and the availability of the reduced tax rate for dividends received by certain non-corporate U.S. holders (as discussed below), could be affected by actions taken by intermediaries in the chain of ownership between the holders of ADSs and us if as a result of actions the holders of ADSs are not properly treated as beneficial owners of the underlying common shares.

Taxation of Dividends

Under the U.S. federal income tax laws, and subject to the passive foreign investment company ("PFIC") rules discussed below, if you are a U.S. holder, the gross amount of any dividend we pay out of our current or accumulated earnings and profits (as determined for U.S. federal income tax purposes) is subject to U.S. federal income taxation. Distributions in excess of current and accumulated earnings and profits, as determined for U.S. federal income tax purposes, will be treated as a non-taxable return of capital to the extent of your adjusted tax basis in the common shares or ADSs, as the case may be, and thereafter as capital gain from the sale or exchange of the common shares or ADSs, as the case may be. However, we do not expect to calculate earnings and profits in accordance with U.S. federal income tax principles. Accordingly, you should expect to generally treat any distributions we make as dividend income for U.S. federal income tax purposes.

If you are a U.S. holder who is an individual, trust, or estate, then dividends paid on the ADSs or common shares that constitute qualified dividend income will be taxable to you at the preferential rates applicable to long-term capital gains. Dividends paid on the ADSs or common shares will be treated as qualified dividend income if:

- (a) the ADSs or common shares, as applicable, are readily tradable on an established securities market in the United States; or (b) we are eligible for benefits of a comprehensive tax treaty with the United States, which the U.S. Treasury determines is satisfactory for this purpose, which includes an exchange of information program;

- we were not, in the year prior to the year in which the dividend was paid, and are not, in the year in which the dividend is paid, a PFIC; and

- you hold the ADSs or common shares, as applicable, for more than 60 days during the 121-day period beginning 60 days before the ex-dividend date and meet other holding period requirements; and the U.S. holder is not under an obligation to make related payments with respect to positions in substantially similar or related property.

We believe that our common shares and ADSs should not be treated as stock of a PFIC for 2022. See "PFIC Rules," below.

U.S. IRS guidance provides that shares and ADSs are considered as readily tradable on an established securities market in the United States if they are listed on certain national U.S. securities exchanges, including the NYSE. In the case of stock that is not listed in a manner that meets this definition (such as stock listed on the OTC Bulletin Board or on the electronic pink sheets), the U.S. IRS indicated in 2003 that it was considering whether, or to what extent, treatment as "readily tradable on an established securities market in the United States" should be conditioned on the satisfaction of parameters regarding minimum trading volume, minimum number of market makers, maintenance and publication of historical trade or quotation data, issuer reporting requirements under SEC or exchange rules, or issuer disclosure or determinations regarding PFIC or similar status. To date the U.S. IRS has not issued further guidance on this topic.

Accordingly, because our ADSs were delisted from the NYSE on June 22, 2020 and currently trade only on the over-the-counter market, and because our common shares are not listed on any United States securities exchange, the U.S. IRS may (as long as there is no income tax treaty in force and effect between Chile and the United States) take the position that dividends we pay with respect to the common shares are not qualified dividend income, and therefore, that the U.S. dollar amount of such dividends received by an individual, trust, or estate U.S. holder are subject to taxation at ordinary U.S. federal income tax rates. Corporate U.S. holders are taxed on dividend income at the U.S. federal corporate income tax rate whether or not the dividend income is qualified dividend income.

The dividend is taxable to you when you, in the case of common shares, or the Depositary, in the case of ADSs, receive the dividend, actually or constructively. The dividend will not be eligible for the dividends-received deduction generally allowed to U.S. domestic corporations in respect of dividends received from other U.S. domestic corporations or certain foreign corporations. The amount of the dividend distribution that you must include in your income as a U.S. holder will be the U.S. dollar value of the Chilean pesos payments made, determined at the spot Chilean pesos/U.S. dollar rate on the date the dividend distribution is includible in your income, regardless of whether the payment is in fact converted into U.S. dollars. Generally, any gain or loss resulting from currency exchange fluctuations during the period from the date you include the dividend payment in income to the date you convert the payment into U.S. dollars will be treated as ordinary income or loss and will not be eligible for the special tax rate applicable to qualified dividend income. The gain or loss generally will be income or loss from sources within the United States for foreign tax credit limitation purposes. The amount of any distribution of property other than cash will be the fair market value of such property on the date of distribution.

The amount of dividend income includes the amount of any Chilean tax withheld from the dividend payment even though you do not in fact receive such amount. Subject to generally applicable limitations and conditions under the Code, Chilean Withholding Tax withheld and paid over to the Chilean tax authorities (after taking into account the credit for the First Category Tax, when it is available) may be creditable or deductible against your U.S. federal income tax liability. These generally applicable limitations and conditions include new requirements recently adopted by the U.S. IRS and any Chilean tax will need to satisfy these requirements in order to be eligible to be a creditable tax for a U.S. holder. The application of these requirements to the Chilean tax on dividends is uncertain and we have not determined whether these requirements have been met. If the Chilean dividend tax is not a creditable tax or you do not elect to claim a foreign tax credit for any foreign income taxes paid or accrued in the same taxable year, you may be able to deduct the Chilean tax in computing your taxable income for U.S. federal income tax purposes.

Dividends will generally be income from sources outside the United States and, for U.S. holders that elect to claim foreign tax credits, will, depending on your circumstances, generally be "passive category income" for foreign tax credit purposes. The rules relating to foreign tax credits and deductions are complex. U.S. holders should consult their tax advisors concerning the application of these rules in their particular circumstances.

Taxation of Capital Gains

Subject to the PFIC rules discussed below, if you sell or otherwise dispose of your common shares or ADSs, you will generally recognize capital gain or loss for U.S. federal income tax purposes equal to the difference between the U.S. dollar value of the amount that you realize and your adjusted tax basis, in your common shares or ADSs, as determined in U.S. dollars. Capital gain of a U.S. holder who is an individual, trust, or estate, is generally taxed at preferential rates where the property is held for more than one year. The deductibility of capital losses is subject to significant limitations. The gain or loss will generally be income or loss from sources within the United States for foreign tax credit limitation purposes. Under the new foreign tax credit requirements recently adopted by the U.S. IRS, any Chilean tax imposed on the sale or other disposition of the common shares or ADSs generally will not be treated as a creditable tax for U.S. foreign tax credit purposes. If the Chilean tax is not a creditable tax, the tax would reduce the amount realized on the sale or other disposition of the common shares or ADSs even if the U.S. holder has elected to claim a foreign tax credit for other taxes in the same year. U.S holders should consult their own tax advisors regarding the application of the foreign tax credit rules to a sale or other disposition of the common shares or ADSs and any Chilean tax imposed on such sale or disposition.

If the consideration received for our common shares or ADSs is paid in foreign currency, the amount realized will generally be the U.S. dollar value of the payment received translated at the spot rate of exchange on the date of disposition (or, if the common shares or ADSs are traded on an established securities market at such time, in the case of cash-basis and electing accrual-basis U.S. holders, the settlement date). An accrual basis U.S. holder that does not elect to determine the amount realized using the spot exchange rate on the settlement date will recognize foreign currency gain or loss equal to the difference between the U.S. dollar value of the amount received based on the spot exchange rates in effect on the date of the sale or other disposition and the settlement date. Our ADSs were delisted from the NYSE on June 22, 2020 and currently trade only on the over-the-counter market. It is unclear whether an over-the-counter market is treated as an established securities market for purposes of these rules. A U.S. holder's initial tax basis in our common shares or ADSs will equal the cost of such ADSs or common shares. If a U.S. holder used foreign currency to purchase our common shares or ADSs, the cost of our common shares or ADSs will be the U.S. dollar value of the foreign currency purchase price on the date of purchase. If our common shares or ADSs are treated as traded on an established securities market and the relevant U.S. holder is either a cash basis taxpayer or an accrual basis taxpayer who has made the special election described above, such holder will determine the U.S. dollar value of the cost of such common shares or ADSs by translating the amount paid at the spot rate of exchange on the settlement date of the purchase.

PFIC Rules

We believe that our common shares and ADSs should not be treated as stock of a PFIC for 2022 and we do not anticipate becoming a PFIC in future taxable years, but this conclusion is a factual determination that is made annually and thus may be subject to change. If we were to be treated as a PFIC, gain realized on the sale or other disposition of your common shares or ADSs would in general not be treated as capital gain. Instead, if you are a U.S. holder, unless you make a timely "mark-to-market" election electing to be taxed annually on a mark-to-market basis with respect to your common shares or ADSs, or you make a timely "qualified electing fund" election to be taxed annually on the earnings and gains of the PFIC attributable to your shares or ADSs (irrespective of distributions), you would be treated as if you had realized such gain ratably over your holding period in the common shares or ADSs and would be taxed at the highest tax rate in effect for each such year to which the gain was allocated, together with an interest charge in respect of the tax attributable to each such year except for the current year. In addition, distributions that you receive from us will not be eligible for the preferential tax rates applicable to qualified dividend income if we are treated as a PFIC with respect to you either in the taxable year of the distribution or the preceding taxable year, but instead will be taxable at the tax rates applicable to ordinary income, and to the extent they are treated as "excess distributions" under the PFIC rules, they will also be subject to the PFIC interest charge described above. A U.S. holder will be required to make an annual filing with the U.S. IRS if such holder holds ADSs or common shares in any year in which we are classified as a PFIC. With certain exceptions, your common shares or ADSs will continue to be treated as stock in a PFIC if we were a PFIC at any time during your holding period in your common shares or ADSs even if we no longer meet the PFIC tests in a later year.

The U.S. federal income tax rules relating to PFICs are complex. Prospective U.S. holders are urged to consult their own tax advisers with respect to the application of the PFIC rules to their investment in the common shares or ADSs.

Information Reporting and Backup Withholding

Dividends paid on, and proceeds from the sale or other disposition of, the shares or ADSs to a U.S. holder generally are subject to the information reporting requirements of the Code and may be subject to backup withholding unless the U.S. holder provides an accurate taxpayer identification number and makes any other required certification or otherwise establishes an exemption. Backup withholding is not an additional tax. The amount of any backup withholding from a payment to a U.S. holder will be allowed as a refund or credit against the U.S. holder's U.S. federal income tax liability, provided the required information is furnished to the U.S. IRS in a timely manner.

A holder that is not a U.S. holder may be required to comply with certification and identification procedures in order to establish its exemption from information reporting and backup withholding.

Foreign Asset Reporting

Certain U.S. holders who are individuals (and certain entities) that hold an interest in "specified foreign financial assets" (which may include the common shares or ADSs) with an aggregate value in excess of U.S.$50,000 on the last day of the taxable year, or $75,000 at any time during the taxable year, are required to report information relating to such assets, currently on Form 8938, subject to certain exceptions (including an exception for stock held in accounts maintained by certain financial institutions). Penalties can apply if U.S. holders fail to satisfy such reporting requirements. U.S. holders should consult their tax advisors regarding the effect, if any, of this requirement on their ownership and disposition of common shares and ADSs.

F. Dividends and Paying Agents

Not applicable.

G. Statement by Experts

Not applicable.

H. Documents on Display

We file reports, including annual reports on Form 20-F, and other information with the SEC pursuant to the rules and regulations of the SEC that apply to foreign private issuers. Filings we make electronically with the SEC are available to the public on the Internet at the SEC's website at www.sec.gov and at our website at http://www.latamairlinesgroup.net/financial-information/sec-filings. (This URL is intended to be an inactive textual reference only. It is not intended to be an active hyperlink to our website. The information on our website, which might be accessible through a hyperlink resulting from this URL, is not and shall not be deemed to be incorporated into this annual report.)

I. Subsidiary Information

Not applicable.

J. Annual Report to Security Holders

Not applicable.

ITEM 11 QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISKS

General

Given the nature of its business, LATAM is exposed mainly to three types of market risk:

- Fuel price fluctuations;
- Foreign exchange fluctuations; and
- Interest rate fluctuations.

Management assesses the level of our exposure to these risks periodically to determine which one should be hedged and the most effective mechanisms to be implemented. LATAM purchases derivative instruments in foreign markets to offset market risk exposure, typically utilizing a mix of financial and commodity derivatives. LATAM does not enter into or hold derivative contracts for trading purposes.

For more information on Market Risk, see Note 3 "Financial Risk Management" to our audited consolidated financial statements.

Risk of Fluctuations in Fuel Prices

Jet fuel price fluctuations are largely dependent on supply and demand for crude oil, OPEC decisions, refinery capacities, stock levels of crude oil, natural disasters, climatic risk and geopolitical factors.

LATAM fuel consumption for 2022 was 1,028 million gallons. To manage its exposure to the cost of fuel, LATAM has a hedging program based on our Fuel Hedging Policy, which is annually updated and approved by the board of directors. LATAM's Fuel Hedging Policy aims to mitigate the liquidity risk in the short/medium term, avoiding cash and financial distress. LATAM has established four hedging zones based on advance purchase behavior, pass-through and fuel invoicing process.

Jet Fuel is not the only underlying asset that LATAM may use for hedging purposes. It may also consider derivative instruments in other underlying commodity assets such as ICE Brent, West Texas Intermediate (WTI) or NYMEX Heating Oil (HO).

LATAM has decided to use protective and non-speculative instruments to reduce the operating margin exposure. Also, LATAM will not use financial derivatives to speculate on financial markets and consequently obtain gains from these types of transactions, and will not receive premiums as cash from sold options (nevertheless LATAM could buy and sell options as a structured product).

LATAM periodically reviews its exposure with each counterparty in order to monitor its credit concentration. For more information, see "Item 3. Key Information-D. Risk Factors-Risks Relating to our Company-*Our operations are subject to fluctuations in the supply and cost of jet fuel, which could adversely impact our business*."

During 2022, 2021 and 2020 we entered into a mix of swaps and option contracts on NYMEX HEATING OIL and JET FUEL 54 USGC with investment grade banks and other financial entities for notional fuel purchases (non-delivery). Details of the fuel hedging program are shown below:

	LATAM Fuel Hedging Year ended December 31,		
	2022 LATAM	**2021 LATAM**	**2020 LATAM**
Gallons Purchased (million)	249.4	117.4	864.3
% Total Annual Fuel Consumption	24.6%	16.1%	146.4%*
Combined Result of Hedges (in millions of US$)	18.8	10.1	(98.3)

* The percentage shown in the table considers all the hedging instruments (swap and options), which between March 2020 and December 31, 2020, were not accounted as hedge accounting.

As of December 31, 2022, the fair value of our outstanding fuel related derivative contracts was US$12.6 million (positive).

Gains and losses on the hedging contracts outlined above are recognized as a cost of sales in the income statement when the fuel subject to the hedge is consumed. Premiums paid related to fuel derivative contracts are recorded as prepaid expenses (current assets) and recorded as an expense at the time the contract expires.

Under IFRS, the fair value of the hedging derivatives is booked as a non-current asset or liability if the remaining maturity of the item is hedged for more than 12 months, and as a current asset or liability if the remaining term of the item is hedged for less than 12 months. The fair value of the derivative contracts is deferred within an equity reserve account. Please see Note 2.9 to our audited consolidated financial statements. As the current positions do not represent changes in cash flows but a variation in the exposure to the market value, the Company's current hedge positions have no impact on income; they are booked as cash flow hedge contracts, so a variation in fuel prices has an impact on the Company's net equity.

The following table shows the sensitivity analysis of our hedging contracts to reasonable changes in fuel prices and their effect on equity. The term used for the projection was December 31, 2023, the last maturity date of our current fuel hedge contracts. The calculations were made considering a parallel movement of US$5 per barrel in the curve of the BRENT and JET crude futures benchmark price at the end of December 2022, 2021, 2020.

	LATAM fuel price sensitivity Position as of December 31		
	2022 LATAM (effect on equity)	**2021 LATAM (effect on equity)**	**2020 LATAM (effect on equity)**
	(millions of US$ per barrel)		
HO or JET benchmark price			
+5	+2.2	+2.7	+0.6
-5	-2.3	-3.3	-0.6

During the periods presented, the Company has not recorded amounts for ineffectiveness in the consolidated income statement pursuant to IFRS principles for recognizing and measuring financial instruments.

Given the fuel hedge structure during the year 2022, which considers a portion free of hedge, a vertical drop of US$5 in the JET reference price (considered as the monthly daily average), would have had an approximate impact of US$123 million lower fuel cost. For the same period, a vertical increase of US$5 dollars in the JET reference price (considered as the monthly daily average), would have had an approximate impact of US$122.1 million higher fuel costs.

Risk of Variation in Foreign Exchange Rates

The functional currency of the LATAM holding company is the U.S. dollar. Since LATAM conducts its business in local currencies in several countries, it faces the risk of variations in multiple foreign currency exchange rates. Depreciation of these currencies against the U.S. dollar could have adverse effects both transactional and translational, because part of our revenues and expenses are denominated in those currencies.

At the same time, LATAM's affiliates are exposed to foreign exchange risk, which could in turn impact the consolidated results of the Company.

The greatest exposure to future cash flows is mainly presented by the subsidiary LATAM Airlines Brazil and volatility in the R$/US$ exchange rate. LATAM Airlines Brazil's earnings are generated largely in R$. We actively manage the R$/US$ exchange rate risk by entering into FX derivative contracts and carrying out internal operations for obtaining natural hedging.

To a lesser extent, the company also faces foreign exchange risk relating to additional currencies such as: Great Britain Pound, Euro, Chilean Peso, Australian Dollars, Argentine Peso, Paraguayan Guaraní, Mexican Peso, Peruvian Nuevo Sol, Colombian Peso and New Zealand Dollars. Those currencies could be hedged as long as they turn relevant (higher exposure and volatility) to the LATAM's market risk management. As of December 31, 2022, LATAM has US$ 108 million in notional for FX Hedges.

Because of changes in the values of existing FX derivative positions do not represent changes in cash flows, but a variation in the exposure of market value, the outstanding hedging positions do not impact results (they are registered as cash flow hedges under IFRS, therefore, a change in the foreign exchange rate has an impact on the equity of the Company).

Balance sheet exposure of LATAM to the Brazilian Real is related to the functional currency of LATAM Airlines Brazil and its balance sheet currency mismatch, as LATAM Airlines Brazil has a net US$ liability position. When the balance sheet denominated in U.S. dollars is translated to Brazilian Real, the financial results of LATAM Airlines Brazil may fluctuate and therefore could impact LATAM's financial results.

The exposure to the Brazilian real on LATAM Airlines Brazil balance sheet has been reduced from over US$ 4 billion since the combination between LAN and TAM in June 2012 to around US$ 707 million as of December 31, 2022. The Company continues working to mitigate this exposure through financial and operational mechanisms.

The following table shows the sensitivity of LATAM Airlines Brazil's financial results to changes in the R$/US$ exchange rate:

	LATAM Airlines Brazil exchange rate sensitivity Position effect on pre-tax earnings as of December 31,		
	2022 LATAM	**2021 LATAM**	**2020 LATAM**
		(millions of US$)	
Appreciation (depreciation) of R$/US$			
-10%	+70.7	+51.9	-10.9
+10%	-70.7	-51.9	+10.9

Our foreign currency exchange exposure as of December 31, 2022 was as follows:

	LATAM foreign currency exchange exposure								
	U.S. Dollars MUS$	% of total	Brazilian real MUS$	% of total	Chilean pesos MUS$	% of total	Other currencies MUS$	% of total	Total MUS$
Current assets	1,828,053	51.7%	1,178,918	33.3%	173,564	4.9%	355,889	10.1%	3,536,424
Other assets	8,201,681	84.8%	1,353,605	14%	62,428	0.6%	56,886	0.6%	9,674,600
Total assets	10,029,734	75.9%	2,532,523	19.2%	235,992	1.8%	412,775	3.1%	13,211,024
Current liabilities	1,029,042	20.2%	1,541,030	30.1%	434,940	8.5%	2,083,683	40.7%	5,088,695
Long-term liabilities	6,879,832	85.0%	876,820	10.9%	255,930	3.2%	79,026	1%	8,091,608
Total liabilities and shareholders' equity	7,908,874	60.0%	2,417,850	18.4%	690,870	5.3%	2,162,709	16.4%	13,211,024

Risk of Fluctuations in Interest Rates

As of December 31, 2022, LATAM had US$4.7 billion in outstanding interest-bearing loans. LATAM usually uses interest rate derivatives to reduce the impact of an increase of interest rates, although at this moment, given the Chapter 11 proceedings, LATAM has no derivatives ongoing. Given this situation, approximately 52% of LATAM outstanding debt as of December 31, 2022, was effectively at a fixed rate.

LATAM's interest-bearing loans can be classified by: variable interest rate debt and fixed interest rate. LATAM's variable interest rate debt amounts to US$2,266 million, from which 48% is assigned to aircraft financing and 52% to non-aircraft financing. The fixed interest rate debt amounts are US$2,407 million of which 33% is assigned to aircraft financing and 67% to non-aircraft financing.

As of December 31, 2022, the value of interest rate derivative positions amounted to MUS$ 8.8 (positive) corresponding to operating lease hedges in order to fix the rents upon delivery of the aircraft. As of December 31, 2021, the Company did not maintain interest rate derivative positions in force.

During the period ended December 31, 2022, the Company recognized losses of US$7 million (negative) corresponding to the recognition for premiums paid.

As of December 31, 2022, the Company recognized a decrease in the right-of-use asset upon settlement of a derivative of US$ 8.1 million associated with leased aircraft. On this same date, a lower expense for depreciation of the right-of-use asset for US$ 0.1 million (positive) was recognized. At the end of December 2021, the Company did not earn profits or losses for this same concept.

As of December 31, 2022, the average interest rate of our outstanding interest-bearing long-term debt rate was 9.3%.

The following table summarizes our principal payment obligations on all of our interest-bearing debt as of December 31, 2022, and the related average interest rate for such debt. The average interest rate has been calculated based on the prevailing interest rate on December 31, 2022 for each loan.

	LATAM's principal payment obligations by year of expected maturity[1]						
	Average interest rate[2]	2023	2024	2025	2026	2027	2028 and thereafter
				(millions of US$)			
Interest-bearing liabilities	9.3%	605	199	241	191	1676	1,350

(1) At cost.
(2) Average interest rate means the average prevailing interest rate on our debt on December 31, 2022.
(3) This does not include disputed claims.

The following table shows the sensitivity of changes in our long-term interest-bearing liabilities and capital leases that are not hedged against interest-rate variations. These changes are considered reasonably possible based on current market conditions.

	LATAM's interest rate sensitivity (effect on pre-tax earnings) Position as of December 31,		
	2022 LATAM	2021 LATAM	2020 LATAM
		(*millions of US$*)	
Increase (decrease) in LIBOR			
+100 basis points	-22.67	-46.31	-42.11
-100 basis points	+22.67	+46.31	+42.11

Changes in market conditions produce a change in the valuation of current financial instruments hedging against fluctuations in interest rates, causing an effect on the Company's equity (because they are booked as cash-flow hedges). These changes are considered reasonably possible based on current market conditions. The calculations were made by increasing (decreasing) 100 basis points of the interest rate curve.

	LATAM's interest rate sensitivity (effect on equity) Position as of December 31,		
	2022 LATAM	2021 LATAM	2020 LATAM
		(*millions of US$*)	
Increase (decrease) in three month LIBOR			
Future Rates			
+100 basis points	+6.9	+0	+0
-100 basis points	-8.2	-0	-0

During the periods presented, the Company has not recorded amounts for ineffectiveness in the consolidated income statement pursuant to IFRS.

There are market-related limitations in the method used for the sensitivity analysis. These limitations derive from the fact that the levels indicated by the futures curves may not be necessarily met and may change in each period.

ITEM 12 DESCRIPTION OF SECURITIES OTHER THAN EQUITY SECURITIES

A. Debt Securities

Not applicable.

B. Warrants and Rights

Not applicable.

C. Other Securities

Not applicable.

D. American Depositary Shares

In the United States, our common shares trade in the form of ADS. Since August 2007, each ADS represents one common share, issued by The Bank of New York Mellon, as Depositary pursuant to a Deposit Agreement. ADSs commenced trading on the NYSE in 1997. In October 2011, our Depositary bank changed from The Bank of New York Mellon to JP Morgan Chase Bank, N.A. ("JP Morgan").

Fees and Charges for ADR Holders

JP Morgan, as depositary, collects its fees for delivery and surrender of ADSs directly from investors depositing shares or surrendering ADSs for the purpose of withdrawal or from intermediaries acting for them. The depositary collects fees for making distributions to investors by deducting those fees from the amounts distributed or by selling a portion of the distributable property to pay the fees. The depositary may also collect its annual fee for depositary services by deductions from cash distributions, by directly billing investors or by charging the book-entry system accounts of participants acting for them. The depositary may generally refuse to provide fee-attracting services until its fees for those services are paid.

Persons depositing or withdrawing shares must pay:	For:
US$5.00 (or less) per 100 ADSs (or portion of 100 ADSs)	● Issuance of ADSs, including issuances resulting from a distribution of shares or rights or other property ● Cancellation of ADSs for the purpose of withdrawal, including if the deposit agreement terminates
US$0.05 (or less) per ADS	● Any cash distribution to ADS registered holders
A fee equivalent to the fee that would be payable if securities distributed had been shares and the shares had been deposited for issuance of ADSs	● Distribution of securities distributed to holders of deposited securities which are distributed by the depositary to ADS registered holders
US$0.05 (or less) per ADSs per calendar year	● Depositary services
Registration or transfer fees	● Transfer and registration of shares on the depositary's share register to or from the name of the depositary or its agent when investors deposit or withdraw shares
Expenses of the depositary	● Cable, telex and facsimile transmissions ● Conversion of foreign currencies into U.S. dollars
Taxes and other governmental charges the depositary or the custodian has to pay on any ADS or share underlying an ADS, such as stock transfer taxes, stamp duty or withholding taxes	● As necessary
Any charges incurred by the depositary or its agents for servicing the deposited securities	● As necessary

Fees and Direct and Indirect Payments Made by the Depositary to the Foreign Issuer

Past Fees and Payments

During 2022, the Company received US$976,842.29 from the depositary for continuing annual stock exchange listing fees, standard out-of-pocket maintenance costs for the ADRs (consisting of the expenses of postage and envelopes for mailing annual and interim financial reports, printing and distributing dividend checks, electronic filing of U.S. Federal tax information, mailing required tax forms, stationery, postage, facsimile, and telephone calls), payments related to applicable performance indicators relating to the ADR facility, underwriting fees and legal fees.

Future Fees and Payments

JP Morgan, as the depositary bank, has agreed to reimburse the Company for certain of our reasonable expenses related to our ADS program and incurred by us in connection with the program. The reimbursements include direct payments (legal and accounting fees incurred in connection with preparation of Form 20-F and ongoing SEC compliance and listing requirements, listing fees, investor relations expenses, advertising and public relations expenses and fees payable to service providers for the distribution of hard copy materials to beneficial ADR holders in the Depositary Trust Company, such as information related to shareholders' meetings and related voting instruction cards); and indirect payments (third-party expenses paid directly and fees waived).

PART II

ITEM 13 DEFAULTS, DIVIDEND ARREARAGES AND DELINQUENCIES

None.

ITEM 14 MATERIAL MODIFICATIONS TO THE RIGHTS OF SECURITY HOLDERS AND USE OF PROCEEDS

None.

ITEM 15 CONTROLS AND PROCEDURES

A. Disclosure Controls and Procedures

Management carried out an evaluation, with the participation of the Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of the Company's disclosure controls and procedures as of December 31, 2022. There are inherent limitations to the effectiveness of any system of disclosure controls and procedures, including the possibility of human error and the circumvention or overriding of the controls and procedures. Accordingly, even effective disclosure controls and procedures can only provide reasonable assurance of achieving their control objectives. Based upon such evaluation, management, with the participation of the Chief Executive Officer and Chief Financial Officer concluded that the disclosure controls and procedures, as of December 31, 2022, were effective in providing reasonable assurance that information required to be disclosed by us in the reports we file or submit under the Exchange Act, as amended, is recorded, processed, summarized and reported within the time periods specified in the applicable rules and forms, and that it is accumulated and communicated to our management including our Chief Executive Officer and Chief Financial Officer as appropriate to allow timely decisions regarding required disclosure.

B. Management's Annual Report on Internal Control Over Financial Reporting

The management of the Company, including the Chief Executive Officer and the Chief Financial Officer, is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act, as amended.

The Company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. The Company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of the effectiveness of internal control to future periods are subject to the risk that controls may become inadequate because of changes in conditions, and that the degree of compliance with the policies or procedures may deteriorate. LATAM Airlines Group S.A.'s management, including the Chief Executive Officer and the Chief Financial Officer, has assessed the effectiveness of the Company's internal control over financial reporting as of December 31, 2022 based on the criteria established in Internal Control - "Integrated Framework (2013)" issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") and, based on such criteria, LATAM Airlines Group S.A.'s management has concluded that, as of December 31, 2022, the Company's internal control over financial reporting is effective. The company's internal control over financial reporting effectiveness as of December 31, 2022 has been audited by PricewaterhouseCoopers Consultores Auditores y Compañía Limitada, an independent registered public accounting firm, as stated in their report included herein.

C. Attestation report of the registered public accounting firm.

See page F-2 of our audited consolidated financial statements.

D. Changes in internal controls over financial reporting.

There have been no changes that have materially affected or are reasonably likely to materially affect the company's internal control over financial reporting.

ITEM 16 RESERVED

ITEM 16A. AUDIT COMMITTEE FINANCIAL EXPERT

Our board of directors has not designated an "audit committee financial expert", within the meaning of this Item 16. As of the date of publication, the reason for not having an audit committee financial expert is due to the recent election of the board of directors. This and other matters are expected to be discussed and resolved in the upcoming sessions of the board.

ITEM 16B. CODE OF ETHICS

We have adopted a code of ethics and conduct, as defined in Item 16B of Form 20-F under the Exchange Act. Our code of ethics applies to our senior management, including our Chief Executive Officer, our Chief Financial Officer and our Chief Accounting Officer, as well as to other employees. Our code is freely available online at our website, www.latamairlinesgroup.net, under the heading "Corporate Governance" on the Investor Relations page. In addition, upon written request, by regular mail, to the following address: LATAM Airlines Group S.A., Investor Relations Department, attention: Investor Relations, Av. Presidente Riesco 5711, 20th Floor, Las Condes, Santiago, Chile or by e-mail at InvestorRelations@latam.com we will provide any person with a copy of it without charge. If we amend the provisions of our code of ethics that apply to our senior management or to other persons performing similar functions, or if we grant any waiver of such provisions, we will disclose such amendment or waiver on our website.

ITEM 16C. PRINCIPAL ACCOUNTANT FEES AND SERVICES

Audit and Non-Audit Fees

The following table sets forth the fees paid to our independent registered public accounting firm, PricewaterhouseCoopers Consultores Auditores y Compañía Limitada, during the fiscal years ended December 31, 2022 and 2021:

	2022	2021
	USD (in thousands)	
Audit fees	3,026	1,590
Audit-related fees	-	-
Tax fees	-	-
All Other fees	45	-
Total fees	**3,071**	**1,590**

Audit-related fees in the above table are the aggregate fees billed by PricewaterhouseCoopers Consultores Auditores y Compañía Limitada for assurance and related services that are reasonably related to the performance of the audit or review of our financial statements or that are traditionally performed by the external auditor, including due diligence and other audit related services.

Board of Directors' Committee Pre-Approval Policies and Procedures

Since January 2004, LATAM has complied with SEC regulations regarding the type of additional services our independent auditors are authorized to offer to us. In addition, our board of directors' Committee (which serves as our Audit Committee) has decided to automatically authorize any such accepted services, individually or jointly considered during one calendar year, for an amount of up to 20% of the fees charged by the auditing firm. If the amount of any services, individually or jointly considered during one calendar year, is larger than these thresholds, approval by the board of directors' Committee will be required.

ITEM 16D. EXEMPTIONS FROM THE LISTING STANDARDS FOR AUDIT COMMITTEES

None.

ITEM 16E. PURCHASES OF EQUITY SECURITIES BY THE ISSUER AND AFFILIATED PURCHASERS

Period	(a) Total Number of Shares (or Units) Purchased	(b) Average Price Paid per Share (or Unit)	(c) Total Number of Shares (or Units) Purchased as Part of Publicly Announced Plans or Programs	(d) Maximum Number (or Approximate Dollar Value) of Shares (or Units) that May Yet Be Purchased Under the Plans or Programs
Month #1				
Jan 1 - Jan 31	-	-	-	-
Month #2				
Feb 1 - Feb 28	-	-	-	-
Month #3				
Mar 1 - Mar 31	-	-	-	-
Month #4				
Apr 1 - Apr 30	-	-	-	-
Month #5				
May 1 - May 31	-	-	-	-
Month #6				
Jun 1 - Jun 30	-	-	-	-
Month #7				
Jul 1 - Jul 31	-	-	-	-
Month #8				
Aug 1 - Aug 31	-	-	-	-
Month #9				
Sep 1 - Sep 30	-	-	-	-
Month #10				
Oct 1 - Oct 31	36,917,303,811	0.01083866	36,917,303,811	-
Month #11				
Nov 1 - Nov 30	-	-	-	-
Month #12				
Dec 1 - Dec 31	-	-	-	-
Total	**36,917,303,811**	**0.01083866**	**36,917,303,811**	**-**

As part of the US$800 million common equity rights offering issued by LATAM in context of its restructuring proceedings, open to all shareholders in accordance with their preemptive rights under applicable Chilean law, the table above details the shares subscribed by the Cueto Group in October, 2022 during the course of the preemptive rights offering period. Of this total of 36,917,303,811 shares, 15,770,967,858 correspond to shares that were delivered as compensation for the participation of Costa Verde Aeronáutica S.A. in the Junior DIP Facility.

ITEM 16F. CHANGE IN REGISTRANT'S CERTIFYING ACCOUNTANT

None.

ITEM 16G. CORPORATE GOVERNANCE

As a result of our Chapter 11 proceedings, the New York Stock Exchange (the "NYSE") filed with the SEC a notice on June 10, 2020 in order to delist our American Depositary Shares (ADSs). The delisting became effective on June 22, 2020. Our ADSs continue to trade in the over-the-counter market under the ticker "LTMAY."

ITEM 16H. MINE SAFETY DISCLOSURE

Not applicable.

ITEM 16I. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not applicable.

ITEM 17 FINANCIAL STATEMENTS

See "Item 18. Financial Statements."

ITEM 18 FINANCIAL STATEMENTS

See our consolidated Financial Statements beginning on page F-1.

ITEM 19 EXHIBITS

Documents filed as exhibits to this annual report

Exhibit No.	Description
1.1	Amended and Restated By-laws of LATAM Airlines Group S.A., dated July 25, 2022, incorporated herein by reference from Amendment No. 1 to our Registration Statement on Form F-1, filed October 26, 2022, File No. 333-266844.
2.1	Third Amended and Restated Deposit Agreement dated as of September 21, 2017 among the Company and its successors and JPMorgan Chase Bank N.A., incorporated herein by reference from Exhibit 99(a)(1) to our registration statement on Form F-6 (File No. 333-262919), filed on February 22, 2022.
2.2	Amendment No. 1 dated as of March 12, 2021 to the Third Amended and Restated Deposit Agreement dated as of September 21, 2017, between the Company and JPMorgan Chase Bank N.A., filed as Exhibit 99(a)(2) to our registration statement on Form F-6 (File No. 333-262919), filed on February 22, 2022.
2(d)*	Description of Securities Disclosure
2.3	We hereby agree to furnish to the SEC, upon its request, copies of any instruments defining the rights of holders of our long-term debt (or any long-term debt of our subsidiaries for which we are required to file consolidated or unconsolidated financial statements), where such indebtedness does not exceed 10% of our total consolidated assets.
4.1.1	Amendment No. 2, dated as of October 4, 2005, to the Second A320-Family Purchase Agreement dated as of March 20, 1998, as amended and restated, between the Company and Airbus S.A.S. (as successor to Airbus Industry) (incorporated by reference to our amended annual report on Form 20-F (File No. 001-14728), filed on June 30, 2006, and portions of which have been omitted pursuant to a request for confidential treatment).
4.1.2	Amendment No. 3, dated as of March 6, 2007, to the Second A320-Family Purchase Agreement, dated as of March 20, 1998, as amended and restated, between the Company and Airbus S.A.S. (incorporated by reference to our amended annual report on Form 20-F (File No. 001-14728), filed on June 30, 2006, and portions of which have been omitted pursuant to a request for confidential treatment).
4.1.3	Amendment No. 5, dated as of December 23, 2009, to the Second A320-Family Purchase Agreement, dated as of March 20, 1998, as amended and restated, between the Company and Airbus S.A.S. (incorporated by reference to our amended annual report on Form 20-F (File No. 001-14728), filed on June 29, 2010, and portions of which have been omitted pursuant to a request for confidential treatment).
4.1.4	Amendments No. 6, 7, 8 and 9 (dated as of May 10, 2010, May 19, 2010, September 23, 2010 and December 21, 2010, respectively), to the Second A320-Family Purchase Agreement dated as of March 20, 1998, as amended and restated, between the Company and Airbus S.A.S. (incorporated by reference to our amended annual report on Form 20-F (File No. 001-14728), filed on May 5, 2011, and portions of which have been omitted pursuant to a request for confidential treatment).
4.1.5	Amendments No. 10 and 11 (dated as of June 10, 2011 and November 8, 2011, respectively), to the Second A320-Family Purchase Agreement, dated as of March 20, 1998, as amended and restated, between the Company and Airbus S.A.S. (incorporated by reference to our annual report on Form 20-F (File No. 001-14728), filed on April 2, 2012 and portions of which have been omitted pursuant to a request for confidential treatment).
4.1.6	Amendment No. 12 (dated as of November 19, 2012), to the Second A320-Family Purchase Agreement, dated as of March 20, 1998, as amended and restated, between the Company and Airbus S.A.S. (incorporated by reference to our annual report on Form 20-F (File No. 001-14728), filed on April 30, 2013, and portions of which have been omitted pursuant to a request for confidential treatment).
4.1.7	Amendment No. 13 (dated as of August 19, 2013), to the Second A320-Family Purchase Agreement dated as of March 20, 1998, as amended and restated, between the Company and Airbus S.A.S. Portions of these documents have been omitted pursuant to a request for confidential treatment. Such omitted portions have been filed separately with the Securities and Exchange Commission.

Exhibit No.	Description
4.1.8	Amendments No. 14, 15, 16 and 17 (dated as of March 31, 2014, May 16, 2014, July 15, 2015 and December 11, 2014, respectively), to the Second A320-Family Purchase Agreement dated as of March 20, 1998, as amended and restated, between the Company and Airbus S.A.S. (incorporated by reference to our annual report on Form 20-F (File No. 001-14728) filed on April 1, 2015 and portions of which have been omitted pursuant to a request for confidential treatment).
4.1.9	Novation Agreement (dated as of October 30, 2014) between TAM Linhas Aereas S.A., LATAM Airlines Group S.A. and Airbus S.A.S., relating to the A320 Family/A330 purchase agreement dated November 14, 2006, as amended and restated, between Airbus S.A.S. and TAM Linhas Aereas S.A. (incorporated by reference to our annual report on Form 20-F (File No. 001-14728) filed on April 1, 2015 and portions of which have been omitted pursuant to a request for confidential treatment).
4.1.10	Amendment No. 18 (dated as of August 4, 2021), to the Second A320-Family Purchase Agreement dated as of March 20, 1998, as amended and restated, between the Company and Airbus S.A.S, incorporated herein by reference from our Annual Report for the fiscal year ended December 31, 2021 on Form 20-F (File No. 001-14278), filed on March 30, 2022. Portions of these documents have been omitted pursuant to a request for confidential treatment.
4.2	Aircraft Lease Common Terms Agreement between GE Commercial Aviation Services Limited and LAN Cargo S.A., dated as of April 30, 2007, and Aircraft Lease Agreements between Wells Fargo Bank Northwest N.A., as owner trustee, and LAN Cargo S.A., dated as of April 30, 2007 (incorporated by reference to our amended annual report on Form 20-F (File No. 001-14728), filed on May 7, 2007, and portions of which have been omitted pursuant to a request for confidential treatment).
4.3	Purchase Agreement No. 3256 between the Company and The Boeing Company relating to Boeing Model 787-8 and 787-9 aircraft, dated as of October 29, 2007, (incorporated by reference to our amended annual report on Form 20-F (File No. 001-14728), filed on June 25, 2008, and portions of which have been omitted pursuant to a request for confidential treatment).
4.3.1	Supplemental Agreements No. 1 and 2, (dated March 22, 2010 and July 8, 2010, respectively) to the Purchase Agreement No. 3256, dated October 29, 2007, as amended, between the Company and The Boeing Company (incorporated by reference to our amended annual report on Form 20-F (File No. 001-14728), filed on May 5, 2011, and portions of which have been omitted pursuant to a request for confidential treatment).
4.3.2	Supplemental Agreement No. 3, dated as of August 24, 2012, to the Purchase Agreement No. 3256, as amended, between the Company and The Boeing Company, dated as of October 29, 2007 (incorporated by reference to our annual report on Form 20-F (File No. 001-14728), filed on April 30, 2013, and portions of which have been omitted pursuant to a request for confidential treatment).
4.3.3	Delay Settlement Agreement, dated as of September 16, 2013, to the Purchase Agreement No. 3256, as amended, between the Company and The Boeing Company, dated as of October 29, 2007. Portions of this document have been omitted pursuant to a request for confidential treatment. Such omitted portions have been filed separately with the Securities and Exchange Commission.
4.3.4	Supplemental Agreements No. 4 and 5 (dated as of April 22, 2015 and July 3, 2015, respectively) to the Purchase Agreement No. 3256, as amended, between the Company and The Boeing Company, dated as of October 29, 2007 (incorporated by reference to our annual report on Form 20-F (File No. 001-14728) filed on April 29, 2016 and portions of which have been omitted pursuant to a request for confidential treatment).
4.3.5	Supplemental Agreements No. 6 and 7 (dated as of May 27, 2016 and December 20, 2016, respectively) to the Purchase Agreement No. 3256, as amended, between the Company and The Boeing Company, dated as of October 29, 2007. Portions of these documents have been omitted pursuant to a request for confidential treatment. Such omitted portions have been filed separately with the Securities and Exchange Commission.
4.3.6	Supplemental Agreement No. 18 (dated as of April 29, 2021) to the Purchase Agreement No. 3256, as amended, between the Company and The Boeing Company, dated as of October 29, 2007, incorporated herein by reference from our Annual Report for the fiscal year ended December 31, 2021 on Form 20-F (File No. 001-14278), filed on March 30, 2022. Portions of these documents have been omitted pursuant to a request for confidential treatment.
4.4	General Terms Agreement No. CFM-1-2377460475 and Letter Agreement No. 1 to General Terms Agreement No. CFM-1-2377460475 between the Company and CFM International, Inc., both dated December 17, 2010 (incorporated by reference to our amended annual report on Form 20-F (File No. 001-14728), filed on May 5, 2011, and portions of which have been omitted pursuant to a request for confidential treatment).
4.5	Rate Per Flight Hour Engine Shop Maintenance Services Agreement between the Company and CFM International, Inc., dated December 17, 2010 (incorporated by reference to our amended annual report on Form 20-F (File No. 001-14728), filed on May 5, 2011, and portions of which have been omitted pursuant to a request for confidential treatment).
4.5	Implementation Agreement, dated as of January 18, 2011, among the Company, Costa Verde Aeronáutica S.A., Inversiones Mineras del Cantábrico S.A., TAM S.A., TAM Empreedimentos e Participações S.A. and Maria Cláudia Oliveira Amaro, Maurício Rolim Amaro, Noemy Almeida Oliveira Amaro and João Francisco Amaro (incorporated by reference to our amended annual report on Form 20-F (File No. 001-14728), filed on May 5, 2011).
4.5.1	Extension Letter to the Implementation Agreement and Exchange Offer Agreement, dated January 12, 2012, among the Company, Costa Verde Aeronáutica S.A., Inversiones Mineras del Cantábrico S.A., TAM S.A., TAM Empreedimentos e Participações S.A. and Maria Cláudia Oliveira Amaro, Maurício Rolim Amaro, Noemy Almeida Oliveira Amaro and João Francisco Amaro (incorporated by reference to our amended registration statement on Form F-4 (File No. 333-177984), filed on May 08, 2012).
4.6	Exchange Offer Agreement, dated as of January 18, 2011, among LAN Airlines S.A., Costa Verde Aeronáutica S.A., Inversiones Mineras del Cantábrico S.A., TAM S.A., TAM Empreedimentos e Participações S.A. and Maria Cláudia Oliveira Amaro, Maurício Rolim Amaro, Noemy Almeida Oliveira Amaro and João Francisco Amaro (incorporated by reference to our amended annual report on Form 20-F (File No. 001-14728), filed on May 5, 2011).
4.7	Shareholders Agreement, dated as of January 25, 2012, between the Company and TEP Chile S.A. (incorporated by reference to our amended registration statement on Form F-4 (File No. 333-177984), filed on November 15, 2011).
4.8	Shareholders Agreement, dated as of January 25, 2012, among the Company, TEP Chile S.A. and Holdco I S.A. (incorporated by reference to our amended registration statement on Form F-4 (File No. 333-177984), filed on November 15, 2011).
4.9	Shareholders Agreement, dated as of January 25, 2012, among the Company, TEP Chile S.A., Holdco I S.A. and TAM S.A. (incorporated by reference to our amended registration statement on Form F-4 (File No. 333-177984), filed on November 15, 2011).
4.10	Letter Agreement No. 12 (GTA No. 6-9576), dated July 11, 2011, between the Company and the General Electric Company (incorporated by reference to our annual report on Form 20-F (File No. 001-14728), filed on April 2, 2012 and portions of which have been omitted pursuant to a request for confidential treatment).

Exhibit No.	Description
4.11	A320 NEO Purchase Agreement, dated as of June 22, 2011, between the Company and Airbus S.A.S. (incorporated by reference to our annual report on Form 20-F (File No. 001-14728), filed on April 2, 2012, and portions of which have been omitted pursuant to a request for confidential treatment).
4.11.1	Amendments No. 1, 2 and 3 (dated as of February 27, 2013, July 15, 2014 and December 11, 2014, respectively), to the A320 NEO Purchase Agreement dated as of June 22, 2011, between the Company and Airbus S.A. (incorporated by reference to our annual report on Form 20-F (File No. 001-14728) filed on April 1, 2015 and portions of which have been omitted pursuant to a request for confidential treatment).
4.11.2	Letter Agreement No. 1 (dated as of July 15, 2014) to Amendment No. 2 (dated as of July 15, 2014) to the A320 NEO Purchase Agreement dated as of June 22, 2011, between the Company and Airbus S.A. (incorporated by reference to our annual report on Form 20-F (File No. 001-14728) filed on April 1, 2015 and portions of which have been omitted pursuant to a request for confidential treatment).
4.11.3	Amendment No. 4, 5 and 6 (dated as of April 15, 2016, April 15, 2016, and August 8, 2016, respectively), to the A320 NEO Purchase Agreement dated as of June 22, 2011, between the Company and Airbus S.A. Portions of these documents have been omitted pursuant to a request for confidential treatment. Such omitted portions have been filed separately with the Securities and Exchange Commission.
4.11.4	Amendment No. 9 (dated as of August 4, 2021), to the A320 NEO Purchase Agreement dated as of June 22, 2011, between the Company and Airbus S.A, incorporated herein by reference from our Annual Report for the fiscal year ended December 31, 2021 on Form 20-F (File No. 001-14278), filed on March 30, 2022. Portions of these documents have been omitted pursuant to a request for confidential treatment.
4.12	Buyback Agreement No. 3001 relating to One (1) Airbus A318-100 Aircraft MSN 3001, dated as of April 14, 2011, between the Company and Airbus Financial Services (incorporated by reference to our annual report on Form 20-F (File No. 001-14728), filed on April 2, 2012, and portions of which have been omitted pursuant to a request for confidential treatment).
4.13	Buyback Agreement No. 3030 relating to One (1) Airbus A318-100 Aircraft MSN 3003, dated as of August 10, 2011, between the Company and Airbus Financial Services (incorporated by reference to our annual report on Form 20-F (File No. 001-14728), filed on April 2, 2012, and portions of which have been omitted pursuant to a request for confidential treatment).
4.14	Buyback Agreement No. 3062, to One (1) Airbus A318-100 Aircraft MSN 3062, dated as of May 13, 2011, between the Company and Airbus Financial Services (incorporated by reference to our annual report on Form 20-F (File No. 001-14728), filed on April 2, 2012, and portions of which have been omitted pursuant to a request for confidential treatment).
4.15	Buyback Agreement No. 3214, to One (1) Airbus A318-100 Aircraft MSN 3214, dated as of June 9, 2011, between the Company and Airbus Financial Services (incorporated by reference to our annual report on Form 20-F (File No. 001-14728), filed on April 2, 2012, and portions of which have been omitted pursuant to a request for confidential treatment).
4.16	Buyback Agreement No. 3216, to One (1) Airbus A318-100 Aircraft MSN 3216, dated as of July 13, 2011, between the Company and Airbus Financial Services (incorporated by reference to our annual report on Form 20-F (File No. 001-14728), filed on April 2, 2012, and portions of which have been omitted pursuant to a request for confidential treatment).
4.17	Aircraft General Terms Agreement Number AGTA-LAN, dated May 9, 1997, between the Company and The Boeing Company (incorporated by reference to our annual report on Form 20-F (File No. 001-14728), filed on April 2, 2012, and portions of which have been omitted pursuant to a request for confidential treatment).
4.18	Buyback Agreement No. 3371, dated as of July 25, 2012, between the Company and Airbus Financial Services. Portions of this document have been omitted pursuant to a request for confidential treatment (incorporated by reference to our annual report on Form 20-F (File No. 001-14728), filed on April 30, 2013, and portions of which have been omitted pursuant to a request for confidential treatment).
4.19	Buyback Agreement No. 3390, dated as of October 26, 2012, between the Company and Airbus Financial Services. Portions of this document have been omitted pursuant to a request for confidential treatment (incorporated by reference to our annual report on Form 20-F (File No. 001-14728), filed on April 30, 2013, and portions of which have been omitted pursuant to a request for confidential treatment).
4.20	Buyback Agreement No. 3438, dated as of December 5, 2012, between the Company and Airbus Financial Services. Portions of this document have been omitted pursuant to a request for confidential treatment (incorporated by reference to our annual report on Form 20-F (File No. 001-14728), filed on April 30, 2013, and portions of which have been omitted pursuant to a request for confidential treatment).
4.21	Buyback Agreement No. 3469, dated as of January 4, 2013, between the Company and Airbus Financial Services. Portions of this document have been omitted pursuant to a request for confidential treatment (incorporated by reference to our annual report on Form 20-F (File No. 001-14728), filed on April 30, 2013, and portions of which have been omitted pursuant to a request for confidential treatment).
4.22	Buyback Agreement No. 3509, dated as of February 20, 2013, between the Company and Airbus Financial Services. Portions of this document have been omitted pursuant to a request for confidential treatment (incorporated by reference to our annual report on Form 20-F (File No. 001-14728), filed on April 30, 2013, and portions of which have been omitted pursuant to a request for confidential treatment).
4.23	A320 Family Purchase Agreement, dated March 19, 1998, between Airbus S.A.S. (formerly known as Airbus Industries GIE) and TAM Linhas Aéreas S.A. (formerly known as TAM Transportes Aéreas Meridionais S.A. and as successor in interest in TAM-Transportes Aéreas Regionais S.A.), incorporated herein by reference from our sixth pre-effective amendment to our Registration Statement on Form F-1, filed March 2, 2006, File No. 333-131938.
4.23.1	Amendment No. 12 (dated as of November 19, 2012), to the Second A320-Family Purchase Agreement, dated as of March 20, 1998, as amended and restated, between the Company and Airbus S.A.S. (incorporated by reference to our annual report on Form 20-F (File No. 001-14728), filed on April 30, 2013, and portions of which have been omitted pursuant to a request for confidential treatment).
4.23.2	Amendment No. 13 (dated as of August 19, 2013), to the Second A320-Family Purchase Agreement, dated as of March 20, 1998, as amended and restated, between the Company and Airbus S.A.S. (incorporated by reference to our annual report on Form 20-F (File No. 001-14728), filed on April 30, 2014, and portions of which have been omitted pursuant to a request for confidential treatment).

Exhibit No.	Description
4.23.3	Amendment No. 14 (dated as of March 31, 2014), to the Second A320-Family Purchase Agreement, dated as of March 20, 1998, as amended and restated, between the Company and Airbus S.A.S. (incorporated by reference to our annual report on Form 20-F (File No. No. 001-14728), filed on April 1, 2015, and portions of which have been omitted pursuant to a request for confidential treatment).
4.24	A350 Family Purchase Agreement, dated December 20, 2005, between Airbus S.A.S. and TAM Linhas Aéreas S.A., incorporated herein by reference from our sixth pre-effective amendment to our Registration Statement on Form F-1, filed March 2, 2006, File No. 333-131938.
4.24.1	A350 Family Purchase Agreement, dated December 20, 2005, as amended and restated on January 21, 2008, between Airbus S.A.S. and TAM Linhas Aereas S.A. (incorporated by reference to our annual report on Form 20-F (File No. 001-14728) filed on April 1, 2015 and portions of which have been omitted pursuant to a request for confidential treatment).
4.24.2	Amendments No. 1, 2 and 3 (dated July 28, 2010, July 15, 2014 and October 30, 2014, respectively) to the A350 Purchase Agreement, dated December 20, 2005, as amended and restated on January 21, 2008, between Airbus S.A.S. and TAM Linhas Aereas S.A. (incorporated by reference to our annual report on Form 20-F (File No. 001-14728) filed on April 1, 2015 and portions of which have been omitted pursuant to a request for confidential treatment).
4.24.3	Novation Agreement (dated as of July 21, 2014) between TAM Linhas Aereas S.A., LATAM Airlines Group S.A. and Airbus S.A.S., relating to the A350 Family Purchase Agreement, dated December 20, 2005, as amended and restated on January 21, 2008, between Airbus S.A.S. and TAM Linhas Aereas S.A. (incorporated by reference to our annual report on Form 20-F (File No. 001-14728) filed on April 1, 2015 and portions of which have been omitted pursuant to a request for confidential treatment).
4.24.4	Amendments No. 4 and 5 (dated September 15, 2015 and November 19, 2015, respectively) to the A350 Purchase Agreement, dated December 20, 2005, as amended and restated on January 21, 2008, between Airbus S.A.S. and TAM Linhas Aereas S.A. (incorporated by reference to our annual report on Form 20-F (File No. 001-14728) filed on April 29, 2016 and portions of which have been omitted pursuant to a request for confidential treatment).
4.24.5	Amendments No. 6, 7 and 8 (dated February 3, 2016, August 8, 2016, and September 9, 2016, respectively) to the A350 Purchase Agreement, dated December 20, 2005, as amended and restated on January 21, 2008, between Airbus S.A.S. and TAM Linhas Aereas S.A. Portions of these documents have been omitted pursuant to a request for confidential treatment. Such omitted portions have been filed separately with the Securities and Exchange Commission.
4.24.6	Termination Agreement (dated as of August 4, 2021) in respect of the A350 Purchase Agreement, dated December 20, 2005, as amended and restated on January 21, 2008, between Airbus S.A.S. and TAM Linhas Aereas S.A, incorporated herein by reference from our Annual Report for the fiscal year ended December 31, 2021 on Form 20-F (File No. 001-14278), filed on March 30, 2022. Portions of these documents have been omitted pursuant to a request for confidential treatment.
4.25	V2500 Maintenance Agreement, dated September 14, 2000, between TAM Transportes Aéreos Regionais S.A. (incorporated by TAM Linhas Aéreas S.A.) and MTU Maintenance Hannover GmbH (MTU), incorporated herein by reference from our sixth pre-effective amendment to our Registration Statement on Form F-1, filed March 2, 2006, File No. 333-131938.
4.26.1	PW1100G-JM Engine Support and Maintenance Agreement, dated February 26, 2014, between LATAM Airlines Group S.A. and Pratt & Whitney Division. Portions of this document have been omitted pursuant to a request for confidential treatment. Such omitted portions have been filed separately with the Securities and Exchange Commission.
4.26.2*##	Amendment 7 dated as of November 22, 2022 to the PW1100G-JM Engine Support and Maintenance Agreement, as amended and restated, dated as of February 26, 2014 between the Company and International Aero Engines, LLC relating to the sale and support of PW1100 engines.
4.27	Framework Deed, dated May 28, 2013, between LATAM Airlines Group S.A. and Aercap Holdings N.V. Portions of this document have been omitted pursuant to a request for confidential treatment. Such omitted portions have been filed separately with the Securities and Exchange Commission.
4.28	A320 Family/A330 Purchase Agreement (dated as of November 14, 2006) between Airbus S.A.S. and TAM - Linhas Aereas S.A. (incorporated by reference to our annual report on Form 20-F (File No. 001-14728) filed on April 1, 2015 and portions of which have been omitted pursuant to a request for confidential treatment).
4.28.1	Amendments No. 15, 16, 17, 18, and 19 (dated as of February 18, 2013, February 27, 2013, August 19, 2013, July 15, 2014 and December 11, 2014, respectively) to the A320 Family/A330 Purchase Agreement (dated as of November 14, 2006) between Airbus S.A.S. and TAM - Linhas Aereas S.A. (incorporated by reference to our annual report on Form 20-F (File No. 001-14728) filed on April 1, 2015 and portions of which have been omitted pursuant to a request for confidential treatment).
4.28.2	Amendments No. 20 and 21 (dated as of June 3, 2015 and December 21, 2015, respectively) to the A320 Family/A330 Purchase Agreement (dated as of November 14, 2006) between Airbus S.A.S. and TAM - Linhas Aereas S.A. (incorporated by reference to our annual report on Form 20-F (File No. 001-14728) filed on April 1, 2015 and portions of which have been omitted pursuant to a request for confidential treatment).
4.28.3	Amendments No. 22, 23 and 24 (dated as of April 15, 2016, April 15, 2016, and August 8, 2016, respectively) to the A320 Family/A330 Purchase Agreement (dated as of November 14, 2006) between Airbus S.A.S. and TAM - Linhas Aereas S.A. Portions of these documents have been omitted pursuant to a request for confidential treatment. Such omitted portions have been filed separately with the Securities and Exchange Commission.
4.28.4	Amendment No. 27 (dated as of August 4, 2021) to the A320 Family/A330 Purchase Agreement (dated as of November 14, 2006) between Airbus S.A.S. and TAM - Linhas Aereas S.A, incorporated herein by reference from our Annual Report for the fiscal year ended December 31, 2021 on Form 20-F (File No. 001-14278), filed on March 30, 2022. Portions of this document have been omitted pursuant to a request for confidential treatment.
4.29	Supplemental Agreement No. 7 (dated as of May 2014) to the Boeing 777-32WER Purchase Agreement (dated as of February 2007) between TAM - Linhas Aereas S.A. and The Boeing Company (incorporated by reference to our annual report on Form 20-F (File No. 001-14728) filed on April 1, 2015 and portions of which have been omitted pursuant to a request for confidential treatment).
4.29.1	Supplemental Agreement No. 8, dated as of April 22, 2015, to the Boeing 777-32WER Purchase Agreement (dated as of February 2007) between TAM Linhas Aéreas and The Boeing Company (incorporated by reference to our annual report on Form 20-F (File No. 001-14728) filed on April 29, 2016 and portions of which have been omitted pursuant to a request for confidential treatment).

Exhibit No.	Description
4.29.2	Supplemental Agreement No. 13, dated as of April 29, 2021, to Purchase Agreement No. 3158, as amended, between TAM Linhas Aéreas and The Boeing Company (dated as of February 8, 2007), incorporated herein by reference from our Annual Report for the fiscal year ended December 31, 2021 on Form 20-F (File No. 001-14278), filed on March 30, 2022. Portions of these documents have been omitted pursuant to a request for confidential treatment.
4.30	Operating Lease Agreement between Avolon Aerospace AOE 147 Limited and the Company, dated as of September 9, 2021, relating to Boeing Model 787-9 aircraft, incorporated herein by reference from our Annual Report for the fiscal year ended December 31, 2021 on Form 20-F (File No. 001-14278), filed on March 30, 2022. Portions of this document have been omitted pursuant to a request for confidential treatment.
4.31	Form of Operating Lease Agreements between UMB Bank, N.A. and LATAM Airlines Group S.A. entered into in 2021 relating to Boeing Model 787-9 aircraft, incorporated herein by reference from our Annual Report for the fiscal year ended December 31, 2021 on Form 20-F (File No. 001-14278), filed on March 30, 2022, portions of which have been omitted pursuant to a request for confidential treatment.
4.32	Form of Aircraft Lease Agreements between Wilmington Trust Company and LATAM Airlines Group S.A. entered into in 2021 relating to Airbus A321-200 aircraft, incorporated herein by reference from our Annual Report for the fiscal year ended December 31, 2021 on Form 20-F (File No. 001-14278), filed on March 30, 2022, portions of which have been omitted pursuant to a request for confidential treatment.
4.33	Form of Aircraft Lease Agreements between Vermillion Aviation (Nine) Limited and LATAM Airlines Group S.A. entered into in August and September 2021 relating to Airbus A320-214 aircraft, incorporated herein by reference from our Annual Report for the fiscal year ended December 31, 2021 on Form 20-F (File No. 001-14278), filed on March 30, 2022, portions of which have been omitted pursuant to a request for confidential treatment.
4.34	Framework Agreement dated as of September 26, 2019 by and between LATAM Airlines Group S.A. ad Delta Air Lines, Inc.
4.35	Restructuring Support Agreement, dated as of November 26, 2021 among the Company, other debtors party thereto and the commitment parties thereto, incorporated by reference from form 6-K (File No. 001-14728) furnished to the SEC on January 29, 2021.
4.36	Backstop Commitment Agreements, dated as of January 12, 2022 among the Company, other debtors party thereto and the respective backstop parties thereto, incorporated by reference from form 6-K (File No. 001-14728) furnished to the SEC on January 13, 2022.
4.37*##	Operating Lease Agreements dated as of February 16, 2022, as amended and restated, between the Company, SFV Aircraft Holdings IRE 7 DAC, SFV Aircraft Holdings IRE 8 DAC and SFI Aircraft Holdings IX Designated Activity Company.
4.38*##	Operating Lease Agreements both dated as of October 06, 2022 between the Company and UMB Bank, N.A.(in its capacity as trustee of MSN 38481 Trust) relating to the lease of two additional Boeing Model 787-9 aircrafts.
4.39*##	Operating Lease Agreements both dated as of July 06, 2022 between the Company and UMB Bank, N.A.(in its capacity as owner trustee o) relating to the lease of two additional Airbus A321-271NX aircrafts.
4.40*##	Aircraft Lease Agreements both dated as of February 01, 2021 between the Company and Vermillion Aviation (Nine) Limited relating to the lease of two additional Airbus A320-214 aircrafts.
4.41*##	Aircraft Lease Agreements dated as of February 25, 2022 and March 31, 2022, respectively, between the Company and Bank of Utah (in its capacity as trustee of Aircraft 32A-012168X (Utah) Trust) relating to the lease of eight A321neo aircrafts.
4.43*##	Registration Rights Agreement, dated as of November 3, 2022, as amended and restated on November 10, 2022, by and among the Company and the Holders.
4.44*##	Joint Venture Agreement, dated as of May 7, 2020 among the Company and Delta Air Lines Inc.
4.45	Joint Plan of Reorganization, dated as of June 18, 2022 entered by the United States Bankruptcy Court for the Southern District of New York, incorporated herein by reference from Amendment No. 1 to our Registration Statement on Form F-1, filed October 26, 2022, File No. 333-266844.
4.47.1*##	Exit Term Loan B Credit Facility Agreement, dated as of October 12, 2022, among the Company and the parties thereto.
4.47.2*##	Exit Term Loan B Incremental Amendment, dated as of November 3, 2022, among the Company and the parties thereto.
4.48*##	Indenture, dated as of October 18, 2022, among the Company, the Guarantors and Wilmington Trust, National Association, as trustee and as collateral trustee relating to the 13.375% Senior Secured Notes due 2027.
4.49*##	Indenture, dated as of October 18, 2022, among the Company, the Guarantors and Wilmington Trust, National Association, as trustee and as collateral trustee relating to the 13.375% Senior Secured Notes due 2029.
8.1*	List of subsidiaries of the Company.
12.1*	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
12.2*	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
13.1*	Certifications of Chief Executive Officer and Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	Inline XBRL Instance Document.
101.SCH	Inline XBRL Taxonomy Extension Schema Document.
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

* Filed herewith.

Certain portions of this exhibit have been redacted pursuant to 4(a) of the Instructions as to Exhibits of Form 20-F. The Company agrees to furnish supplementally an unredacted copy of the exhibit to the SEC upon its request.

LATAM AIRLINES GROUP S.A. AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2022

CONTENTS

CLP	-	CHILEAN PESO
UF	-	CHILEAN UNIDAD DE FOMENTO
ARS	-	ARGENTINE PESO
US$	-	UNITED STATES DOLLAR
THUS$	-	THOUSANDS OF UNITED STATES DOLLARS
MUS$	-	MILLIONS OF UNITED STATES DOLLARS
COP	-	COLOMBIAN PESO
BRL/R$	-	BRAZILIAN REAL
THR$	-	THOUSANDS OF BRAZILIAN REAL

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders of Latam Airlines Group S.A.

Opinions on the Financial Statements and Internal Control over Financial Reporting

We have audited the accompanying consolidated statements of financial position of Latam Airlines Group S.A. and its subsidiaries (the "Company") as of December 31, 2022 and 2021, and the related consolidated statements of income by function, comprehensive income, changes in equity and cash flows–direct method for each of the three years in the period ended December 31, 2022, including the related notes (collectively referred to as the "consolidated financial statements"). We also have audited the Company's internal control over financial reporting as of December 31, 2022, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2022 and 2021, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2022 in conformity with International Financial Reporting Standards as issued by the International Accounting Standards Board. Also, in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2022, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the COSO.

Basis for Opinions

The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in Management's Annual Report on Internal Control over Financial Reporting appearing under Item 15. Our responsibility is to express opinions on the Company's consolidated financial statements and on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

PwC Chile, Av. Andrés Bello 2711 - piso 5, Las Condes – Santiago, Chile
RUT: 81.513.400-1 | Teléfono: (56 2) 2940 0000 | www.pwc.cl

Santiago, Chile March 9, 2023
Latam Airlines Group S.A.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the consolidated financial statements that were communicated or required to be communicated to the audit committee and that (i) relate to accounts or disclosures that are material to the consolidated financial statements and (ii) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Santiago, Chile March 9, 2023
Latam Airlines Group S.A.

Intangible Assets with Indefinite Useful Life (airport slots and loyalty program) Impairment Assessment

As described in Notes 2.7, 4(a) and 15 to the consolidated financial statements, the Company's consolidated intangible assets with indefinite useful life (airport slots and loyalty program) balance at December 31, 2022 was US$829 million. Management conducts an impairment assessment annually or more frequently if events or changes in circumstances indicate potential impairment. An impairment loss is recognized for the amount by which the carrying amount of the cash generating unit exceeds its recoverable amount. The recoverable amount of the cash generating unit is the higher of value in use and fair value less costs to sell. The value in use is determined by management using a discounted cash flow model. Management's cash flow projections included significant judgments and assumptions relating to revenue growth rates, exchange rates, discount rate, inflation rates and fuel price.

The principal considerations for our determination that performing procedures relating to intangible assets with indefinite useful life (airport slots and loyalty program) impairment assessment is a critical audit matter are (i) the significant judgment by management when developing the value-in-use calculation; (ii) a high degree of auditor judgment, subjectivity, and effort in performing procedures and evaluating management's significant assumptions related to revenue growth rates, exchange rates, discount rate, inflation rates and fuel price; and (iii) the audit effort involved the use of professionals with specialized skill and knowledge.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to management's intangible assets with indefinite useful life (airport slots and loyalty program) impairment assessment, including controls over the valuation of the Company's cash generating unit. These procedures also included, among others, (i) testing management´s process for developing the estimate; (ii) evaluating the appropriateness of the discounted cash flow model; (iii) testing the completeness and accuracy of underlying data used in the model; and (iv) evaluating the significant assumptions used by management related to the revenue growth rates, exchange rates, discount rate, inflation rates and fuel price. Evaluating management's assumptions related to revenue growth rates, exchange rates, discount rate, inflation rates and fuel price involved evaluating whether the assumptions used by management were reasonable considering (i) the current and past performance of the cash generating unit, (ii) the consistency with external market and industry data, and (iii) whether these assumptions were consistent with evidence obtained in other areas of the audit. Professionals with specialized skill and knowledge were used to assist in the evaluation of the Company's discounted cash flow model and significant assumptions, including the discount rate.

Santiago, Chile March 9, 2023
Latam Airlines Group S.A.

Valuation of Loyalty Programs Breakage

As described in Notes 2.19, 4(e) and 21 to the consolidated financial statements, the Company has recorded deferred income of US$2,953 million as of December 31, 2022, of which US$1,261 million was related to deferred income associated with the loyalty programs. The deferred income of loyalty programs is determined based on the estimated stand-alone selling price of unused miles and points awarded to the members of the loyalty programs reduced for breakage. Management used statistical models to estimate the breakage which involved significant judgments and assumptions relating to the historical redemption and expiration activity and forecasted redemption and expiration patterns.

The principal considerations for our determination that performing procedures relating to the valuation of loyalty programs breakage is a critical audit matter are (i) the significant judgment by management to develop the breakage estimate; (ii) a high degree of auditor judgment, subjectivity and effort in performing procedures to evaluate the underlying assumptions used by the Company to estimate the historical redemption and expiration activity and forecasted redemption and expiration patterns; and (iii) the audit effort involved the use of professionals with specialized skill and knowledge to assist in performing these procedures and evaluating the audit evidence obtained.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to management's accounting for its loyalty programs, including controls over management's review of the statistical models and resulting breakage estimates. These procedures also included, among others (i) testing management's process for developing the breakage estimate; (ii) evaluating the appropriateness of the statistical models; and (iii) testing the completeness, accuracy, and relevance of underlying data used in the models. Evaluating management's assumptions used to develop the breakage estimate involved evaluating whether the assumptions used by management were reasonable considering (i) the available information regarding the miles and points redemption and expiration patterns, (ii) management's actions to incentive holders of the loyalty programs to redeem their miles and points, and (iii) whether these assumptions were consistent with evidence obtained in other areas of the audit. Professionals with specialized skill and knowledge were also used to assist in the evaluation of the Company's methodology and assumptions used to develop the breakage estimate.

/s/ PricewaterhouseCoopers
PricewaterhouseCoopers Consultores
Auditores y Compañia Limitada

Santiago, Chile March 9, 2023

We have served as the Company's auditor since 1991.

Contents of the Notes to the consolidated financial statements of LATAM Airlines Group S.A. and Subsidiaries.

LATAM AIRLINES GROUP S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

ASSETS

	Note	As of December 31, 2022	As of December 31, 2021
		ThUS$	ThUS$
Cash and cash equivalents			
Cash and cash equivalents	6 - 7	1,216,675	1,046,835
Other financial assets	7 - 11	503,515	101,138
Other non-financial assets	12	191,364	108,368
Trade and other accounts receivable	7 - 8	1,008,109	881,770
Accounts receivable from related entities	7 - 9	19,523	724
Inventories	10	477,789	287,337
Current tax assets	17	33,033	41,264
Total current assets other than non-current assets (or disposal groups) classified as held for sale		3,450,008	2,467,436
Non-current assets (or disposal groups) classified as held for sale	13	86,416	146,792
Total current assets		3,536,424	2,614,228
Non-current assets			
Other financial assets	7 - 11	15,517	15,622
Other non-financial assets	12	148,378	125,432
Accounts receivable	7 - 8	12,743	12,201
Intangible assets other than goodwill	15	1,080,386	1,018,892
Property, plant and equipment	16	8,411,661	9,489,867
Deferred tax assets	17	5,915	15,290
Total non-current assets		9,674,600	10,677,304
Total assets		13,211,024	13,291,532

The accompanying Notes 1 to 36 form an integral part of these consolidated financial statements.

LATAM AIRLINES GROUP S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

LIABILITIES AND EQUITY

	Note	As of December 31, 2022	As of December 31, 2021
		ThUS$	ThUS$
LIABILITIES			
Current liabilities			
Other financial liabilities	7 - 18	802,841	4,453,451
Trade and other accounts payables	7 - 19	1,627,992	4,839,251
Accounts payable to related entities	7 - 9	12	661,602
Other provisions	20	14,573	27,872
Current tax liabilities	17	1,026	675
Other non-financial liabilities	21	2,642,251	2,332,576
Total current liabilities		5,088,695	12,315,427
Non-current liabilities			
Other financial liabilities	7 - 18	5,979,039	5,948,702
Accounts payable	7 - 23	326,284	472,426
Other provisions	20	927,964	712,581
Deferred tax liabilities	17	344,625	341,011
Employee benefits	22	93,488	56,233
Other non-financial liabilities	21	420,208	512,056
Total non-current liabilities		8,091,608	8,043,009
Total liabilities		13,180,303	20,358,436
EQUITY			
Share capital	24	13,298,486	3,146,265
Retained earnings/(losses)	24	(7,501,896)	(8,841,106)
Treasury Shares	24	(178)	(178)
Other equity	24	39	-
Other reserves	24	(5,754,173)	(1,361,529)
Parent’s ownership interest		42,278	(7,056,548)
Non-controlling interest	14	(11,557)	(10,356)
Total equity		30,721	(7,066,904)
Total liabilities and equity		13,211,024	13,291,532

The accompanying Notes 1 to 36 form an integral part of these consolidated financial statements.

LATAM AIRLINES GROUP S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME BY FUNCTION

	Note	For the year ended December 31, 2022	2021	2020
		ThUS$	ThUS$	ThUS$
Revenue	5 - 25	9,362,521	4,884,015	3,923,667
Cost of sales	26	(8,103,483)	(4,963,485)	(4,513,228)
Gross margin		1,259,038	(79,470)	(589,561)
Other income	27	154,286	227,331	411,002
Distribution costs	26	(426,599)	(291,820)	(294,278)
Administrative expenses	26	(576,429)	(439,494)	(499,512)
Other expenses	26	(531,575)	(535,824)	(692,939)
Gain (losses) from restructuring activities	26	1,679,934	(2,337,182)	(990,009)
Other gains/(losses)	26	(347,077)	30,674	(1,874,789)
Income (Loss) from operation activities		1,211,578	(3,425,785)	(4,530,086)
Financial income	26	1,052,295	21,107	50,397
Financial costs	26	(942,403)	(805,544)	(586,979)
Foreign exchange gains/(losses)		25,993	131,408	(48,403)
Result of indexation units		(1,412)	(5,393)	9,348
Income (Loss) before taxes		1,346,051	(4,084,207)	(5,105,723)
Income tax (expense) / benefits	17	(8,914)	(568,935)	550,188
NET INCOME (LOSS)		1,337,137	(4,653,142)	(4,555,535)
Income (Loss) attributable to owners of the parent		1,339,210	(4,647,491)	(4,545,887)
Loss attributable to non-controlling interest	14	(2,073)	(5,651)	(9,648)
Net Income (Loss)		1,337,137	(4,653,142)	(4,555,535)
EARNING (LOSS) PER SHARE				
Basic earning (loss) per share (US$)	29	0.013861	(7.66397)	(7.49642)
Diluted earning (loss) per share (US$)	29	0.013592	(7.66397)	(7.49642)

The accompanying Notes 1 to 36 form an integral part of these consolidated financial statements.

LATAM AIRLINES GROUP S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Note	For the year ended December 31, 2022	2021	2020
		ThUS$	ThUS$	ThUS$
NET INCOME/(LOSS)		1,337,137	(4,653,142)	(4,555,535)
Components of other comprehensive income that will not be reclassified to income before taxes				
Other comprehensive income, before taxes, gains (losses) by new measurements on defined benefit plans	24	(9,935)	10,018	(3,968)
Total other comprehensive (loss) that will not be reclassified to income before taxes		(9,935)	10,018	(3,968)
Components of other comprehensive income that will be reclassified to income before taxes				
Currency translation differences Gains (losses) on currency translation, before tax		(32,563)	20,008	(894,394)
Other comprehensive loss, before taxes, currency translation differences		(32,563)	20,008	(894,394)
Cash flow hedges				
Gains (losses) on cash flow hedges before taxes	24	52,017	38,870	(105,280)
Reclassification adjustment on cash flow hedges before tax	24	31,293	(16,641)	(14,690)
Amounts removed from equity and included in the carrying amount of non-financial assets (liabilities) that were acquired or incurred through a highly probable hedged forecast transaction, before tax	24	(8,143)	-	-
Other comprehensive income (losses), before taxes, cash flow hedges		75,167	22,229	(119,970)
Change in value of time value of options				
Losses on change in value of time value of options before tax	24	(24,005)	(23,692)	-
Reclassification adjustments on change in value of time value of options before tax	24	19,946	6,509	-
Other comprehensive income (losses), before taxes, changes in the time value of the options		(4,059)	(17,183)	-
Total other comprehensive income (loss) that will be reclassified to income before taxes		38,545	25,054	(1,014,364)
Other components of other comprehensive income (loss), before taxes Income tax relating to other comprehensive income that will not be reclassified to income		28,610	35,072	(1,018,332)
Income (loss) tax relating to new measurements on defined benefit plans	17	567	(2,783)	924
Income tax relating to other comprehensive income (loss) that will not be reclassified to income		567	(2,783)	924
Income tax relating to other comprehensive income (loss) that will be reclassified to income				
Income tax related to cash flow hedges in other comprehensive income (loss)		(235)	(58)	959
Income taxes related to components of other comprehensive loss will be reclassified to income		(235)	(58)	959
Total Other comprehensive income (loss)		28,942	32,231	(1,016,449)
Total comprehensive income (loss)		1,366,079	(4,620,911)	(5,571,984)
Comprehensive income (loss) attributable to owners of the parent		1,367,315	(4,616,914)	(5,566,991)
Comprehensive income (loss) attributable to non-controlling interests		(1,236)	(3,997)	(4,993)
TOTAL COMPREHENSIVE INCOME (LOSS)		1,366,079	(4,620,911)	(5,571,984)

The accompanying Notes 1 to 36 form an integral part of these consolidated financial statements.

LATAM AIRLINES GROUP S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

		Attributable to owners of the parent													
					Change in other reserves										
	Note	Share capital	Other equity	Treasury shares	Currency translation reserve	Cash flow hedging reserve	Gains (Losses) from changes in the time value of the options	Actuarial gains or losses on defined benefit plans reserve	Shares based payments reserve	Other sundry reserve	Total other reserve	Retained earnings/(losses)	Parent's ownership interest	Non-controlling interest	Total equity
		ThUS	$ThUS	$ThUS	$ThUS	$ThUS	$ThUS	$ThUS	$ThUS	$ThUS	$ThUS	$ThUS	$ThUS	$ThUS	$ThUS$
Equity as of January 1, 2022		3,146,265	-	(178)	(3,772,159)	(38,390)	(17,563)	(18,750)	37,235	2,448,098	(1,361,529)	(8,841,106)	(7,056,548)	(10,356)	(7,066,904)
Total increase (decrease) in equity Net income/(loss) for the period	24	-	-	-	-	-	-	-	-	-	-	1,339,210	1,339,210	(2,073)	1,337,137
Other comprehensive income		-	-	-	(33,401)	74,932	(4,059)	(9,367)	-	-	28,105	-	28,105	837	28,942
Total comprehensive income		-	-	-	(33,401)	74,932	(4,059)	(9,367)	-	-	28,105	1,339,210	1,367,315	(1,236)	1,366,079
Transactions with shareholders Equity issue	24-34	800,000	-	-	-	-	-	-	-	-	-	-	800,000	-	800,000
Increase for other contributions from the owners	24	-	9,250,229	-	-	-	-	-	-	(4,340,749)	(4,340,749)	-	4,909,480	-	4,909,480
Increase (decrease) through transfers and other changes, equity	24-34	9,352,221	(9,250,190)	-	-	-	-	-	-	(80,000)	(80,000)	-	22,031	35	22,066
Total transactions with shareholders		10,152,221	39	-	-	-	-	-	-	(4,420,749)	(4,420,749)	-	5,731,511	35	5,731,546
Closing balance as of December 31, 2022		13,298,486	39	(178)	(3,805,560)	36,542	(21,622)	(28,117)	37,235	(1,972,651)	(5,754,173)	(7,501,896)	42,278	(11,557)	30,721

The accompanying Notes 1 to 36 form an integral part of these consolidated financial statements.

LATAM AIRLINES GROUP S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

		Attributable to owners of the parent												
				Change in other reserves										
	Note	Share capital	Treasury shares	Currency translation reserve	Cash flow hedging reserve	Gains (Losses) from changes in the time value of the options	Actuarial gains or losses on defined benefit plans reserve	Shares based payments reserve	Other sundry reserve	Total other reserve	Retained earnings/(losses)	Parent's ownership interest	Non-controlling interest	Total equity
		ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Equity as of January 1, 2021		3,146,265	(178)	(3,790,513)	(60,941)	-	(25,985)	37,235	2,452,019	(1,388,185)	(4,193,615)	(2,435,713)	(6,672)	(2,442,385)
Increase (decrease) by application of new accounting standards	2-25	-	-	-	380	(380)	-	-	-	-	-	-	-	-
Initial balance restated		3,146,265	(178)	(3,790,513)	(60,561)	(380)	(25,985)	37,235	2,452,019	(1,388,185)	(4,193,615)	(2,435,713)	(6,672)	(2,442,385)
Total increase (decrease) in equity														
Net income/(loss) for the year	25	-	-	-	-	-	-	-	-	-	(4,647,491)	(4,647,491)	(5,651)	(4,653,142)
Other comprehensive income		-	-	18,354	22,171	(17,183)	7,235	-	-	30,577	-	30,577	1,654	32,231
Total comprehensive income		-	-	18,354	22,171	(17,183)	7,235	-	-	30,577	(4,647,491)	(4,616,914)	(3,997)	(4,620,911)
Transactions with shareholders														
Increase (decrease) through transfers and other changes, equity	25-34	-	-	-	-	-	-	-	(3,921)	(3,921)	-	(3,921)	313	(3,608)
Total transactions with shareholders		-	-	-	-	-	-	-	(3,921)	(3,921)	-	(3,921)	313	(3,608)
Closing balance as of December 31, 2021		3,146,265	(178)	(3,772,159)	(38,390)	(17,563)	(18,750)	37,235	2,448,098	(1,361,529)	(8,841,106)	(7,056,548)	(10,356)	(7,066,904)

The accompanying Notes 1 to 36 form an integral part of these consolidated financial statements.

LATAM AIRLINES GROUP S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

		Attributable to owners of the parent											
				Change in other reserves									
	Note	Share capital	Treasury shares	Currency translation reserve	Cash flow hedging reserve	Actuarial gains or losses on defined benefit plans reserve	Shares based payments reserve	Other sundry reserve	Total other reserve	Retained earnings/(losses)	Parent's ownership interest	Non-controlling interest	Total equity
		ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Equity as of January 1, 2020		3,146,265	(178)	(2,890,287)	56,892	(22,940)	36,289	2,452,469	(367,577)	352,272	3,130,782	(1,605)	3,129,177
Total increase (decrease) in equity													
Net income/(loss) for the year	25	-	-	-	-	-	-	-	-	(4,545,887)	(4,545,887)	(9,648)	(4,555,535)
Other comprehensive income		-	-	(900,226)	(117,833)	(3,045)	-	-	(1,021,104)	-	(1,021,104)	4,655	(1,016,449)
Total comprehensive income		-	-	(900,226)	(117,833)	(3,045)	-	-	(1,021,104)	(4,545,887)	(5,566,991)	(4,993)	(5,571,984)
Transactions with shareholders													
Increase (decrease) through transfers and other changes, equity	25-34	-	-	-	-	-	946	(450)	496	-	496	(74)	422
Total transactions with shareholders		-	-	-	-	-	946	(450)	496	-	496	(74)	422
Closing balance as of December 31, 2020		3,146,265	(178)	(3,790,513)	(60,941)	(25,985)	37,235	2,452,019	(1,388,185)	(4,193,615)	(2,435,713)	(6,672)	(2,442,385)

The accompanying Notes 1 to 36 form an integral part of these consolidated financial statements

LATAM AIRLINES GROUP S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS - DIRECT METHOD

	Note	For the year ended December 31, 2022	2021	2020
		ThUS$	ThUS$	ThUS$
Cash flows from operating activities				
Cash collection from operating activities				
Proceeds from sales of goods and services		10,549,542	5,359,778	4,620,409
Other cash receipts from operating activities		117,118	52,084	51,900
Payments for operating activities				
Payments to suppliers for the supply goods and services	34	(9,113,130)	(4,391,627)	(3,817,339)
Payments to and on behalf of employees		(1,039,336)	(941,068)	(1,227,010)
Other payments for operating activities		(272,823)	(156,395)	(70,558)
Income taxes (paid)		(14,314)	(9,437)	(65,692)
Other cash inflows (outflows)	34	(130,260)	(87,576)	13,593
Net cash (outflow) inflow from operating activities		96,797	(174,241)	(494,697)
Cash flows from investing activities				
Cash flows from losses of control of subsidiaries or other businesses		-	752	-
Other collections from the sale of equity or debt instruments of other entities		-	-	-
Other cash receipts from sales of equity or debt instruments of other entities		417	35	1,464,012
Other payments to acquire equity or debt instruments of other entities		(331)	(208)	(1,140,940)
Amounts raised from sale of property, plant and equipment		56,377	105,000	75,566
Purchases of property, plant and equipment		(780,538)	(597,103)	(324,264)
Purchases of intangible assets		(50,116)	(88,518)	(75,433)
Interest received		18,934	9,056	36,859
Other cash inflows (outflows)	34	6,300	18,475	(2,192)
Net cash (outflow) inflow from investing activities		(748,957)	(552,511)	33,608
Proceeds from the issuance of shares	34	549,038	-	-
Payments for changes in ownership interests in subsidiaries that do not result in loss of control		-	-	(3,225)
Amounts from the issuance of other equity instruments	34	3,202,790	-	-
Amounts raised from long-term loans	34	2,361,875	-	1,425,184
Amounts raised from short-term loans	34	4,856,025	661,609	560,296
Loans from Related Entities	32	770,522	130,102	373,125
Loans repayments	34	(8,759,413)	(463,048)	(793,712)
Payments of lease liabilities	34	(131,917)	(103,366)	(122,062)
Payments of loans to related entities	34	(1,008,483)	-	-
Dividends paid		-	-	(571)
Interest paid		(521,716)	(104,621)	(210,418)
Other cash (outflows) inflows	34	(463,766)	(11,034)	(107,788)
Net cash inflow (outflow) from financing activities		854,955	109,642	1,120,829
Net (decrease) increase in cash and cash equivalents before effect of exchanges rate change		202,795	(617,110)	659,740
Effects of variation in the exchange rate on cash and cash equivalents		(32,955)	(31,896)	(36,478)
Net (decrease) increase in cash and cash equivalents		169,840	(649,006)	623,262
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	6	1,046,835	1,695,841	1,072,579
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	6	1,216,675	1,046,835	1,695,841

The accompanying Notes 1 to 36 form an integral part of these consolidated financial statements.

NOTE 1 - GENERAL INFORMATION

LATAM Airlines Group S.A. ("LATAM" or the "Company") is an open stock company which holds the values inscribed in the Registro de Valores of the Commission for the Financial Market under No. 306, whose shares are listed in Chile on the Electronic Stock Exchange of Chile - Stock Exchange and the Santiago Stock Exchange. Latam's ADR are currently trading in the United States of America on the OTC (Over-The-Counter) markets. LATAM Airlines Group S.A. and certain of its direct and indirect affiliates announced their emergence on November 3, 2022, from their reorganization proceedings in the United States of America under Chapter 11 of Title 11 of the United States Code at the United States Bankruptcy Court for the Southern District of New York (the Chapter 11 Proceedings")

Its main business is the air transport of passengers and cargo, both in the domestic markets of Chile, Peru, Colombia, Ecuador and Brazil, as well as in a series of regional and international routes in America, Europe and Oceania. These businesses are developed directly or by its subsidiaries in Ecuador, Peru, Brazil, Colombia, Argentine and Paraguay. In addition, the Company has subsidiaries that operate in the cargo business in Chile, Brazil and Colombia.

The Company is located in Chile, in the city of Santiago, on Avenida Presidente Riesco No. 5711, Las Condes commune.

As of December 31, 2022, the Company's statutory capital is represented by 606,407,693,000 ordinary shares without nominal value. Of such amount, as of said date, 605,231,854,725 shares were subscribed and paid. The foregoing, considering the capital increase approved by the shareholders of the company at an extraordinary meeting held on July 5, 2022, in the context of the implementation of its reorganization plan approved and confirmed in the Chapter 11 Proceedings.

The major shareholders of the Company considering the total amount of subscribed and paid shares are Banco de Chile on behalf of State Street which owns 46,96%, Banco de Chile on behalf of Non-Resident Third Parties with 12.68%, Delta Air Lines with 10.03% and Qatar Airways with 10,02% ownership (9.999999992% considering the total amount of authorized shares).

As of December 31, 2022, the Company had a total of 2,092 shareholders in its registry. At that date, approximately 0.01% of the Company's capital stock was in the form of ADRs.

During 2022, the LATAM Group had an average of 30,877 employees, ending this year with a total number of 32,507 people, distributed in 4,627 Administration employees, 16,803 in Operations, 7,423 Cabin Crew and 3,654 Command crew.

The main subsidiaries included in these consolidated financial statements are as follows:

a) Percentage ownership

Tax No.	Company	Country of origin	Functional Currency	As December 31, 2022			As December 31, 2021			As December 31, 2020		
				Direct	Indirect	Total	Direct	Indirect	Total	Direct	Indirect	Total
				%	%	%	%	%	%	%	%	%
96.969.680-0	Lan Pax Group S.A. and Subsidiaries	Chile	US$	99.9959	0.0041	100.0000	99.8361	0.1639	100.0000	99.8361	0.1639	100.0000
Foreign	Latam Airlines Perú S.A.	Peru	US$	23.6200	76.1900	99.8100	23.6200	76.1900	99.8100	23.6200	76.1900	99.8100
93.383.000-4	Lan Cargo S.A.	Chile	US$	99.8940	0.0041	99.8981	99.8940	0.0041	99.8981	99.8940	0.0041	99.8981
Foreign	Connecta Corporation	U.S.A.	US$	0.0000	100.0000	100.0000	0.0000	100.0000	100.0000	100.0000	0.0000	100.0000
Foreign	Prime Airport Services Inc. and Subsidiary	U.S.A.	US$	0.0000	100.0000	100.0000	0.0000	100.0000	100.0000	99.9714	0.0286	100.0000
96.951.280-7	Transporte Aéreo S.A.	Chile	US$	0.0000	100.0000	100.0000	0.0000	100.0000	100.0000	0.0000	100.0000	100.0000
96.631.520-2	Fast Air Almacenes de Carga S.A.	Chile	CLP	0.0000	100.0000	100.0000	0.0000	100.0000	100.0000	99.8900	0.1100	100.0000
Foreign	Laser Cargo S.R.L.	Argentina	ARS	0.0000	100.0000	100.0000	0.0000	100.0000	100.0000	96.2208	3.7792	100.0000
Foreign	Lan Cargo Overseas Limited and Subsidiaries	Bahamas	US$	0.0000	100.0000	100.0000	0.0000	100.0000	100.0000	99.9800	0.0200	100.0000
96.969.690-8	Lan Cargo Inversiones S.A. and Subsidiary	Chile	US$	0.0000	100.0000	100.0000	0.0000	100.0000	100.0000	99.0000	1.0000	100.0000
96.575.810-0	Inversiones Lan S.A.	Chile	US$	99.9000	0.1000	100.0000	99.9000	0.1000	100.0000	99.7100	0.2900	100.0000
96.847.880-K	Technical Trainning LATAM S.A.	Chile	CLP	99.8300	0.1700	100.0000	99.8300	0.1700	100.0000	99.8300	0.1700	100.0000
Foreign	Latam Finance Limited	Cayman Island	US$	100.0000	0.0000	100.0000	100.0000	0.0000	100.0000	100.0000	0.0000	100.0000
Foreign	Peuco Finance Limited	Cayman Island	US$	100.0000	0.0000	100.0000	100.0000	0.0000	100.0000	100.0000	0.0000	100.0000
Foreign	Profesional Airline Services INC.	U.S.A.	US$	100.0000	0.0000	100.0000	100.0000	0.0000	100.0000	100.0000	0.0000	100.0000
Foreign	Jarletul S.A.	Uruguay	US$	0.0000	100.0000	100.0000	99.0000	1.0000	100.0000	99.0000	1.0000	100.0000
Foreign	LatamTravel S.R.L.	Bolivia	US$	99.0000	1.0000	100.0000	99.0000	1.0000	100.0000	99.0000	1.0000	100.0000
76.262.894-5	Latam Travel Chile II S.A.	Chile	US$	99.9900	0.0100	100.0000	99.9900	0.0100	100.0000	99.9900	0.0100	100.0000
Foreign	Latam Travel S.A.	Argentina	ARS	94.0100	5.9900	100.0000	0.0000	100.0000	100.0000	0.0000	100.0000	100.0000
Foreign	TAM S.A. and Subsidiaries (*)	Brazil	BRL	63.0901	36.9099	100.0000	63.0901	36.9099	100.0000	63.0901	36.9099	100.0000

(*) As of December 31, 2022, the indirect participation percentage on TAM S.A. and Subsidiaries is from Holdco I S.A., a company over which LATAM Airlines Group S.A. it has a 99.9983% share on economic rights and 51.04% of political rights. Its percentage arises as a result of the provisional measure No. 863 of the Brazilian government implemented in December 2018 that allows foreign capital to have up to 100% of the property.

b) Financial Information

Tax No.	Company	Statement of financial position									Net Income		
		As of December 31, 2022			As of December 31, 2021			As of December 31, 2020			For the period ended December 31,		
		Assets	Liabilities	Equity	Assets	Liabilities	Equity	Assets	Liabilities	Equity	2022	2021	2020
		ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	Gain /(loss) ThUS$	ThUS$	ThUS$
96.969.680-0	Lan Pax Group S.A. and Subsidiaries (*)	392,232	1,727,968	(1,342,687)	432,271	1,648,715	(1,236,243)	404,944	1,487,248	(853,624)	(120,717)	(7,289)	(290,980)
Foreign	Latam Airlines Perú S.A.	335,773	281,178	54,595	484,388	417,067	67,321	661,721	510,672	8,691	(12,726)	(109,392)	(175,485)
93.383.000-4	Lan Cargo S.A.	394,378	212,094	182,284	721,484	537,180	184,304	749,789	462,666	172,186	(1,230)	1,590	10,936
Foreign	Connecta Corporation	78,905	22,334	56,571	61,068	19,312	41,756	57,922	24,023	40,087	14,814	1,169	500
Foreign	Prime Airport Services Inc. and Subsidiary (*)	25,118	24,325	813	24,654	25,680	(1,026)	25,050	23,102	(1,034)	1,838	190	(181)
96.951.280-7	Transporte Aéreo S.A.	283,166	177,109	106,057	471,094	327,955	143,139	546,216	142,423	216,912	(36,190)	(56,135)	(39,032)
96.631.520-2	Fast Air Almacenes de Carga S.A.	16,150	12,623	3,527	18,303	10,948	7,355	20,132	12,601	7,581	1,154	48	500
Foreign	Laser Cargo S.R.L.	(3)	-	(3)	(5)	-	(5)	(6)	-	(10)	-	-	-
Foreign	Lan Cargo Overseas Limited and Subsidiaries (*)	35,991	15,334	20,656	36,617	14,669	21,940	218,435	14,355	203,829	(1,287)	(806)	(92,623)
96.969.690-8	Lan Cargo Inversiones S.A. and Subsidiary (*)	220,144	148,489	11,661	202,402	113,930	23,563	250,027	86,691	130,823	(11,901)	(54,961)	1,452
96.575.810-0	Inversiones Lan S.A. (*)	1,281	56	1,225	1,284	45	1,239	1,394	65	1,329	(14)	(90)	50
96.847.880-K	Technical Trainning LATAM S.A.	1,417	1,110	307	2,004	467	1,537	2,181	625	1,556	77	181	60
Foreign	Latam Finance Limited	3,011	211,517	(208,506)	1,310,733	1,688,821	(378,088)	1,310,735	1,584,311	(273,576)	169,582	(104,512)	(105,100)
Foreign	Peuco Finance Limited	-	-	-	1,307,721	1,307,721	-	1,307,721	1,307,721		-	-	-
Foreign	Profesional Airline Services INC.	56,895	53,786	3,109	61,659	58,808	2,851	17,345	14,772	2,573	258	278	1,014
Foreign	Jarletul S.A.	16	1,109	(1,093)	24	1,116	(1,092)	34	1,076	(1,042)	(2)	(50)	(332)
Foreign	LatamTravel S.R.L.	92	5	87	64	132	(68)	1,061	1,106	(45)	154	(23)	(33)
76.262.894-5	Latam Travel Chile II S.A.	368	1,234	(866)	588	1,457	(869)	943	1,841	(898)	2	29	392
Foreign	Latam Travel S.A.	7,303	2,715	4,588	3,778	6,135	2,357	3,977	6,018	(2,041)	(6,187)	(2,804)	(5,610)
Foreign	TAM S.A. and Subsidiaries (*)	3,497,848	4,231,547	(733,699)	2,608,859	3,257,148	(648,289)	3,110,055	3,004,935	105,120	(69,932)	(756,633)	(1,025,814)

(*) The Equity reported corresponds to Equity attributable to owners of the parent, it does not include Non-controlling participation.

In addition, special purpose entities have been consolidated: 1. Chercán Leasing Limited, intended to finance advance payments of aircraft; 2. Guanay Finance Limited, intended for the issue of a securitized bond with future credit card payments; 3. Private investment funds; 4. Vari Leasing Limited, Yamasa Sangyo Aircraft LA1 Kumiai, Yamasa Sangyo Aircraft LA2 Kumiai,
earmarked for aircraft financing. These companies have been consolidated as required by IFRS 10.

All entities over which Latam has control have been included in the consolidation. The Company has analyzed the control criteria in accordance with the requirements of IFRS 10.

Changes occurred in the consolidation perimeter between January 1, 2021 and December 31, 2022, are detailed below:

(1) Incorporation or acquisition of companies

- On December 22, 2022, LATAM Airlines Group S.A. made the purchase of 1,390,468,967 preferred shares of Latam Travel S.A. Consequently, the shareholding composition of Latam Travel S.A. is as follows: Lan Pax Group S.A. with 5.69%, Inversora Cordillera S.A. with 0.30% and LATAM Airlines Group S.A. with 94.01%. These transactions were between LATAM Airlines Group entities and therefore did not generate any effects within the consolidated financial statements.

- On January 21, 2021, Transporte Aéreos del Mercosur S.A. puchased 2,392,166 preferred shares of Inversora Cordillera S.A. from a non-controlling shareholder. Consequently the shareholding composition of Inversora Cordillera S.A. is as follows: Lan Pax Group S.A. with 90.5% and Transporte Aéreos del Mercosur S.A. with 9.5%.

- On January 21, 2021, Transporte Aéreos del Mercosur S.A. purchased 53,376 preferred shares of Lan Argentina S.A. from a non-controlling shareholder. Consequently the shareholding composition of Lan Argentina S.A. is as follows: Inversora Cordillera S.A. with 95%, Lan Pax Group S.A. with 4% and Transporte Aéreos del Mercosur S.A. with 1%.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following describes the principal accounting policies adopted in the preparation of these consolidated financial statements.

2.1. Basis of Preparation

These consolidated financial statements of LATAM Airlines Group S.A. as of December 31, 2022 and 2021, for the three years ended December 31, 2022 and have been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board ("IASB") and with the interpretations issued by the interpretations committee of the International Financial Reporting Standards (IFRIC).

The consolidated financial statements have been prepared under the historic-cost criterion, although modified by the valuation at fair value of certain financial instruments.

The preparation of the consolidated financial statements in accordance with IFRS requires the use of certain critical accounting estimates. It also requires management to use its judgment in applying the Company's accounting policies. Note 4 shows the areas that imply a greater degree of judgment or complexity or the areas where the assumptions and estimates are significant to the consolidated financial statements.

The consolidated financial statements have been prepared in accordance with the accounting policies used by the Company for the 2021 consolidated financial statements, except for the standards and interpretations adopted as of January 1, 2022.

(a) Application of new standards for the year 2022:

(a.1.) Accounting pronouncements with implementation effective from January 1, 2022:

	Date of issue	Effective Date:
(i) Standards and amendments		
Amendment to IFRS 3: Business combinations.	May 2020	01/01/2022
Amendment to IAS 37: Provisions, contingent liabilities and contingent assets.	May 2020	01/01/2022
Amendment to IAS 16: Property, plant and equipment.	May 2020	01/01/2022
Improvements to International Financial Reporting Standards Financial (2018-2020 cycle) IFRS 1: First-time adoption of international financial reporting standards, IFRS 9: Financial Instruments, illustrative examples accompanying IFRS 16: Leases, IAS 41: Agriculture	May 2020	01/01/2022

The application of these accounting pronouncements as of January 1, 2022, had no significant effect on the Company's consolidated financial statements.

(b) Accounting pronouncements not in force for the financial year beginning on January 1, 2022:

(i) Standards and amendments	Date of issue	Effective Date:
Amendment to IAS 12: Income taxes.	May 2021	01/01/2023
Amendment to IAS 8: Accounting policies, changes in accounting estimates and error.	February 2021	01/01/2023
Amendment to IAS 1: Presentation of financial statements.	January 2020	01/01/2024
IFRS 17: Insurance contracts, replaces IFRS 4.	May 2017	01/01/2023
Amendment to IAS 1: Non-current liabilities with covenants	October 2022	01/01/2024
Amendment to IFRS 16: Leases	September 2022	01/01/2024
Initial Application of IFRS 17 and IFRS 9 — Comparative Information (Amendment to IFRS 17)	December 2021	An entity that elects to apply the amendment applies it when it first applies IFRS 17
Amendment to IFRS 10: Consolidated financial statements and IAS 28: Investments in associates and joint ventures.	September 2014	Not determined

The Company's management estimates that the adoption of the standards, amendments and interpretations described above will not have a significant impact on the Company's consolidated financial statements in the exercise of their first application.

(c) Chapter 11 Filing and Going Concern

i) Going Concern

These consolidated financial statements have been prepared on a going concern basis, which contemplates continuity of operations, realization of assets and satisfaction of liabilities in the ordinary course of business.

The Company previously disclosed that as of December 31, 2021, as a result of the Chapter 11 proceedings, the fulfillment of the Company's obligations and the financing of ongoing operations were subject to material uncertainty due to the COVID-19 pandemic and the impossibility of knowing as of that date, their duration and, consequently, those events or conditions indicated that a material uncertainty existed that cast significant doubt (or raised a substantial doubt as contemplated by the Public Company Oversight Board ("PCAOB") standards) about the Company's ability to continue as a going concern as of the issuance of the Company's 2021 Annual Report on Form 20-F.

On November 3, 2022, LATAM Parent and certain of its affiliates emerged from the Chapter 11 Proceedings. The emergence from the Chapter 11 proceedings and consummation of the Plan addressed liquidity concerns as it provided for new funds originated by the new financing and the capital restructuring. As a result, the Company expects that sufficient cash flows will be generated to finance the debts and the working capital requirements working capital for the next twelve months. Therefore, there is no longer a material uncertainty that may cast significant doubt (or raise substantial doubt as contemplated by the PCAOB standards) on the Company's ability to continue as a going concern during the twelve months after the date of issuance of these financial statements.

ii) Chapter 11 Filing

Due to the effects on the operation of the restrictions established in the countries to control the effects of the COVID-19 pandemic, on May 25, 2020 the Board resolved unanimously that LATAM Parent and some subsidiaries of the group should initiate a reorganization process in the United States of America according to the rules established in the Bankruptcy Code title 11 by filing a voluntary petition for relief in accordance with the same, which was carried out on May 26, 2020. Subsequently, Piquero Leasing Limited (July 7, 2020) and TAM S.A. joined this process and its subsidiaries in Brazil (July 9, 2020) (the voluntary petitions, collectively, the "Bankruptcy Filing" and each LATAM entity that filed a petition, a "Debtor" and jointly, the "Debtors").

The Bankruptcy Filing for each of the Debtors (each one, respectively, a "Petition Date") was jointly administered under the caption "In re LATAM Airlines Group S.A. et al." Case Number 20-11254. Prior to November 3, 2022, the Debtors operated their businesses as "debtors-in-possession" under the jurisdiction of the Bankruptcy Court and in accordance with the applicable provisions of the Bankruptcy Code and orders of the Bankruptcy Court. The Bankruptcy Filing permitted the Company to reorganize and improve liquidity, wind down unprofitable contracts and amend its capacity purchase agreements to enable sustainable profitability. As of November 3, 2022 (the "Effective Date"), the Plan (as defined below) was substantially consummated and the Debtors have each emerged from the Chapter 11 proceedings as the "Reorganized Debtors". However, according to the rules of the Bankruptcy Code, the Chapter 11 proceedings of the Reorganized Debtors continued to be ongoing after the Effective Date to resolve certain remaining matters. Later, on December 14, 2022, the Bankruptcy Court entered an order consolidating the administration of all remaining matters in the lead Chapter 11 case of LATAM Parent and closing the cases of its debtor-related person. Therefore, as of the date hereof the Chapter 11 proceeding has been closed with respect to LATAM Parent's subsidiaries that were part thereof, and continue ongoing solely with respect to LATAM Parent to resolve certain remaining matters. The Bankruptcy Court continues to administer the Chapter 11 proceedings for LATAM Parent in order to resolve the few remaining matters therein, including resolving remaining claims.

As part of their overall reorganization process, the Debtors also sought and received relief in certain non-U.S. jurisdictions. On May 27, 2020, the Grand Court of the Cayman Islands granted the applications of certain of the Debtors for the appointment of provisional liquidators ("JPLs") pursuant to section 104(3) of the Companies Law (2020 Revision). On June 4, 2020, the 2nd Civil Court of Santiago, Chile issued an order recognizing the Chapter 11 proceedings with respect to LATAM Airlines Group S.A., Lan Cargo S.A., Fast Air Almacenes de Carga S.A., Latam Travel Chile II S.A., Lan Cargo Inversiones S.A., Transporte Aéreo S.A., Inversiones Lan S.A., Lan Pax Group S.A. and Technical Training LATAM S.A. All remedies filed against the order have been rejected and the decision has become final. Finally, on June 12, 2020, the Superintendence of Companies of Colombia granted recognition to the Chapter 11 proceedings. On July 10, 2020, the Grand Court of the Cayman Islands granted the Debtors' application for the appointment of JPLs to Piquero Leasing Limited. Bearing in mind that on November 3, 2022, the Effective Date of the Reorganization Plan approved and confirmed in the main proceedings occurred, on November 10, 2022, the representative of the foreign proceeding filed with the court his last monthly report under the Protocol on Cross-Border Communications

Operation and Implication of the Bankruptcy Filing

As of the Effective Date, the Plan was substantially consummated. Pursuant to the Plan, the Reorganized Debtors are permitted to operate their businesses and manage their properties without supervision of the Bankruptcy Court and free of the restrictions of the Bankruptcy Code.

Plan of Reorganization

On November 26, 2021, the Debtors filed a joint plan of reorganization (as amended or revised, the "Plan" or "Plan of Reorganization") and the related disclosure statement (as amended or revised, the "Disclosure Statement") with the Bankruptcy Court. As detailed in the Disclosure Statement, the Plan was supported by a restructuring support agreement executed among the Debtors, creditors holding more than 70% of the general unsecured claims asserted against LATAM Airlines Group S.A., and holders of more than 50% of LATAM Airlines Group S.A.'s existing equity (the "Restructuring Support Agreement" or "RSA"). From time to time in the Chapter 11 Cases, the Debtors filed revised versions of the Plan and associated Disclosure Statement. On February 10, 2022 the Debtors executed a joinder Agreement to the RSA (each joinder agreement a "W&C Creditor Group Joinder Agreement"), effective as of February 10, 2022 under which certain creditors agreed to commitments made by the Commitment Parties under the RSA.

On March 21, 2022, the Bankruptcy Court entered an order approving the adequacy of the Disclosure Statement and procedures for the solicitation with respect to the Plan (the "Disclosure Statement Order"). Pursuant to the Disclosure Statement Order, the Debtors distributed the solicitation version of the Plan, the Disclosure Statement (as approved), voting ballots and certain other solicitation materials to creditors.

In accordance with the Restructuring Support Agreement, on January 12, 2022 the Debtors filed a motion seeking approval to enter into a backstop commitment agreement with certain shareholders, and a backstop commitment agreement with certain creditors (the "Backstop Agreements"). On March 15, 2022, the Bankruptcy Court issued a memorandum decision approving the Debtors' entry into the Backstop Agreements and issued a corresponding order (the "Backstop Order") on March 22, 2022.

The Debtors received objections to the Plan from certain parties, including the United States Trustee, the Official Committee of Unsecured Creditors (the "Committee"), Banco del Estado de Chile in its capacity as indenture trustee under certain Chilean local bonds issued by LATAM Parent ("BancoEstado"), an ad hoc group of unsecured claimants and a group of holders of claims against LATAM affiliate TAM Linhas Aéreas S.A. Following the Plan objection deadline, the Debtors participated in a mediation with BancoEstado, the Committee and the parties to the RSA in an effort to resolve their objections to the Plan and related disputes, which proved successful. On May 11, 2022, the Debtors filed a revised version of the Plan reflecting the terms of a settlement with the parties.

At a hearing held on May 17, 18 and 20, 2022, the Bankruptcy Court considered the remaining objections that had not been resolved pursuant to the settlement. On June 18, 2022, the Bankruptcy Court issued a memorandum decision approving the Plan and overruling all remaining objections (the "Memorandum Decision") and entered an order confirming the Plan (the "Confirmation Order").

Certain parties in interest appealed the Bankruptcy Court's decisions. On June 21, 2022, the Ad Hoc Group of Unsecured Claimants filed a notice of appeal of the memorandum decision and order approving entry into the Backstop Agreements, as well as the Memorandum Decision approving the Plan and the Confirmation Order.

On June 27, 2022, the Ad Hoc Group of Unsecured Claimants filed a motion seeking to stay the Confirmation Order pending appeal. On July 16, 2022, the motion to stay was denied by the Bankruptcy Court. On June 23, 2022, the TLA Claimholders Group also filed a motion seeking to stay the Confirmation Order pending appeal or, in the alternative, an affirmative injunction requiring the Debtors to fund an escrow account in the amount of the outstanding post-petition interest. On July 8, 2022, the Bankruptcy Court issued a bench memorandum and order denying the TLA Claimholders Group's motion to stay. On June 28, 2022, Columbus Hill Capital Management ("Columbus Hill") filed a notice of appeal of the Memorandum Decision and the Confirmation Order, which it later withdrew on July 5, 2022. On July 13, 2022, the Debtors filed a motion to approve a settlement agreement with Columbus Hill, which was granted by the Bankruptcy Court on July 21, 2022, bringing full and final resolution to the Columbus Hill appeal and any other potential objections from this claimant.

On August 31, 2022, after briefing and oral argument by the parties, the District Court issued an opinion denying the appeals of both the Ad Hoc Group of Unsecured Claimants and the TLA Claimholders Group. The District Court rejected the Ad Hoc Group of Unsecured Claimants' arguments that the Plan and Backstop Agreement violated the Bankruptcy Code and held that the Backstop Agreement did not constitute impermissible vote buying. The Ad Hoc Group of Unsecured Claimants did not further appeal the District Court's decision.

With respect to the TLA Claimholders Group's appeal, the District Court denied its request for payment of post-petition interest on its claims and found that the Bankruptcy Court was not mistaken with respect to its factual finding that TLA was insolvent. The District Court also denied the TLA Claimholders Group's motion to stay the Confirmation Order.

On September 2, 2022 the TLA Claimholders Group filed a notice of appeal in the District Court (the "Second Circuit Appeal") further appealing the Confirmation Order to the United States Court of Appeals for the Second Circuit (the "Second Circuit"). Both parties filed briefs regarding the merits of the Second Circuit Appeal, oral argument occurred on October 12, 2022, and on December 14, 2022, the Second Circuit unanimously affirmed the District Court's decision rejecting the Second Circuit Appeal. No further appeals have been filed to date.

As of the Effective Date, the Plan was substantially consummated. Pursuant to the Plan, the Company received an infusion of approximately US$ 8.19 billion through a mix of new equity, convertible notes and debt, which enabled the Company to exit Chapter 11 with appropriate capitalization to effectuate its business plan. Upon emergence, the Company had total debt of approximately US$ 6.8 billion, cash and cash equivalents of approximately US$1.1 billion and revolving undrawn facilities in the amount of US$1.1 billion. Specifically, the Plan provided that:

- The Company conducted a US$ 800 million common equity rights offering, open to all shareholders in accordance with their preemptive rights under applicable Chilean law, and fully backstopped by the parties participating in the RSA;

- Three distinct classes of convertible notes were issued by the Company, all of which were preemptively offered to shareholders. The preemptive rights offering period closed on October 12, 2022. For those securities not subscribed by the Company's shareholders during the respective preemptive rights period:

    - New Convertible Notes Class A, hereinafter Class G Convertible notes (by the denomination with which they were registered in the Registro de Valores of the CMF), were delivered to certain general unsecured creditors of the Company in settlement of their allowed claims under the Plan.

      The Issuance conditions:

      Nominal Value : Approximately Th US$1,257,003

      Conversion Ratio: 15,9046155045956. The Convertible Notes Class G Conversion Ratio shall step down by 50% on the day that is sixty (60) days after the Effective Date.

      Backup Actions: 19,992,142,087

      Maturity: 31 Dec. 2121

      Interest rate: 0%

      Conversion Conditions: They may be converted into shares of the Company within twelve months from the Effective Date of the Plan. As soon as 50% of the holders of New Class G Convertible Notes have opted to convert, the remaining Class G Convertible Notes will be automatically converted.

    - New Convertible Notes Class B, hereinafter Class H Convertible notes (by the denomination with which they were registered in the Registro de Valores of the CMF), were subscribed and purchased by the shareholder that are part of the RSA.

      The Issuance conditions:

      Nominal Value: Approximately ThUS$1,372,840

      Conversion Ratio: 92.2623446840237. The conversion ratio of Class H Convertible Notes will be reduced by 50% sixty (60) days after the fifth anniversary counted from the Effective Date .

      Backup Actions: 126,661,409,136

      Maturity: 31 Dec. 2121

      Interest rate: 1% interest rate payable in cash annually with no interest in the first 60 days.

      Conversion Conditions:

      (a) First Convertible Notes Class H Conversion Period: Each holder of Convertible Notes Class H will have the ability to convert its Convertible Notes Class H into shares of the Company within sixty (60) days from the Effective Date.

      (b) Second Convertible Notes Class H Conversion Period: Each holder of Convertible Notes Class H will have the subsequent ability to convert their Convertible Notes Class H into shares of the Company beginning on the fifth (5th) anniversary of the Effective Date.

- New Convertible Notes Class C, hereinafter Class I Convertible notes (by the denomination with which they were registered in the Registro de Valores of the CMF), were provided to certain general unsecured creditors in exchange for a combination of new money to the Company and the settlement of their allowed claims under the Plan, subject to certain limitations and holdbacks by the backstopping parties.

  The Issuance conditions:

  Nominal Value: Approximately ThUS$6,863,427

  Conversion Ratio: 56.143649821654. The Convertible Notes Class C Conversion Ratio shall step down by 50% on the day that is sixty (60) days after the Effective Date.

  Backup Actions: 385,337,858,290

  Maturity: 31 Dec. 2121

  Interest rate: 0%

  Conversion Conditions: They may be converted into shares within twelve months from the Effective Date of the Plan. As soon as 50% of the holders of Class I Convertible Notes have opted to convert, then the remaining Class I Convertible Notes will be automatically converted. The allocated amounts of the unused Class I Convertible Notes were distributed to the supporting parties of the Class I Convertible Notes in accordance with the respective Support Agreement.

- The election period for the Convertible Notes Class G and Convertible Notes Class I by creditors ended on October 6, 2022.

- General unsecured creditors that elected to receive Convertible Notes Class G or Convertible Notes Class I were entitled to receive a one-time cash distribution in an aggregate amount of approximately US$ 175 million, distributed among the general unsecured creditors that opted to receive Convertible Notes Class G and I. (see Note 36).

- The Convertible Notes Classes H and I were issued, totally or partially, in consideration of a new money contribution for the aggregate amount of approximately US$ 4.64 billion fully backstopped by the parties to the RSA.

- In lieu of receiving Convertible Notes Class G or Convertible Notes Class I (and the aforementioned one-time cash distribution), general unsecured creditors were provided with the alternative of opting to receive New Local Notes issued by LATAM. As set forth in the Plan and based on the elections made by general unsecured creditors, such notes were issued in the amount of UF 3,818,042 (equal to approximately US$ 130 million as of the date of their issuance).

Pursuant to the Plan and Backstop Agreements, LATAM raised up to US$ 500 million through a new revolving credit facility and approximately US$ 2.25 billion in total new money debt financing through exit financing (new term loan and new notes).

On September 2, 2022, the Convertible Notes Classes G, H and I together with the shares contemplated in the Plan were registered with the Chilean Registro de Valores of the Financial Market Commission (the “CMF”). The CMF approved the New Local Notes on September 5, 2022. The Debtors established September 12, 2022 as the record date with respect to creditors entitled to participate in the Convertible Notes Class G and Convertible Notes Class I, and commenced the offering of the Convertible Notes to claimholders on the same day.

As of December 31, 2022, 94,14% of the Convertible Notes Class G, 99.997% of the Convertible Notes Class H and 99.999% of the Convertible Notes Class I had been converted to equity, respectively.

On November 17, 2022 the Reorganized Debtors filed a motion to consolidate the administration of certain remaining matters, including the reconciliation of claims that have not yet been allowed or disallowed, in the lead Chapter 11 case of LATAM Parent and for entry of a final decree closing the Chapter 11 cases of LATAM Parent's debtor-affiliates. The Bankruptcy Court entered an Order on December 14, 2022 granting the motion to consolidate the administration of remaining matters in the lead Chapter 11 case of LATAM Parent. As a result, the dockets for all 37 debtor-affiliates of LATAM Parent were marked "closed" on December 23, 2022.

Chapter 11 Milestones during the period covered by these consolidated financial statements

Assumption, Amendment & Rejection of Executory Contracts & Leases

Prior to the Effective Date, pursuant to the Bankruptcy Code and the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), the Debtors were authorized to assume, assign or reject certain executory contracts and unexpired leases. Absent certain exceptions, the Debtors' rejection of an executory contract or an unexpired lease is generally treated as prepetition breach, which entitles the contract counterparty to file a general unsecured claim against the Debtors and simultaneously relieves the Debtors from their future obligations under the contract or lease. Further, the Debtors' assumption of an executory contract or unexpired lease would generally require the Debtors to cure outstanding defaults under such contract or lease.

Other Key Filings

On June 16, 2021, the Committee filed two motions seeking standing to prosecute certain claims on behalf of the Debtors against Delta Airlines, Inc. (the "Delta Motion") and Qatar Airways O.C.S.C. (the "Qatar Motion", and together with the Delta Motion, (the "Standing Motions")), which were opposed by certain parties. In connection with the negotiation of the RSA, the Plan provided for the full settlement and release for Qatar and Delta of all potential claims described in the Standing Motions upon the effective date of the Plan. As the Plan became effective on November 3, 2022, such claims have been released.

Statements and Schedules

On September 8, 2020, each of the Debtors filed Schedules of Assets and Liabilities ("Schedules") and Statements of Financial Affairs ("Statements") that described the Debtors' financial circumstances as of their respective Petition Date. On August 13, 2021 and December 3, 2021, certain Debtors filed amended Schedules that supplemented and amended the initial Schedules.

From the Petition Date through the Plan Effective Date (as defined in the Plan), the Company was also required to file "Monthly Operating Reports" (MORs) to disclose the receipt, administration and disposition of property by the Debtors during the pendency of the Chapter 11 Cases. After the Effective Date, the Company will be required to file a more streamlined "Post-confirmation Report" (PCR) each calendar quarter until the Chapter 11 Cases of LATAM Parent are closed.

While the Reorganized Debtors believe that these materials provide the information required by the Bankruptcy Code and Bankruptcy Court, they are nonetheless unaudited documents that are prepared in a format different from the consolidated financial reports historically prepared by LATAM in accordance with IFRS (International Financial Reporting Standards). For example, certain of the debtor-specific information contained in the Statements and Schedules may normally be prepared on an unconsolidated basis in the ordinary course. Accordingly, the Reorganized Debtors believe that the substance and format of these materials may not allow meaningful comparison with their regularly publicly-disclosed consolidated financial statements. Moreover, the materials filed with the Bankruptcy Court are not prepared for the purpose of providing a basis for an investment decision relating to the Reorganized Debtors' securities, or claims against the Reorganized Debtors, or for comparison with other financial information required to be reported under applicable securities law.

Bearing in mind that November 3, 2022 was the Effective Date of the reorganization plan approved and confirmed in the main proceeding, on November 10, 2022, the representative of the foreign proceeding submitted to the court his last monthly report in accordance with the Protocol of Cross Border Communications.

Intercompany and Affiliate Transactions

On January 10, 2022, the Committee filed an objection with respect to an intercompany claim asserted by LATAM Finance Ltd. against Peuco Finance Ltd. The Bankruptcy Court held a hearing on the objection on March 10, 2022. Post-hearing briefs were submitted by the parties on March 17, 2022, and closing arguments were held on March 18, 2022. On April 29, 2022, the Court entered a decision and order overruling the objection (the "Intercompany Claim Decision"). On May 13, 2022, the Committee appealed the Intercompany Claim Decision to the District Court. On May 26, 2022 the District Court granted a joint motion of the Debtors and the Committee to stay such appeal until the effective date of the Plan. Following the Effective Date, the Committee sought to dismiss the appeal, and the District Court entered an order dismissing the appeal on November 7, 2022.

Debtor-in-Possession Financing and Exit Financing

As previously reported, on June 10, 2022 the Debtors entered into debt commitment letters (the "Exit Financing Commitment Letters") providing commitments from various lenders for (i) an approximately US$1.170 billion of junior debtor-in-possession term loan facility (the "Junior DIP Facility"); (ii) a US$500 million debtor-in-possession and exit revolving credit facility (the "Revolving Facility"), (iii) a US$750 million debtor-in-possession and exit term loan B credit facility (the "Term Loan B Facility"; together with the Revolving Facility, the "Credit Facilities"), (iv) a US$750 million debtor-in-possession and exit bridge loan facility (the "Bridge to 5Y Notes Facility") and (v) US$750 million debtor-in-possession and exit bridge loan facility (the "Bridge to 7Y Notes Facility" and together with the Bridge to 5Y Notes Facility, and the Credit Facilities, the "Debt Facilities"). According to the terms of the Exit Financing Commitment Letters, the committed amounts under the Term Loan B Facility and the Bridge Facilities could be reallocated amount such facilities. The Debt Facilities were structured to remain in place after the emergence of the Reorganized Debtors from the Chapter 11, subject to the satisfaction of certain conditions at emergence (the "Conversion Date").

In the context of the Company's exit from Chapter 11, on October 12, the Consolidated and Amended DIP Financing Agreement was paid in full. The repayment has been made entirely with funds from (i) a Junior DIP Financing of approximately US$1,146 million; (ii) a US$500 million Revolving Credit Line; (iii) a Term B Loan of US$750 million; (iv) a 5-year Bond Bridge Loan of US$750 million (v) a 7-year Bond Bridge Loan of US$750 million.

On October 18, 2022, the Bridge Loans were partially repaid by: i) a bond issue exempt from registration under U.S. Securities Act of 1933, as amended (the "Securities Act"), pursuant to Rule 144A and Regulation S, both under the Securities Act, due 2027 (the "5-Year Bonds"), by a total principal amount of US$450 million and ii) a bond issue exempt from registration under the Securities Law pursuant to Rule 144A and Regulation S, both under the Securities Law, due 2029 (the "Bonds to 7 Years"), for a total principal amount of US$700 million.

Additionally, on November 3, the repayment of the Bridge Loans and the junior DIP was completed with the proceeds from the Exit Financing, which was made up of: US$450 million in senior guaranteed bonds maturing in 2027, US$700 million in senior secured notes due 2029 and an incremental "Term Loan B" loan for US$350 million

Establishment of Bar Dates and Claims Reconciliation

On September 24, 2020, the Bankruptcy Court entered an order (the "Bar Date Order") establishing December 18, 2020, as the general deadline (the "General Bar Date") by which persons or entities (other than governmental units) who believe they hold any claims (other than certain damages claims arising out of the rejection of executory contracts or unexpired leases) against any Debtor that arose prior to the Petition Date, as applicable to each Debtor, must have submitted written documentation of such claims (a "Proof of Claim"). On December 17, 2020, the Court entered an order (the "Supplemental Bar Date Order") establishing a supplemental bar date of February 5, 2021 (the "Supplemental Bar Date"), for certain non-U.S. claimants not otherwise subject to the General Bar Date. Any person or entity that failed to timely file its Proof of Claim by the applicable Bar Date will be forever barred from asserting their claim and will not receive any distributions made as part of the ultimate plan of reorganization. On the Effective Date, the Reorganized Debtors established December 3, 2022 as the deadline (the "Administrative Expense Bar Date") by which persons or entities (other than those exempted under the Plan) must submit a Proof of Claim establishing their claim against the Reorganized Debtors for costs and expenses of administration of the Chapter 11 proceedings.

Following the close of the General Bar Date, the Supplemental Bar Date, and the Administrative Expense Bar Date, the Reorganized Debtors have continued the process of reconciling approximately 6,575 submitted claims. As of December 31, 2022, the Reorganized Debtors have objected to or have resolved through claims withdrawals, stipulations and court orders approximately 5,030 claims with a total value of approximately US$ 163.5 billion. As the Reorganized Debtors continue to reconcile claims against the Company's books and records, they will object to and contest such claims that they determine are not valid or are not asserted in the proper amount or classification and will resolve other claims disputes in and outside of the Bankruptcy Court.

A Claim is recorded as a liability when it has a present obligation, whether legal or constructive, as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the obligation amount can be made. Under the Plan, a further 1,352 litigation claims will ride through. As of December 31, 2022, approximately 64 of the Claims filed against the Debtors are still being reconciled with an estimated total value of approximately US$ 354.7 million.

2.2. Basis of Consolidation

(a) Subsidiaries

Subsidiaries are all the entities (including special-purpose entities) over which the Company has the power to control the financial and operating policies, which are generally accompanied by a holding of more than half of the voting rights. In evaluating whether the Company controls another entity, the existence and effect of potential voting rights that are currently exercisable or convertible at the date of the consolidated financial statements are considered. The subsidiaries are consolidated from the date on which control is passed to the Company and they are excluded from the consolidation on the date they cease to be so controlled. The results and cash are incorporated from the date of acquisition.

Balances, transactions and unrealized gains on transactions between the Company's entities are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment loss of the asset transferred. When necessary, in order to ensure uniformity with the policies adopted by the Company, the accounting policies of the subsidiaries are modified.

To account for and identify the financial information to be disclosed when carrying out a business combination, such as the acquisition of an entity by the Company, the acquisition method provided for in IFRS 3: Business combinations is used.

(b) Transactions with non-controlling interests

The Group applies the policy of considering transactions with non-controlling interests, when not related to the loss of control, as equity transactions without an effect on income.

(c) Sales of subsidiaries

When a subsidiary is sold and a percentage of participation is not retained, the Company derecognizes the assets and liabilities of the subsidiary, the non-controlling interest and other components of equity related to the subsidiary. Any gain or loss resulting from the loss of control is recognized in the consolidated income statement by function within Other gains (losses).

If LATAM Airlines Group S.A. and Subsidiaries retain an ownership of participation in the disposed subsidiary which does not represent control, this is recognized at fair value on the date that control is lost and the amounts previously recognized in Other comprehensive income are accounted as if the Company had disposed directly the assets and related liabilities, which can cause these amounts to be reclassified to profit or loss. The percentage retained valued at fair value is subsequently accounted using the equity method.

(d) Investees or associates

Investees or associates are all entities over which LATAM Airlines Group S.A. and Subsidiaries have significant influence but have no control. This usually arises from holding between 20% and 50% of the voting rights. Investments in associates are booked using the equity method and are initially recognized at their cost.

2.3. Foreign currency transactions

(a) Presentation and functional currencies

The items included in the financial statements of each of the entities of LATAM Airlines Group S.A. and Subsidiaries are valued using the currency of the main economic environment in which the entity operates (the functional currency). The functional currency of LATAM Airlines Group S.A. is the United States dollar which is also the presentation currency of the consolidated financial statements of LATAM Airlines Group S.A. and Subsidiaries.

(b) Transactions and balances

Foreign currency transactions are translated to the functional currency using the exchange rates on the transaction dates. Foreign currency gains and losses resulting from the liquidation of these transactions and from the translation at the closing exchange rates of the monetary assets and liabilities denominated in foreign currency are shown in the consolidated statement of income by function except when deferred in Other comprehensive income as qualifying cash flow hedges.

(c) Adjustment due to hyperinflation

After July 1, 2018, the Argentine economy was considered, for purposes of IFRS, hyperinflationary. The consolidated financial statements of the subsidiaries whose functional currency is the Argentine Peso have been restated.

The non-monetary items of the statement of financial position as well as the income statement, comprehensive income and cash flows of the group's entities, whose functional currency corresponds to a hyperinflationary economy, are adjusted for inflation and re-expressed in accordance with the variation of the consumer price index ("CPI"), at each presentation date of its financial statements. The re-expression of non-monetary items is made from the date of initial recognition in the statements of financial position and considering that the financial statements are prepared under the historical cost criterion.

Net losses or gains arising from the re-expression of non-monetary items and income and costs are recognized in the consolidated income statement under "Result of indexation units".

Net gains and losses on the re-expression of opening balances due to the initial application of IAS 29 are recognized in consolidated retained earnings.

Re-expression due to hyperinflation will be recorded until the period or exercise in which the economy of the entity ceases to be considered as a hyperinflationary economy. At that time, the adjustments made by hyperinflation will be part of the cost of non-monetary assets and liabilities.

The comparative amounts in the consolidated financial statements of the Company are presented in a stable currency and are not adjusted for subsequent changes in the price level or exchange rates.

(d) Group entities

The results and the financial situation of the Group's entities, whose functional currency is different from the presentation currency of the consolidated financial statements, of LATAM Airlines Group S.A., which does not correspond to the currency of a hyperinflationary economy, are converted into the currency of presentation as follows:

(i) Assets and liabilities of each consolidated statement of financial position presented are translated at the closing exchange rate on the consolidated statement of financial position date;

(ii) The revenues and expenses of each income statement account are translated at the exchange rates prevailing on the transaction dates, and

(iii) All the resultant exchange differences by conversion are shown as a separate component in other comprehensive income, within "Gain (losses) from exchange rate difference, before tax".

For those subsidiaries of the group whose functional currency is different from the presentation currency and, moreover, corresponds to the currency of a hyperinflationary economy; its restated results, cash flow and financial situation are converted to the presentation currency at the closing exchange rate on the date of the consolidated financial statements.

The exchange rates used correspond to those fixed in the country where the subsidiary is located, whose functional currency is different to the U.S. dollar.

2.4. Property, plant and equipment

The land of LATAM Airlines Group S.A. and Subsidiaries, are recognized at cost less any accumulated impairment loss. The rest of the Properties, plants and equipment are recorded, both in their initial recognition and in their subsequent measurement, at their historical cost, restated for inflation when appropriate, less the corresponding depreciation and any loss due to impairment.

The amounts of advances paid to the aircraft manufacturers are capitalized by the Company under Construction in progress until they are received.

Subsequent costs (replacement of components, improvements, extensions, etc.) are included in the value of the initial asset or are recognized as a separate asset, only when it is probable that the future economic benefits associated with the elements of property, plant and equipment, will flow to the Company and the cost of the item can be determined reliably. The value of the replaced component is written off. The rest of the repairs and maintenance are charged to income when they are incurred.

The depreciation of the properties, plants and equipment is calculated using the linear method over their estimated technical useful lives; except in the case of certain technical components which are depreciated on the basis of cycles and hours flown. This charge is recognized in the captions "Cost of sale" and "Administrative expenses".

The residual value and the useful life of the assets are reviewed and adjusted, if necessary, once a year. Useful lives are detailed in Note 16 (d).

When the value of an asset exceeds its estimated recoverable amount, its value is immediately reduced to its recoverable amount.

Losses and gains from the sale of property, plant and equipment are calculated by comparing the consideration with the book value and are included in the consolidated statement of income.

2.5. Intangible assets other than goodwill

(a) Airport slots and Loyalty program

Airport slots and the Loyalty program correspond to intangible assets with indefinite useful lives and are annually tested for impairment as an integral part of the CGU Air Transport.

Airport Slots correspond to an administrative authorization to carry out operations of arrival and departure of aircraft, at a specific airport, within a certain period of time.

The Loyalty program corresponds to the system of accumulation and exchange of points that is part of TAM Linhas Aereas S.A.

The airport slots and Loyalty program were recognized at fair value under IFRS 3, as a consequence of the business combination with TAM S.A. and Subsidiaries.

(b) Computer software

Licenses for computer software acquired are capitalized on the basis of the costs incurred in acquiring them and preparing them for using the specific software. These costs are amortized over their estimated useful lives, for which the Company has defined useful lives between 3 and 10 years.

Expenses related to the development or maintenance of computer software which do not qualify for capitalization, are shown as an expense when incurred. The personnel costs and other costs directly related to the production of unique and identifiable computer software controlled by the Company, are shown as intangible Assets other than Goodwill when they have met all the criteria for capitalization.

(c) Brands

The Brands were acquired in the business combination with TAM S.A. and Subsidiaries and, recognized at fair value under IFRS 3. The Company has defined a useful life of five years, period in which the value of the brands will be amortized (see note 15).

2.6. Borrowing costs

Interest costs incurred for the construction of any qualified asset are capitalized over the time necessary for completing and preparing the asset for its intended use. Other interest costs are recognized in the consolidated statement of income by function when accrued.

2.7. Losses for impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Assets subject to amortization are tested for impairment losses whenever any event or change in circumstances indicates that the carrying amount may not be recoverable. An impairment loss is recognized for the excess of the carrying amount of the asset over its recoverable amount. The recoverable amount is the fair value of an asset less the costs of sale or the value in use, whichever is greater. For the purpose of evaluating impairment losses, assets are grouped at the lowest level for which there are largely independent cash inflows (cash generating unit. Non-financial assets, other than goodwill, that would have suffered an impairment loss are reviewed if there are indicators of reversal of losses. Impairment losses are recognized in the consolidated statement of income by function under “Other gains (losses)”.

2.8. Financial assets

The Company classifies its financial assets in the following categories: at fair value (either through other comprehensive income, or through gains or losses), and at amortized cost. The classification depends on the business model of the entity to manage the financial assets and the contractual terms of the cash flows.

The group reclassifies debt investments when, and only when, it changes its business model to manage those assets.

In the initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset classified at amortized cost, the transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets accounted for at fair value through profit or loss are recorded as expenses in the consolidated statement of income by function.

(a) Debt instruments

The subsequent measurement of debt instruments depends on the group’s business model to manage the asset and cash flow characteristics of the asset. The Company has two measurement categories in which the group classifies its debt instruments:

Amortized cost: the assets held for the collection of contractual cash flows where those cash flows represent only payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in income when the asset is derecognized or impaired. Interest income from these financial assets is included in financial income using the effective interest rate method.

Fair value through profit or loss: assets that do not meet the criteria of amortized cost or fair value through other comprehensive income are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognized in profit or loss and is presented net in the consolidated statement of income by function within other gains / (losses) in the period or exercise in which it arises.

(b) Equity instruments

Changes in the fair value of financial assets at fair value through profit or loss are recognized in other gains / (losses) in the consolidated statement of income by function as appropriate.

The Company evaluates in advance the expected credit losses associated with its debt instruments recorded at amortized cost. The applied impairment methodology depends on whether there has been a significant increase in credit risk.

2.9. Derivative financial instruments and embedded derivatives

Derivative financial instruments and hedging activities

Initially at fair value on the date on which the derivative contract was made and are subsequently valued at their fair value. The method to recognize the resulting loss or gain depends on whether the derivative designated as a hedging instrument and, if so, the nature of the item being hedged.

The Company designates certain derivatives as:

(a) Hedge of an identified risk associated with a recognized liability or an expected highly- probable transaction (cash-flow hedge), or

(b) Derivatives that do not qualify for hedge accounting.

At the beginning of the transaction, the Company documents the economic relationship between the hedged items existing between the hedging instruments and the hedged items, as well as its objectives for risk management and the strategy to carry out various hedging operations. The Company also documents its assessment, both at the beginning and on an ongoing basis, as to whether the derivatives used in the hedging transactions are highly effective in offsetting the changes in the fair value or cash flows of the items being hedged.

The total fair value of the hedging derivatives is booked as Other non-current financial asset or liability if the remaining maturity of the item hedged is over 12 months, and as an Other current financial asset or liability if the remaining term of the item hedged is less than 12 months. Derivatives not booked as hedges are classified as Other financial assets or liabilities.

(a) Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is shown in the statement of other comprehensive income. The loss or gain relating to the ineffective portion is recognized immediately in the consolidated statement of income by function under other gains (losses). Amounts accumulated in equity are reclassified to profit or loss in the periods or exercise when the hedged item affects profit or loss. When these amounts correspond to hedging derivatives of highly probable items that give rise to non-financial assets or liabilities, in which case, they are recorded as part of the non-financial assets or liabilities.

For fuel price hedges, the amounts shown in the statement of other comprehensive income are reclassified to results under the line item Cost of sales to the extent that the fuel subject to the hedge is used.

Gains or losses related to the effective part of the change in the intrinsic value of the options are recognized in the cash flow hedge reserve within equity. Changes in the time value of the options related to the part are recognized within Other Consolidated Comprehensive Income in the costs of the hedge reserve within equity.

When a hedging instrument mature, is sold or fails to meet the requirements to be accounted for as a hedges, any gain or loss accumulated in the statement of Other comprehensive income until that moment, remains in the statement of other comprehensive income and is reclassified to the consolidated statement of income when the hedged transaction is finally recognized.

When it is expected that the hedged transaction is no longer going to occur, the gain or loss accumulated in the statement of other comprehensive income is taken immediately to the consolidated statement of income by function as “Other gains (losses)”.

(b) Derivatives not booked as a hedge

The changes in fair value of any derivative instrument that is not booked as a hedge are shown immediately in the consolidated statement of income in “Other gains (losses)”.

Embedded derivatives

The Company assesses the existence of embedded derivatives in financial instrument contracts. Derivatives embedded in non-derivative host contracts are treated as separate derivatives when they meet the definition of a derivative, their risks and characteristics are not closely related to those of the host contracts and the contracts are not measured at FVTPL as a whole. LATAM Airlines Group S.A. has determined that no embedded derivatives currently exist.

2.10. Inventories

Inventories, are shown at the lower of cost and their net realizable value. The cost is determined on the basis of the weighted average cost method (WAC). The net realizable value is the estimated selling price in the normal course of business, less estimated costs necessary to make the sale.

2.11. Trade and other accounts receivable

Commercial accounts receivable are initially recognized at their fair value and subsequently at their amortized cost in accordance with the effective rate method, less the provision for impairment according to the model of the expected credit losses. The Company applies the simplified approach permitted by IFRS 9, which requires that expected lifetime losses be recognized upon initial recognition of accounts receivable.

In the event that the Company transfers its rights to any financial asset (generally accounts receivable) to a third party in exchange for a cash payment, the Company evaluates whether all risks and rewards have been transferred, in which case the account receivable is derecognized.

The existence of significant financial difficulties on the part of the debtor, the probability that the debtor goes bankrupt or financial reorganization are considered indicators of a significant increase in credit risk.

The carrying amount of the asset is reduced as the provision account is used and the loss is recognized in the consolidated income statement under “Cost of sales”. When an account receivable is written off, it is regularized against the provision account for the account receivable.

2.12. Cash and cash equivalents

Cash and cash equivalents include cash and bank balances, time deposits in financial institutions, and other short-term and highly liquid investments and a low risk of loss of value.

2.13. Capital

The common shares are classified as net equity.

Incremental costs directly attributable to the issuance of new shares or options are shown in net equity as a deduction from the proceeds received from the placement of shares.

2.14. Trade and other accounts payables

Trade payables and other accounts payable are initially recognized at fair value and subsequently at amortized cost.

2.15. Interest-bearing loans

Financial liabilities are shown initially at their fair value, net of the costs incurred in the transaction. Later, these financial liabilities are valued at their amortized cost; any difference between the proceeds obtained (net of the necessary arrangement costs) and the repayment value, is shown in the consolidated statement of income during the term of the debt, according to the effective interest rate method.

Financial liabilities are classified in current and non-current liabilities according to the contractual payment dates of the nominal principal.

Convertible Notes

The component parts of the convertible notes issued by LATAM are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recorded as a liability on an amortized cost basis using the effective interest method until extinguished upon conversion or at the instrument’s maturity date. The conversion option classified as equity is determined by the deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognized and included in other equity, net of income tax effects. and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in other equity until the conversion option is exercised, in which case, the balance recognized in other equity will be transferred to share capital. Where the conversion option remains unexercised at maturity date of the convertible bond, the balance recognized in other equity will be transferred to retained earnings. No gain or loss is recognized in profit or loss upon conversion or expiration of the conversion option.

Transaction costs that relate to the issue of the convertible notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are charged directly to equity.

2.16. Current and deferred taxes

The tax expense for the period or exercise comprises income and deferred taxes.

The current income tax expense is calculated based on tax laws enacted at the date of the statement of financial position, in the countries in which the subsidiaries and associates operate and generate taxable income.

Deferred taxes are recognized on the temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred income tax is not accounted for if it arises from the initial recognition of an asset or a liability in a transaction other than a business combination that at the time of the transaction does not affect the accounting or the taxable profit or loss. Deferred tax is determined using the tax rates (and laws) that have been enacted or substantially enacted at the date of the consolidated statements of financial position and are expected to apply when the related deferred tax asset is realized or the deferred tax liability discharged.

Deferred tax assets are recognized only to the extent it is probable that the future taxable profit will be available against which the temporary differences can be utilized.

The tax (current and deferred) is recognized in the statement of income by function, unless it relates to an item recognized in other comprehensive income, directly in equity. In this case the tax is also recognized in other comprehensive income or, directly in the statement of income by function, respectively.

Deferred tax assets and liabilities are offset if, and only if:

(a) there is a legally enforceable right to set off current tax assets and liabilities, and

(b) the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either: (i) the same taxable entity, or (ii) different taxable entities which intend to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

2.17. Employee benefits

(a) Personnel vacations

The Company recognizes the expense for personnel vacations on an accrual basis.

(b) Share-based compensation

The compensation plans implemented based on the value of the shares of the Company are recognized in the consolidated financial statements in accordance with IFRS 2: Share-based payments. For equity settled plans the fair value is recorded in equity with a charge to remuneration in a linear manner between the grant of said options and the date on which they become vested. For cash settled awards the fair value, updated as of the closing date of each reporting period or exercise, is recorded as a liability with charge to remuneration.

(c) Post-employment and other long-term benefits

Provisions are made for these obligations by applying the method of the projected unit credit method, and considering estimates of future permanence, mortality rates and future wage increases determined on the basis of actuarial calculations. The discount rates are determined by reference to market interest-rate curves. Actuarial gains or losses are shown in other comprehensive income.

(d) Incentives

The Company has an annual incentives plan for its personnel for compliance with objectives and individual contribution to the results. The incentives eventually granted consist of a given number or portion of monthly remuneration and the provision is made on the basis of the amount estimated for distribution.

(e) Termination benefits

The group recognizes termination benefits at the earlier of the following dates: (a) when the group terminates the employee relationship; and (b) when the entity recognizes costs for a restructuring that is within the scope of IAS 37 and involves the payment of terminations benefits.

2.18. Provisions

Provisions are recognized when:

(i) The Company has a present legal or constructive obligation as a result of a past event;

(ii) It is probable that payment is going to be required to settle an obligation; and

(iii) A reliable estimate of the obligation amount can be made.

2.19. Revenue from contracts with customers

(a) Transportation of passengers and cargo

The Company recognizes the sale for the transportation service as a deferred income liability, which is recognized as income when the transportation service has been provided or expired. In the case of air transport services sold by the Company and that will be made by other airlines, the liability is reduced when they are remitted to said airlines. The Company periodically reviews whether it is necessary to make an adjustment to deferred income liabilities, mainly related to returns, changes, among others.

Compensations granted to clients for changes in the levels of services or billing of additional services such as additional baggage, change of seat, among others, are considered modifications of the initial contract, therefore, they are deferred until the corresponding service is provided.

(b) Expiration of air tickets

The Company estimates on a monthly basis the probability of expiration of air tickets, with refund clauses, based on their history of use. Air tickets without a refund clause expire on the date of the flight in case the passenger does not show up.

(c) Costs associated with the contract

The costs related to the sale of air tickets are capitalized and deferred until the moment of providing the corresponding service. These assets are included under the heading “Other current non-financial assets” in the Consolidated Classified Statement of Financial Position.

(d) Frequent passenger program

The Company maintains the following loyalty programs: LATAM Pass and LATAM Pass Brasil, whose objective is building customer loyalty through the delivery of miles or points.

These programs give their frequent passengers the possibility of earning LATAMPASS’s miles or points, which grant the right to a selection of both air and non-air awards. Additionally, the Company sells the LATAMPASS miles or points to financial and non-financial partners through commercial alliances to award miles or points to their customers.

To reflect the miles and points earned, the loyalty program mainly includes two types of transactions that are considered revenue arrangements with multiple performance obligations: (1) Passenger Ticket Sales Earning miles or points (2) miles or points sold to financial and non-financial partner

(1) Passenger Ticket Sales Earning Miles or Points.

In this case, the miles or points are awarded to customers at the time that the company performs the flight.

To value the miles or points earned with travel, we consider the quantitative value a passenger receives by redeeming miles for a ticket rather than paying cash, which is referred to as Equivalent Ticket Value (“ETV”). Our estimate of ETV is adjusted for miles and points that are not likely to be redeemed (“breakage”).

The balance of miles and points that are pending to redeem are included within deferred revenue.

(2) Miles sold to financial and non-financial partners

To value the miles or points earned through financial and non-financial partners,the performance obligations with the client are estimated separately. To calculate these performance obligations, different components that add value in the commercial contract must be considered, such as marketing, advertising and other benefits, and finally the value of the points awarded to customers based on our ETV. The value of each of these components is finally allocated in proportion to their relative prices. The performance obligations associated with the valuation of the points or miles earned become part of the Deferred Revenue, and the remaining performance obligations are recorded as revenue when the miles or points are delivered to the client.

When the miles and points are exchanged for products and services other than the services provided by the Company, the income is recognized immediately; when the exchange is made for air tickets of any airline of LATAM Airlines Group S.A. and subsidiaries, the income is deferred until the air transport service is provided.

The miles and points that the Company estimates will not be exchanged are recognized in the results based on the consumption pattern of the miles or points effectively exchanged by customers. The Company uses statistical models to estimate the probability of exchange, which is based on historical patterns and projections.

(e) Dividend income

Dividend income is recognized when the right to receive payment is established.

2.20. Leases

The Company recognizes contracts that meet the definition of a lease as a right of use asset and a lease liability on the date when the underlying asset is available for use.

Right of use assets are measured at cost including the following:

- The amount of the initial measurement of the lease liability;
- Lease payment made at or before commencement date;
- Initial direct costs, and
- Restoration costs.

The right of use assets are recognized in the statement of financial position in Property, plant and equipment.

Lease liabilities include the net present value of the following payments:

- Fixed payments including in substance fixed payment.
- Variable lease payments that depend on an index or a rate;
- The exercise price of a purchase option, if it is reasonably certain that the option will be exercised.

The discount rate that LATAM uses is the interest rate implicit in the lease, if that rate can be readily determined. This is the rate of interest that causes the present value of (a) lease payments and (b) the unguaranteed residual value to equal the sum of (i) the fair value of the underlying asset and (ii) any initial direct costs of the lessor.

LATAM uses its incremental borrowing rate if the interest rate implicit in the lease cannot be readily determined.

Lease liabilities are recognized in the statement of financial position under Other financial liabilities, current or non-current.

Interest accrued on financial liabilities is recognized in the consolidated statement of income in “Financial costs”.

Principal and interest are present in the consolidated cash flow as “Payments of lease liability” and “Interest paid”, respectively, within financing cash flows.

Payments associated with short-term leases without purchase options and leases of low-value assets are recognized on a straight-line basis in profit or loss at the time of accrual. Those payments are presented within operating cash flows.

The Company analyzes the financing agreements of aircraft, mainly considering characteristics such as:

(a) That the Company initially acquired the aircraft or took an important part in the process of direct acquisition with the manufacturers.

(b) Due to the contractual conditions, it is virtually certain that the Company will execute the purchase option of the aircraft at the end of the lease term.

Since these financing agreements are “substantially purchases” and not leases, the related liability is considered as a financial debt classified under IFRS 9 and continues to be presented within the “Other financial liabilities” described in Note 18. On the other hand, the aircraft are presented in Property, Plant and Equipment, as described in Note 16, as “own aircraft”.

The Group qualifies as sale and lease transactions, operations that lead to a sale according to IFRS 15. More specifically, a sale is considered as such if there is no option to purchase the goods at the end of the lease term.

If the sale by the seller-lessee is classified as a sale in accordance with IFRS 15, the underlying asset is derecognized, and a right-of-use asset equal to the portion retained proportionally of the amount of the asset is recognized.

If the sale by the seller-lessee is not classified as a sale in accordance with IFRS 15, the transferred assets are kept in the financial statements and a financial liability equal to the sale price is recognized (received from the buyer-lessor).

The Company has applied the practical solution allowed by IFRS 16 for those contracts that meet the established requirements and that allows a lessee to choose not to evaluate if the concessions that it obtains derived from COVID-19 are a modification of the lease.

2.21. Non-current assets or disposal groups classified as held for sale

Non-current assets (or disposal groups) classified as assets held for sale are shown at the lesser of their book value and the fair value less costs to sell.

2.22. Maintenance

The costs incurred for scheduled heavy maintenance of the aircraft's fuselage and engines are capitalized and depreciated until the next maintenance. The depreciation rate is determined on technical grounds, according to the use of the aircraft expressed in terms of cycles and flight hours.

In case of aircraft include in property, plant and equipment, these maintenance cost are capitalized as Property, plant and equipment, while in the case of aircraft on right of use, a liability is accrued based on the use of the main components is recognized, since a contractual obligation with the lessor to return the aircraft on agreed terms of maintenance levels exists. These are recognized as Cost of sales.

Additionally, some contracts that comply with the definition of lease establish the obligation of the lessee to make deposits to the lessor as a guarantee of compliance with maintenance and return conditions. These deposits, often called maintenance reserves, accumulate until a major maintenance is performed. Once made, the recovery is requested to the lessor. At the end of the contract period, there is comparison between the reserves that have been paid and required return conditions, and compensation between the parties are made if applicable.

The unscheduled maintenance of aircraft and engines, as well as minor maintenance, are charged to results as incurred.

2.23. Environmental costs

Disbursements related to environmental protection are charged to results when incurred or accrue.

NOTE 3 - FINANCIAL RISK MANAGEMENT

3.1. Financial risk factors

The Company is exposed to different financial risks: (a) market risk, (b) credit risk, and (c) liquidity risk. The risk management of the Company aims to minimize the adverse effects of financial risks affecting the company.

(a) Market risk

Due to the nature of its operations, the Company has exposure to market factors such as: (i) fuel-price risk, (ii) exchange -rate risk (FX), and (iii) interest -rate risk.

The Company has developed policies and procedures to manage the market risk, which goal is to identify, quantify, monitor and mitigate the adverse effects of changes in market factors mentioned above.

For the foregoing, Management monitors the evolution of fuel price levels, exchange rates and interest rates, quantifies their exposures and their risk, and develops and executes hedging strategies.

(i) Fuel-price risk

Exposure:

For the execution of its operations, the Company purchases a fuel called Jet Fuel grade 54 USGC, which is subject to the fluctuations of international fuel prices.

Mitigation:

To hedge the fuel-price risk exposure, the Company operates with derivative instruments (swaps and options) whose underlying assets may be different from Jet Fuel, such as West Texas Intermediate ("WTI") crude, Brent ("BRENT") crude and distillate Heating Oil ("HO"), which may have a high correlation with Jet Fuel and greater liquidity.

Fuel Hedging Results:

During the period ended December 31, 2022, the Company recognized gains of US$ 18.8 million for fuel hedging net of premiums in the costs of sales for the year. During the period ended December 31, 2021, the Company recognized gains of US$ 10.1 million for fuel hedging net of premiums in the costs of sales for the year.

As of December 31, 2022, the market value of the fuel positions amounted to US$12.6 million (positive). At the end of December 2021, this market value was US$ 17.6 million (positive).

The following tables show the level of hedge for different periods:

Positions as of December 31, 2022 (*)	Maturities				
	Q123	Q223	Q323	Q423	Total
Percentage of coverage over the expected volume of consumption	24%	24%	15%	5%	17%

(*) The percentage shown in the table considers all the hedging instruments (swaps and options).

Positions as of December 31, 2021 (*)	Maturities				
	Q122	Q222	Q322	Q422	Total
Percentage of coverage over the expected volume of consumption	25%	30%	17%	14%	21%

(*) The volume shown in the table considers all the hedging instruments (swaps and options).

Sensitivity analysis

A drop in fuel price positively affects the Company through a reduction in costs. However, also negatively affects contracted positions as these are acquired to protect the Company against the risk of a rise in price. Therefore, the policy is to maintain a hedge-free percentage in order to be competitive in the event of a drop in price.

The current hedge positions are booked as cash flow hedge contracts, so a variation in the fuel price has an impact on the Company's net equity.

The following table shows the sensitivity of financial instruments according to reasonable changes in the price of fuel and their effect on equity.

The calculations were made considering a parallel movement of US$ 5 per barrel in the underlying reference price curve at the end of December 2022 and the end of December 2021. The projection period was defined until the end date of the last contract in force, corresponding to the last business day of the fourth quarter 2023.

Benchmark price (US$ per barrel)	Positions as of December 31, 2022 effect on Equity (MUS$)	Positions as of December 31, 2021 effect on Equity (MUS$)
+5	+2.2	+2.7
-5	-2.3	-3.3

Given the fuel coverage structure for the year 2022, which considers a portion free of hedges, a vertical drop of 5 dollars in the JET reference price (considered as the monthly daily average), would have meant an impact of approximately US$ 123 million lower fuel cost. For the same period, a vertical rise of 5 dollars in the JET reference price (considered as the monthly daily average), would have meant an approximate impact of US$ 122.1 million in higher fuel costs.

(ii) Foreign exchange rate risk:

Exposure:

The functional currency of the financial statements of the Parent Company is the US dollar, so that the risk of the Transactional and Conversion exchange rate arises mainly from the Company's business, strategic and accounting operating activities that are expressed in a monetary unit other than the functional currency.

The subsidiaries of LATAM are also exposed to foreign exchange risk whose impact affects the Company's Consolidated Income.

The largest operational exposure to LATAM's exchange risk comes from the concentration of businesses in Brazil, which are mostly denominated in Brazilian Real (BRL), and are actively managed by the Company.

At a lower concentration, the Company is also exposed to the fluctuation of other currencies, such as: Euro, Pound sterling, Australian dollar, Colombian peso, Chilean peso, Argentine peso, Paraguayan guarani, Mexican peso, Peruvian Sol and New Zealand dollar.

Mitigation:

The Company mitigates currency risk exposures by contracting hedging or non-hedging derivative instruments or through natural hedges or execution of internal operations.

Exchange Rate Hedging Results (FX):

As of December 31, 2022, the Company recognized gains of US$ 5,2 million for FX hedging derivatives net of premiums in sales revenue for the year. At the end of December 2021, the Company did not recognize gains or losses for FX hedging derivatives.

As of December 31, 2022, the market value of hedging FX derivative positions is US$ 0,2 million (positive). As of December 31, 2022, the Company has current hedging FX derivatives for MUS$ 108. As of December 31, 2021, the Company has no current hedging FX derivatives.

During the period ended December 31, 2022, the Company recognized losses of US$ 1,8 million for FX non-hedging derivatives, net of premiums in the costs of sales for the year. As of December 31, 2022, the Company does not maintain current non-hedged FX derivatives. At the end of December 2021, the Company did not recognize gains or losses for FX non-hedging derivatives.

Sensitivity analysis:

A depreciation of the R$/US$ exchange rate, negatively affects the Company's operating cash flows, however, also positively affects the value of the positions of derivatives contracted.

The following table shows the sensitivity of current hedging FX derivative instruments according to reasonable changes in the exchange rate and its effect on equity.

Appreciation (depreciation) of R$/US$	Effect on equity as of December 31, 2022 (MUS$)	Effect on equity as of December 31, 2021 (MUS$)
-10%	-2.9	-
+10%	+3.0	-

As of December 31, 2022, the Company does not have currency Swap derivatives. At the end of December 2021, the Company did not have currency Swap derivatives.

Impact of Exchange rate variation in the Consolidated Income Statements (Foreign exchange gains/losses)

In the case of TAM S.A., whose functional currency is the Brazilian real, a large part of its liabilities is expressed in US dollars. Therefore, when converting financial assets and liabilities, from dollar to real, they have an impact on the result of TAM S.A., which is consolidated in the Company's Income Statement.

In order to reduce the impact on the Company's result caused by appreciations or depreciations of R$/US$, the Company carries out internal operations to reduce the net exposure in US$ for TAM S.A.

The following table shows the impact of the Exchange Rate variation on the Consolidated Income Statement when the R$/US$ exchange rate appreciates or depreciates by 10%:

Appreciation (depreciation) of R$/US$	Effect on Income Statement for the period ended December 31, 2022 (MUS$)	Effect on Income Statement for the period ended December 31, 2021 (MUS$)
-10%	+70.7	+51.9
+10%	-70.7	-51.9

Impact of the exchange rate variation in the Equity, from translate the subsidiaries financial statements into US Dollars (Cumulative Translate Adjustment)

Since the functional currency of TAM S.A. and Subsidiaries is the Brazilian real, the Company presents the effects of the exchange rate fluctuations in Other comprehensive income (Cumulative Translation Adjustment) by converting the Statement of financial position and Income statement of TAM S.A. and Subsidiaries from their functional currency to the U.S. dollar, which is the presentation currency of the consolidated financial statement of LATAM Airlines Group S.A. and Subsidiaries.

The following table shows the impact on the Cumulative Translation Adjustment included in Other comprehensive income recognized in Total equity in the case of an appreciation or depreciation 10% the exchange rate R$/US$:

Appreciation (depreciation) of R$/US$	Effect at December 31, 2022 MUS$	Effect at December 31, 2021 MUS$
-10%	+98.11	+96.66
+10%	-80.28	-79.09

(iii) Interest -rate risk:

Exposure:

The Company has exposure to fluctuations in interest rates affecting the markets future cash flows of the assets, and current and future financial liabilities.

The Company is mainly exposed to the Secured Overnight Financing Rate (“SOFR”), also to the London InterBank Offered Rate (“LIBOR”) and other less relevant interest rates such as Brazilian Interbank Certificates of Deposit (“CDI”). As the publication of LIBOR will cease by June 2023, the company has begun to migrate to the adoption of SOFR as an alternative rate, which will fully materialize with the cessation of LIBOR.

Regarding rate exposure, a portion of the company’s variable financial debt maintains exposure to the LIBOR rate. However, all these contracts will have definitive migration to the SOFR rate. This migration has been redacted within each of the existing financial debt contracts benchmarked to the LIBOR rate.

Currently, 31% of the financial debt contracts subject to variable rates maintain exposure to the LIBOR rate, and 69% of them have exposure to the SOFR rate. All of these contracts will migrate to SOFR rate since mid 2023.

Mitigation:

Currently, 52% (40% as of December 31, 2021) of the debt is fixed against fluctuations in interest rates. Of the variable debt, most of it is indexed to the reference rate based on SOFR.

To mitigate the effect of those derivatives that will be affected by the transition from LIBOR to SOFR, the Company is following the recommendations of the relevant authorities, including the Alternative Reference Rates Committee ("ARRC") and the International Standard Derivatives Association in line with the measures generally adopted by the market for the replacement of LIBOR in debt and derivative contracts.

Rate Hedging Results:

During the period ended December 31, 2022, the Company recognized losses of US$ 7 million (negative) corresponding to the recognition for premiums paid.

As of December 31, 2022, the value of interest rate derivative positions amounted to MUS$ 8.8 (positive) corresponding to operating lease hedges in order to fix the rents upon delivery of the aircraft. As of December 31, 2021, the Company did not maintain interest rate derivative positions in force.

As of December 31, 2022, the Company recognized a decrease in the right-of-use asset upon settlement of a derivative of US$ 8.1 million associated with leased aircraft. On this same date, a lower expense for depreciation of the right-of-use asset for US$ 0,1 million (positive) is recognized. At the end of December 2021, the Company did not earn profits or losses for this same concept.

Sensitivity analysis:

The following table shows the sensitivity of changes in financial obligations that are not hedged against interest-rate variations. These changes are considered reasonably possible, based on current market conditions each date.

Increase (decrease) futures curve in libor 3 months	Positions as of December 31, 2022 effect on profit or loss before tax (MUS$)	Positions as of December 31, 2021 effect on profit or loss before tax (MUS$)
+ 100 basis points	-22.64	-46.31
- 100 basis points	+22.64	+46.31

A large part of the derivatives of current rates are recorded as cash flow hedge contracts, therefore, a variation in interest rates has an impact on the market value of the derivatives, whose changes affect the equity of the entity. Society.

The calculations were made by vertically increasing (decreasing) 100 base points of the interest rate curve, both scenarios being reasonably possible according to historical market conditions.

Increase (decrease) interest rate curve	Positions as of December 31, 2022 effect on equity (MUS$)	Positions as of December 31, 2021 effect on equity (MUS$)
+100 basis points	+6.9	-
- 100 basis points	-8.2	-

The sensitivity calculation hypothesis must assume that the forward curves of interest rates will not necessarily reflect the real value of the compensation of the flows. In addition, the interest rate structure is dynamic over time.

During the periods presented, the Company has not recorded amounts for ineffectiveness in the consolidated income statement for this type of coverage.

(b) Credit risk

Credit risk occurs when the counterparty does not meet its obligations to the Company under a specific contract or financial instrument, resulting in a loss in the market value of a financial instrument (only financial assets, not liabilities). The client portfolio as of December 31, 2022 increased by 25% when compared to the balance as of December 31, 2021, mainly due to an increase in passenger transport operations (travel agencies and corporate) that increased by 53% in its sales, mainly affecting the forms of payment credit card 58%, and cash sales 54%. In relation to the cargo business, it presented an increase in its operations of 1% compared to December 2021. In the case of clients with debt that management considered risky, the corresponding measures were taken to consider their expected credit loss. The provision at the end of December 2022 had a decrease of 17 % compared to the end of December 2021, as a result of the decrease in the portfolio due to recoveries, application of write-offs and updates of the risk matrix factors.

The Company is exposed to credit risk due to its operational activities and its financial activities, including deposits with banks and financial institutions, investments in other types of instruments, exchange rate transactions and derivatives contracts.

To reduce the credit risk related to operational activities, the Company has implemented limits to the exposure of its debtors, which are permanently monitored for the LATAM network, when deemed necessary, agencies have been blocked for cargo and passenger businesses.

(i) Financial activities

Cash surpluses that remain after the financing of assets necessary for the operation are invested according to credit limits approved by the Company's Board, mainly in time deposits with different financial institutions, private investment funds, short-term mutual funds, and easily-liquidated corporate and sovereign bonds with short remaining maturities. These investments are booked as Cash and cash equivalents and other current financial assets.

In order to reduce counterparty risk and to ensure that the risk assumed is known and managed by the Company, investments are diversified among different banking institutions (both local and international). The Company evaluates the credit standing of each counterparty and the levels of investment, based on (i) its credit rating, (ii) the equity size of the counterparty, and (iii) investment limits according to the Company's level of liquidity. According to these three parameters, the Company chooses the most restrictive parameter of the previous three and based on this, establishes limits for operations with each counterparty.

The Company has no guarantees to mitigate this exposure.

(ii) Operational activities

The Company has four large sales “clusters”: travel agencies, cargo agents, airlines and credit-card administrators. The first three are governed by International Air Transport Association (“IATA”), international organization comprising most of the airlines that represent over 90% of scheduled commercial traffic and one of its main objectives is to regulate the financial transactions between airlines and travel agents and cargo. When an agency or airline does not pay their debt, it is excluded from operating with IATA’s member airlines. In the case of credit-card administrators, they are fully guaranteed by 100% by the issuing institutions.

Under certain of the Company’s credit card processing agreements, the financial institutions have the right to require that the Company maintain a reserve equal to a portion of advance ticket sales that have been processed by that financial institution, but for which the Company has not yet provided the air transportation. Additionally, the financial institutions have the ability to require additional collateral reserves or withhold payments related to receivables to be collected if increased risk is perceived related to liquidity covenants in these agreements or negative balances occur.

The exposure consists of the term granted, which fluctuates between 1 and 45 days.

One of the tools the Company uses for reducing credit risk is to participate in global entities related to the industry, such as IATA, Business Sales Processing (“BSP”), Cargo Account Settlement Systems (“CASS”), IATA Clearing House (“ICH”) and banks (credit cards). These institutions fulfill the role of collectors and distributors between airlines and travel and cargo agencies. In the case of the Clearing House, it acts as an offsetting entity between airlines for the services provided between them. A reduction in term and implementation of guarantees has been achieved through these entities.

Currently the sales invoicing of TAM Linhas Aéreas S.A. related with travel agents and cargo agents for domestic transportation in Brazil is done directly by TAM Linhas Aéreas S.A.

Credit quality of financial assets

The external credit evaluation system used by the Company is provided by IATA. Internal systems are also used for particular evaluations or specific markets based on trade reports available on the local market. The internal classification system is complementary to the external one, i.e. for agencies or airlines not members of IATA, the internal demands are greater.

To reduce the credit risk associated with operational activities, the Company has established credit limits to abridge the exposure of their debtors which are monitored permanently (mainly in case of operational activities of TAM Linhas Aéreas S.A. with travel agents). The bad-debt rate in the principal countries where the Company has a presence is insignificant.

(c) Liquidity risk

Liquidity risk represents the risk that the Company does not have sufficient funds to pay its obligations.

Due to the cyclical nature of its business, the operation and investment needs, along with the need for financing, the Company requires liquid funds, defined as Cash and cash equivalents plus other short-term financial assets, to meet its payment obligations.

The balance of liquid funds, future cash generation and the ability to obtain financing, provide the Company with alternatives to meet future investment and financing commitments.

As of December 31, 2022, the balance of liquid funds is US$ 1,216 million (US $ 1,047 million as of December 31, 2021), which are invested in short-term instruments through financial entities with a high credit rating classification.

As of December 31, 2022, LATAM maintains two engaged Revolving Credit Facility for a total of US$ 1,100 million, one for an amount of US$600 million and another for an amount of US$500 million, which are fully available. These lines are secured by and subject to the availability of collateral (i.e. aircraft, engines and spare parts).

After voluntary petition for amparo of Chapter 11 Proceedings, the Company received authorization from the Bankruptcy Court for the "debtors in possession" (DIP) financing, in the form of a multi-draw term loan facility in an aggregate principal amount of up to US$ 3.2 billion divided in Tranche A, B and C (hereinafter the contract that documented such financing, the Original DIP Credit Agreement"). Initially, Tranches A and C were committed for a total of US$2.450 billion. To date, these three tranches are fully committed after the approval on October 18, 2021, of a proposal to grant financing under Tranche B of the DIP for a total of US$750 million, thus allowing LATAM to access lower financing costs in the next disbursements of the DIP financing.

On April 8, 2022, a consolidated and modified text (the "Reconsolidated and Modified DIP Credit Agreement") of the Existing Original DIP Credit Agreement was signed, which modifies and recasts said agreement and repays the pending payment obligations under it. (that is, under its Tranches A, B and C). The total amount of the Consolidated and Modified DIP Credit Agreement was US$3.7 billion. The Revised and Amended DIP Credit Agreement included certain reductions in fees and interest compared to the DIP Credit Agreement; and contemplated an expiration date in accordance with the calendar that LATAM anticipated to emerge from the Chapter 11 Procedure.

In the context of the Company's exit from Chapter 11, on October 12, 2022, the Amended and Restated DIP Financing Contract was repaid in full. The repayment was fully made with funds from (i) a Junior DIP Financing of approximately US$1,146Mn; (ii) a Revolving Credit Facility of US$500 million; (iii) a Term Loan B of US$ 750 million; (iv) a Bridge Loan of 5Y Notes of US$750 million; (v) a Bridge Loan of 7Y Notes of US$750million.

On October 18, 2022, the Bridge Loans were partially repaid by; (i) a Note issued from registration under U.S. Securities Act of 1933, as amended ("the "Securities Act"), pursuant to Rule 144A and Regulation S, both under the Securities Act, due in 2027 (the "5 Year Note"), with a total principal amount of US$ 450 million, and (ii) a Note issued from registration under the Securities Act pursuant to Rule 144A and Regulation A, both under the Securities Act, due in 2029 (the "7 Year Note"), with a total principal amount of US$ 700 million.

Additionally, on November 3, 2022, the repayments of outstanding balances of the Bridge Loan and the Junior DIP were finished with the funds obtained under from the Exit Financing. Starting in November 2022, the exit financing was composed of: (i) a Revolving Credit Line for an amount of US$500 million; (ii) a tranche B term loan for an amount of US$1,100 million (this is the original US$750 million, plus an incremental loan under it obtained on November 3, 2022 for an amount of US$350 million), US$450 million in senior secured notes due in 2027 and US$700 million in senior secured notes due in 2029.

Class of liability for the analysis of liquidity risk ordered by date of maturity as of December 31, 2022
Debtor: LATAM Airlines Group S.A. and Subsidiaries, Tax No. 89.862.200-2 Chile.

Tax No.	Creditor	Creditor country	Currency	Up to 90 days	More than 90 days to one year	More than one to three years	More than three to five years	More than five years	Total	Nominal value	Amortization	Annual Effective rate	Annual Nominal rate
				ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$		%	%
Bank loans													
0-E	GOLDMAN SACHS	U.S.A.	US$	32,071	122,278	323,125	1,361,595	-	1,839,069	1,100,000	Quarterly	18.46	13.38
0-E	SANTANDER	Spain	US$	19,164	55,288	-	-	-	74,452	70,951	Quarterly	7.26	7.26
Obligations with the public													
97.036.000-K	SANTANDER	Chile	UF	-	3,136	6,271	6,271	178,736	194,414	156,783	To the expiration	2.00	2.00
0-E	WILMINGTON TRUST COMPANY	U.S.A.	US$	-	152,531	307,625	757,625	887,250	2,105,031	1,150,000	To the expiration	15.00	13.38
97.036.000-K	SANTANDER	Chile	US$	-	-	-	-	6	6	3	To the expiration	1.00	1.00
Guaranteed obligations													
0-E	BNP PARIBAS	U.S.A.	US$	6,692	14,705	39,215	39,215	138,345	238,172	184,198	Quarterly	5.76	5.76
0-E	WILMINGTON TRUST COMPANY	U.S.A.	US$	3,839	13,465	45,564	43,444	75,505	181,817	141,605	Quartely/Monthly	8.20	8.20
Other guaranteed obligation													
0-E	EXIM BANK	U.S.A.	US$	394	1,171	12,119	21,111	60,857	95,652	86,612	Quarterly	2.01	1.78
0-E	MUFG	U.S.A.	US$	13,091	38,914	69,916	-	-	121,921	112,388	Quarterly	6.23	6.23
0-E	CREDIT AGRICOLE	France	US$	5,769	31,478	70,890	267,615	-	375,752	275,000	To the expiration	8.24	8.24
Financial lease													
0-E	CITIBANK	U.S.A.	US$	6,995	5,844	-	-	-	12,839	12,514	Quarterly	6.19	5.47
0-E	BNP PARIBAS	U.S.A.	US$	6,978	20,662	1,543	-	-	29,183	28,165	Quarterly	5.99	5.39
0-E	NATIXIS	France	US$	9,864	29,468	75,525	70,787	129,582	315,226	239,138	Quarterly	6.44	6.44
0-E	US BANK	U.S.A.	US$	18,072	54,088	86,076	-	-	158,236	152,693	Quarterly	4.06	2.85
0-E	PK AIRFINANCE	U.S.A.	US$	1,749	5,165	6,665	-	-	13,579	12,590	Quarterly	5.97	5.97
0-E	EXIM BANK	U.S.A.	US$	3,176	9,681	137,930	193,551	157,978	502,316	446,509	Quarterly	3.58	2.79
0-E	BANK OF UTAH	U.S.A.	US$	5,878	17,651	47,306	50,649	145,184	266,668	182,237	Monthly	10.45	10.45
Others loans													
0-E	OTHERS (*)		US$	2,028	-	-	-	-	2,028	2,028	To the expiration	-	-
	TOTAL			135,760	575,525	1,229,770	2,811,863	1,773,443	6,526,361	4,353,414			

(*) Obligation with creditors for executed letters of credit.

1 Class of liability for the analysis of liquidity risk ordered by date of maturity as of December 31, 2022
Debtor: TAM S.A. and Subsidiaries, Tax No. 02.012.862/0001-60, Brazil.

Tax No.	Creditor	Creditor country	Currency	Up to 90 days	More than 90 days to one year	More than one to three years	More than three to five years	More than five years	Total	Nominal value	Amortization	Annual Effective rate	Annual Nominal rate
				ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$		%	%
Financial leases													
0-E	NATIXIS	France	US$	510	1,530	4,080	4,080	7,846	18,046	18,046	Semiannual/Quarterly	7.23	7.23
Bank loans													
0-E	MERRIL LYNCH CREDIT PRODUCTS LLC	Brazil	BRL	304,549	-	-	-	-	304,549	304,549	Monthly	3.95	3.95
	TOTAL			305,059	1,530	4,080	4,080	7,846	322,595	322,595			

Class of liability for the analysis of liquidity risk ordered by date of maturity as of December 31, 2022
Debtor: LATAM Airlines Group S.A. and Subsidiaries, Tax No. 89.862.200-2, Chile.

Tax No.	Creditor	Creditor country	Currency	Up to 90 days	More than 90 days to one year	More than one to three years	More than three to five years	More than five years	Total	Nominal value	Amortization	Annual Effective rate	Annual Nominal rate
				ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$		%	%
Lease Liability													
	AIRCRAFT	OTHERS	US$	80,602	250,297	845,215	776,431	1,094,935	3,047,480	2,134,968	-	-	-
	OTHER ASSETS	OTHERS	US$	1,727	8,080	20,641	6,251	1,763	38,462	35,157	-	-	-
			CLP	20	34	69	-	-	123	111	-	-	-
			UF	574	1,568	3,007	2,515	6,273	13,937	11,703	-	-	-
			COP	76	227	301	-	-	604	518	-	-	-
			EUR	84	253	246	24	-	607	571	-	-	-
			BRL	2,064	6,192	14,851	12,491	28,625	64,223	33,425			
Trade and other accounts payables													
-	OTHERS	OTHERS	US$	80,557	35,542	-	-	-	116,099	116,099	-	-	-
			CLP	168,393	1,231	-	-	-	169,624	169,624	-	-	-
			BRL	370,772	5,242	-	-	-	376,014	376,014	-	-	-
			Other currency	583,118	3,935	-	-	-	587,053	587,053	-	-	-
Accounts payable to related parties currents													
Foreign	Inversora Aeronáutica Argentina S.A.	Argentina	US$	5	-	-	-	-	5	5	-	-	-
Foreign	Patagonia Seafarms INC	U.S.A	CLP	7	-	-	-	-	7	7	-	-	-
	Total			1,287,999	312,601	884,330	797,712	1,131,596	4,414,238	3,465,255			
	Total consolidated			1,728,818	889,656	2,118,180	3,613,655	2,912,885	11,263,194	8,141,264			

Class of liability for the analysis of liquidity risk ordered by date of maturity as of December 31, 2021
Debtor: LATAM Airlines Group S.A. and Subsidiaries, Tax No. 89.862.200-2 Chile.

Tax No.	Creditor	Creditor country	Currency	Up to 90 days	More than 90 days to one year	More than one to three years	More than three to five years	More than five years	Total	Nominal value	Amortization	Annual Effective rate	Annual Nominal rate
				ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$		%	%
Loans to exporters													
97.018.000-1	CITIBANK	Chile	US$	115,350	-	-	-	-	115,350	114,000	At Expiration	2.96	2.96
97.030.000-7	ITAU	Chile	US$	20,140	-	-	-	-	20,140	20,000	At Expiration	4.20	4.20
0-E	HSBC	Chile	US$	12,123	-	-	-	-	12,123	12,000	At Expiration	4.15	4.15
Bank loans													
97.023.000-9	CORPBANCA	Chile	UF	10,236	-	-	-	-	10,236	10,106	Quarterly	3.35	3.35
0-E	SANTANDER	Spain	US$	751	2,604	106,939	-	-	110,294	106,427	Quarterly	2.80	2.80
0-E	CITIBANK	U.S.A.	UF	60,935	-	-	-	-	60,935	60,935	At Expiration	3.10	3.10
Obligations with the public													
97.030.000-7	BANCO ESTADO	Chile	UF	36,171	179,601	31,461	31,461	369,537	648,231	502,897	At Expiration	4.81	4.81
0-E	BANK OF NEW YORK	U.S.A.	US$	184,188	104,125	884,188	856,000	-	2,028,501	1,500,000	At Expiration	7.16	6.94
Guaranteed obligations													
0-E	BNP PARIBAS	U.S.A.	US$	17,182	19,425	40,087	41,862	95,475	214,031	198,475	Quarterly	1.48	1.48
0-E	MUFG	U.S.A.	US$	29,652	17,921	36,660	37,829	55,297	177,359	166,712	Quarterly	1.64	1.64
0-E	WILMINGTON TRUST COMPANY	U.S.A.	US$	933	4,990	29,851	36,337	89,263	161,374	144,358	Quarterly / Monthly	3.17	1.60
Other guaranteed obligation													
0-E	CREDIT AGRICOLE	France	US$	273,199	-	-	-	-	273,199	273,199	At Expiration	1.82	1.82
0-E	MUFG	U.S.A.	US$	8,150	46,746	94,062	14,757	-	163,715	156,933	Quarterly	1.72	1.72
0-E	CITIBANK	U.S.A.	US$	613,419	-	-	-	-	613,419	600,000	At Expiration	2.00	2.00
0-E	BANK OF UTAH	U.S.A.	US$	-	1,858,051	-	-	-	1,858,051	1,644,876	At Expiration	22.71	12.97
0-E	EXIM BANK	U.S.A.	US$	271	1,173	3,375	10,546	55,957	71,322	62,890	Quarterly	1.84	1.84
Financial lease													
0-E	CREDIT AGRICOLE	France	US$	699	1,387	-	-	-	2,086	2,052	Quarterly	3.68	3.23
0-E	CITIBANK	U.S.A.	US$	19,268	59,522	5,721	-	-	84,511	83,985	Quarterly	1.37	0.79
0-E	BNP PARIBAS	U.S.A.	US$	7,351	26,519	21,685	-	-	55,555	54,918	Quarterly	1.56	0.96
0-E	NATIXIS	France	US$	5,929	34,328	59,574	59,930	130,131	289,892	261,458	Quarterly	2.09	2.09
0-E	US BANK	U.S.A.	US$	18,158	72,424	133,592	6,573	-	230,747	219,667	Quarterly	4.03	2.84
0-E	PK AIRFINANCE	U.S.A.	US$	853	5,763	10,913	-	-	17,529	16,851	Quarterly	1.88	1.88
0-E	EXIM BANK	U.S.A.	US$	2,758	11,040	61,167	249,466	269,087	593,518	533,127	Quarterly	2.88	2.03
Others loans													
0-E	OTHERS (*)		US$	55,819	-	-	-	-	55,819	55,819	At Expiration	-	-
	TOTAL			1,493,535	2,445,619	1,519,275	1,344,761	1,064,747	7,867,937	6,801,685			

(*) Obligation with creditors for executed letters of credit.

Class of liability for the analysis of liquidity risk ordered by date of maturity as of December 31, 2021
Debtor: TAM S.A. and Subsidiaries, Tax No. 02.012.862/0001-60, Brazil.

Tax No.	Creditor	Creditor country	Currency	Up to 90 days	More than 90 days to one year	More than one to three years	More than three to five years	More than five years	Total	Nominal value	Amortization	Annual Effective rate	Annual Nominal rate
				ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$		%	%
Bank loans													
0-E	NCM	Netherlands	US$	990	-	-	-	-	990	943	Monthly	6.01	6.01
0-E	MERRIL LYNCH CREDIT PRODUCTS LLC	U.S.A.	BRL	185,833	-	-	-	-	185,833	185,833	Monthly	3.95	3.95
0-E	BANCO BRADESCO	Brazil	BRL	74,661	-	-	-	-	74,661	74,661	Monthly	4.33	4.33
Financial leases													
0-E	NATIXIS	France	US$	486	2,235	4,080	11,076	-	17,877	17,326	Quarterly	2.74	2.74
0-E	GA TELESIS LLC	U.S.A.	US$	762	2,706	4,675	4,646	5,077	17,866	10,999	Monthly	14.72	14.72
Others Loans													
0-E	Deustche Bank (*)	Brazil	US$	20,689	-	-	-	-	20,689	20,689	At Expiration	-	-
	TOTAL			283,421	4,941	8,755	15,722	5,077	317,916	310,451			

(*) Obligation with creditors for executed letters of credit

Class of liability for the analysis of liquidity risk ordered by date of maturity as of December 31, 2021
Debtor: LATAM Airlines Group S.A. and Subsidiaries, Tax No. 89.862.200-2, Chile.

Tax No.	Creditor	Creditor country	Currency	Up to 90 days	More than 90 days to one year	More than one to three years	More than three to five years	More than five years	Total	Nominal value	Amortization	Annual Effective rate	Annual Nominal rate
				ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$		%	%
Lease Liability													
	AIRCRAFT	OTHERS	US$	694,568	469,568	767,629	811,843	778,613	3,522,221	2,883,657	-	-	-
	OTHER ASSETS	OTHERS	US$	9,859	11,820	22,433	23,365	8,651	76,128	73,615	-	-	-
			UF	1,759	982	245	76	231	3,293	2,621	-	-	-
			COP	2	7	35	-	-	44	42	-	-	-
			EUR	198	112	293	-	-	603	599	-	-	-
			PEN	4	7	97	-	-	108	103	-	-	-
Trade and other accounts payables													
	OTHERS	OTHERS	US$	644,743	165,085	-	-	-	809,828	809,828	-	-	-
			CLP	214,224	4,912	-	-	-	219,136	219,136	-	-	-
			BRL	365,486	5,258	-	-	-	370,744	370,744	-	-	-
			Other currency	542,304	3,719	-	-	-	546,023	546,023	-	-	-
Accounts payable to related parties currents (*)													
Foreign	Inversora Aeronáutica Argentina S.A.	Argentina	US$	-	5	-	-	-	5	5	-	-	-
Foreign	Delta Airlines	U.S.A	US$	-	2,268	-	-	-	2,268	2,268	-	-	-
Foreign	Patagonia Seafarms INC	U.S.A	US$	-	7	-	-	-	7	7	-	-	-
81.062.300-4	Costa Verde Aeronautica S.A.	Chile	US$	-	175,819	-	-	-	175,819	175,819	-	-	-
Foreign	QA Investments Ltd	Jersey Channel Islands	US$	-	219,774	-	-	-	219,774	219,774	-	-	-
Foreign	QA Investments 2 Ltd	Jersey Channel Islands	US$	-	219,774	-	-	-	219,774	219,774	-	-	-
Foreign	Lozuy S.A.	Uruguay	US$	-	43,955	-	-	-	43,955	43,955	-	-	-
	Total			2,473,147	1,323,072	790,732	835,284	787,495	6,209,730	5,567,970			
	Total consolidated			4,250,103	3,773,632	2,318,762	2,195,767	1,857,319	14,395,583	12,680,106			

(*) Trade and other accounts payables include claims resulting from Chapter 11 negotiation and are subject to settlement in accordance with the Reorganization plan.

The Company has fuel, interest rate and exchange rate hedging strategies involving derivatives contracts with different financial institutions.

As of December 31, 2022, the Company maintains guarantees for US$7.5 million corresponding to derivative transactions. The increase is due to: i) Increase in the number of hedging contracts and ii) changes in fuel prices, exchange rates and interest rates. At the end of 2021, the Company had guarantees for US$ 5.5 million corresponding to derivative transactions.

3.2. Capital risk management

The objectives of the Company, in relation to capital management are: (i) to meet the minimum equity requirements and (ii) to maintain an optimal capital structure.

The Company monitors contractual obligations and regulatory requirements in the different countries where the group's companies are domiciled to ensure faithful compliance with the minimum equity requirement, the most restrictive limit of which is to maintain positive liquid equity.

Additionally, the Company periodically monitors the short and long term cash flow projections to ensure that it has sufficient cash generation alternatives to meet future investment and financing commitments.

The international credit rating of the Company is the result of the ability to meet long-term financial commitments. As of December 31, 2022, The Company has a national rating of BBB- by Fitch, a rating of B- by Standard & Poor's, and a preliminary rating at the exit of the Chapter 11 process of B2 with a stable outlook by Moody's.

3.3. Estimates of fair value.

At December 31, 2022, the Company maintained financial instruments that should be recorded at fair value. These are grouped into two categories:

1. Derivative financial instruments:

This category includes the following instruments:

- Interest rate derivative contracts,
- Fuel derivative contracts,
- Currency derivative contracts.

2. Financial Investments:

This category includes the following instruments:

- Investments in short-term Mutual Funds (cash equivalent)
- Private investment funds.

The Company has classified the fair value measurement using a hierarchy that reflects the level of information used in the assessment. This hierarchy consists of 3 levels (I) fair value based on quoted prices in active markets for identical assets or liabilities, (II) fair value calculated through valuation methods based on inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) and (III) fair value based on inputs for the asset or liability that are not based on observable market data.

The fair value of financial instruments traded in active markets, such as investments acquired for trading, is based on quoted market prices at the close of the period using the current price of the buyer. The fair value of financial assets not traded in active markets (derivative contracts) is determined using valuation techniques that maximize use of available market information. Valuation techniques generally used by the Company are quoted market prices of similar instruments and / or estimating the present value of future cash flows using forward price curves of the market at period end.

The following table shows the classification of financial instruments at fair value, depending on the level of information used in the assessment:

	As of December 31, 2022				As of December 31, 2021			
		Fair value measurements using values considered as				Fair value measurements using values considered as		
	Fair value	Level I	Level II	Level III	Fair value	Level I	Level II	Level III
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Assets								
Cash and cash equivalents	95,452	95,452	-	-	26,025	26,025	-	-
Short-term mutual funds	95,452	95,452	-	-	26,025	26,025	-	-
Other financial assets, current	21,878	277	21,601	-	17,988	347	17,641	-
Fair value interest rate derivatives	8,816	-	8,816	-	-	-	-	-
Fair value of fuel derivatives	12,594	-	12,594	-	17,641	-	17,641	-
Fair value of foreign currency derivative	191	-	191	-	-	-	-	-
Private investment funds	277	277	-	-	347	347	-	-
Liabilities								
Other financial liabilities, current	-	-	-	-	5,671	-	5,671	-
Fair value of interest rate derivatives	-	-	-	-	2,734	-	2,734	-
Currency derivative not registered as hedge accounting	-	-	-	-	2,937	-	2,937	-

Additionally, at December 31, 2022, the Company has financial instruments which are not recorded at fair value. In order to meet the disclosure requirements of fair values, the Company has valued these instruments as shown in the table below:

	As of December 31, 2022		As of December 31, 2021	
	Book value	Fair value	Book value	Fair value
	ThUS$	ThUS$	ThUS$	ThUS$
Cash and cash equivalents	1,121,223	1,121,223	1,020,810	1,020,810
Cash on hand	2,248	2,248	2,120	2,120
Bank balance	480,566	480,566	558,078	558,078
Overnight	259,129	259,129	386,034	386,034
Time deposits	379,280	379,280	74,578	74,578
Other financial assets, current	481,637	481,637	83,150	83,150
Other financial assets	481,637	481,637	83,150	83,150
Trade debtors, other accounts receivable and Current accounts receivable	1,008,109	1,008,109	881,770	881,770
Accounts receivable from entities related, current	19,523	19,523	724	724
Other financial assets, not current	15,517	15,517	15,622	15,622
Accounts receivable, non-current	12,743	12,743	12,201	12,201
Other current financial liabilities	802,841	824,167	4,447,780	4,339,370
Accounts payable for trade and other accounts payable, current	1,627,992	1,627,992	4,839,251	4,839,251
Accounts payable to entities related, current	12	12	661,602	662,345
Other financial liabilities, not current	5,979,039	5,533,131	5,948,702	5,467,594
Accounts payable, not current	326,284	326,284	472,426	472,426

The book values of accounts receivable and payable are assumed to approximate their fair values, due to their short-term nature. In the case of cash on hand, bank balances, overnight, time deposits and accounts payable, non-current, fair value approximates their carrying values.

The fair value of other financial liabilities is estimated by discounting the future contractual cash flows at the current market interest rate for similar financial instruments (Level II). In the case of Other financial assets, the valuation was performed according to market prices at period end. The book value of Other financial liabilities, current or non-current, do not include lease liabilities.

NOTE 4 - ACCOUNTING ESTIMATES AND JUDGMENTS

The Company has used estimates to value and record some of the assets, liabilities, income, expenses and commitments. Basically, these estimates refer to:

(a) Evaluation of possible losses due to impairment of intangible assets with indefinite useful life

Management conducts an impairment test annually or more frequently if events or changes in circumstances indicate potential impairment. An impairment loss is recognized for the amount by which the carrying amount of the cash generating unit (CGU) exceeds its recoverable amount.

Management's value-in-use calculations included significant judgments and assumptions relating to revenue growth rates, exchange rates, discount rates, inflation rates, fuel price. The estimation of these assumptions requires significant judgment by management as these variables are inherently uncertain; however, the assumptions used are consistent with the Company's forecasts approved by management. Therefore, management evaluates and updates the estimates as necessary in light of conditions that affect these variables. The main assumptions used as well as the corresponding sensitivity analyses are shown in Note 15.

(b) Useful life, residual value, and impairment of property, plant, and equipment

The depreciation of assets is calculated based on a straight-line basis, except for certain technical components depreciated on cycles and hours flown. These useful lives are reviewed on an annual basis according to the Company's future economic benefits associated with them.

Changes in circumstances such as: technological advances, business model, planned use of assets or capital strategy may result in a useful life different from what has been estimated. When it is determined that the useful life of property, plant, and equipment must be reduced, as may occur in line with changes in planned usage of assets, the difference between the net book value and estimated recoverable value is depreciated, in accordance with the revised remaining useful life.

The residual values are estimated according to the market value that the assets will have at the end of their life. The residual value and useful life of the assets are reviewed, and adjusted if necessary, once a year. When the value of an asset is greater than its estimated recoverable amount, its value is immediately reduced to its recoverable amount.

The Company has concluded that the Properties, Plant and Equipment cannot generate cash inflows to a large extent independent of other assets, therefore the impairment assessment is made as an integral part of the only Cash Generating Unit maintained by the Company, Air Transport. The Company checks when there are signs of impairment, whether the assets have suffered any impairment losses at the Cash Generated Unit level.

(c) Recoverability of deferred tax assets

Management records deferred taxes on the temporary differences that arise between the tax bases of assets and liabilities and their amounts in the financial statements. Deferred tax assets on tax losses are recognized to the extent that it is probable that future tax benefits will be available to offset temporary differences.

The Company applies significant judgment in evaluating the recoverability of deferred tax assets. In determining the amounts of the deferred tax asset to be accounted for, management considers tax planning strategies, historical profitability, projected future taxable income (considering assumptions such as: growth rate, exchange rate, discount rate and fuel price consistent with those used in the impairment analysis of the group's cash-generating unit) and the expected timing of reversals of existing temporary differences.

(d) Air tickets sold that will not be finally used.

The Company records the sale of airline tickets as deferred income. Ordinary revenue from the sale of tickets is recognized in the income statement when the passenger transport service is provided or expires due to non-use. The Company evaluates on a monthly basis the probability of expiration of the air tickets, with return clauses, based on the history of use of the air tickets. A change in this probability could have an impact on revenue in the year in which the change occurs and in future years.

As of December 31, 2022, deferred income associated with air tickets sold amounts to ThUS$1,574,145 (ThUS$1,126,371 as of December 31, 2021). A hypothetical change of one percentage point in the behavior of the passenger regarding the use would translate into an impact of up to ThUS$7,453 per month.

(e) Valuation of miles and points awarded to holders of loyalty programs, pending use.

As of December 31, 2022, the deferred income associated with the LATAM Pass loyalty program amounts to ThUS$1,120,565 (ThUS$1,285,732 as of December 31, 2021). A hypothetical change of one percentage point in the exchange probability would translate into a cumulative impact of ThUS$29,571 in the results of 2022 (ThUS$27,151 in 2021). Deferred income associated with the LATAM Pass Brasil loyalty program (See Note 21) amounts to ThUS$140,486 as of December 31, 2022 (ThUS$192,381 as of December 31, 2021). A hypothetical change of two percentage points in the probability of exchange would translate into a cumulative impact of ThUS$7,453 in the results of 2022 (ThUS$5,100 in 2021).

Management used statistical models to estimate the miles and points awarded that will not be redeemed by the program's members (breakage) which involved significant judgments and assumptions relating to the historical redemption and expiration activity and forecasted redemption and expiration patterns.

The management in conjunction with an external specialist developed a predictive model of non-use miles or points, which allows to generate non-use rates on the basis of historical information, based on behavior of the accumulation, use and expiration of the miles or points.

(f) The need to establish a provision and its valuation

In the case of known contingencies, the Company records a provision when it has a present obligation, whether legal or constructive, as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the obligation amount can be made. The assessment of contingencies inherently involves the exercise of significant judgment and estimates of the outcome of future events, the likelihood of loss being incurred and when determining whether a reliable estimate of the loss can be made. The Company assesses its liabilities and contingencies based upon the best information available, uses the knowledge, experience and professional judgment to the specific characteristics of the known risks. This process facilitates the early assessment and quantification of potential risks in individual cases or in the development of contingent matters. If we are unable to reliably estimate the obligation or conclude no loss is probable but it is reasonably possible that a loss may be incurred, no provision is recorded but the contingency is disclosed in the notes to the consolidated financial statements.

The Company recognizes the present obligation under an onerous contract as a provision when a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from it.

(g) Leases

During 2022, as a result of the arrival of new aircraft and the significant change in the flows of many current contracts, the Company evaluated the relevance in the current scenario of continuing to use the implicit rate, a methodology used in recent years, or whether it should in instead use a different approximation for calculating the rate. It was concluded that the implicit rate was not being able to reflect the economic environment in which the company operates, therefore it was not accurately representing the Company's indebtedness conditions. Because of this, all new contracts entered into during 2022 and all contracts that were modified during 2022 used the incremental rate. Existing contracts that remained unchanged continued using the original implicit discount rate.

(i) Discount rate

The discount rates used to calculate the aircraft lease debt correspond to: (i) For aircraft that did not have contractual changes associated with the exit from Chapter 11, the rate used was the implicit rate of the contract, this is the discount rate that results from the aggregate present value of the minimum lease payments and the unguaranteed residual value, and (ii) For aircraft that had contractual changes associated with exit from Chapter 11, the rate used was the incremental rate, this discount rate was calculated considering our recent aircraft debt negotiations, as well as publicly available data for instruments with similar characteristics when calculating our incremental borrowing rates.

For assets other than aircraft, the estimated lessee's incremental borrowing rate, which is derived from information available at the lease inception date, was used to determine the present value of the lease payments. We consider our recent debt issuances as well as publicly available data for instruments with similar characteristics when calculating our incremental borrowing ratios.

A decrease of one percentage point in our estimate of the rates used to determine the lease liabilities of new and modified fleet contracts booked as of December 31, 2022 would increase the lease liability by approximately US$82 million.

(ii) Lease term

In determining the lease term, all facts and circumstances that create an economic incentive to exercise an extension option are considered. Extension options (or periods after termination options) are only included in the lease term if it is reasonably certain that the lease will be extended (or not terminated). This is reviewed if a significant event or significant change in circumstances occurs that affects this assessment and is within the lessee's control.

These estimates are made based on the best information available on the events analyzed.

In any case, it is possible that events that may take place in the future make it necessary to modify them in future periods, which would be done prospectively.

NOTE 5 - SEGMENT INFORMATION

As of December 31, 2022, the Company considers that it has a single operating segment, Air Transport. This segment corresponds to the route network for air transport and is based on the way in which the business is managed, according to the centralized nature of its operations, the ability to open and close routes, as well as reassignment (airplanes, crew, personnel, etc.) within the network, which implies a functional interrelation between all of them, making them inseparable. This segment definition is one of the most common in the worldwide airline industry.

The Company's revenues by geographic area are as follows:

	For the year ended At December 31,		
	2022	2021	2020
	ThUS$	ThUS$	ThUS$
Peru	858,957	503,616	297,549
Argentina	206,856	75,513	172,229
U.S.A.	1,058,107	577,970	505,145
Europe	768,980	376,857	338,565
Colombia	540,231	368,474	177,007
Brazil	3,724,466	1,664,523	1,304,006
Ecuador	248,454	162,959	112,581
Chile	1,514,645	794,122	638,225
Asia Pacific and rest of Latin America	441,825	359,981	378,360
Income from ordinary activities	9,362,521	4,884,015	3,923,667
Other operating income	154,286	227,331	411,002

The Company allocates revenues by geographic area based on the point of sale of the passenger ticket or cargo. Assets are composed primarily of aircraft and aeronautical equipment, which are used throughout the different countries, so it is not possible to assign a geographic area.

The Company has no customers that individually represent more than 10% of sales.

NOTE 6 - CASH AND CASH EQUIVALENTS

	As of December 31, 2022	As of December 31, 2021
	ThUS$	ThUS$
Cash on hand	2,248	2,120
Bank balances	480,566	558,078
Overnight	259,129	386,034
Total Cash	741,943	946,232
Cash equivalents		
Time deposits	379,280	74,578
Mutual funds	95,452	26,025
Total cash equivalents	474,732	100,603
Total cash and cash equivalents	1,216,675	1,046,835

Cash and cash equivalents are denominated in the following currencies:

Currency	As of December 31, 2022	As of December 31, 2021
	ThUS$	ThUS$
Argentine peso	10,711	7,148
Brazilian real	193,289	89,083
Chilean peso	17,643	9,800
Colombian peso	22,607	13,535
Euro	19,361	7,099
US Dollar	906,666	886,627
Other currencies	46,398	33,543
Total	1,216,675	1,046,835

NOTE 7 - FINANCIAL INSTRUMENTS

Financial instruments by category

As of December 31, 2022

Assets	Measured at amortized cost	At fair value with changes in results	Hedge derivatives	Total
	ThUS$	ThUS$	ThUS$	ThUS$
Cash and cash equivalents	1,121,223	95,452	-	1,216,675
Other financial assets, current (*)	481,637	277	21,601	503,515
Trade and others accounts receivable, current	1,008,109	-	-	1,008,109
Accounts receivable from related entities, current	19,523	-	-	19,523
Other financial assets, non current	15,517	-	-	15,517
Accounts receivable, non current	12,743	-	-	12,743
Total	2,658,752	95,729	21,601	2,776,082

Liabilities	Measured at amortized cost	At fair value with changes in results	Hedge derivatives	Total
	ThUS$	ThUS$	ThUS$	ThUS$
Other financial liabilities, current	802,841	-	-	802,841
Trade and others accounts payable, current	1,627,992	-	-	1,627,992
Accounts payable to related entities, current	12	-	-	12
Other financial liabilities, non-current	5,979,039	-	-	5,979,039
Accounts payable, non-current	326,284	-	-	326,284
Total	8,736,168	-	-	8,736,168

(*) The amount presented as at fair value with changes in the results corresponds mainly to private investment funds. The amount presented as measured at amortized cost relates to ThUS$340,008 of funds delivered as restricted advances (as described in Note 11) and guarantees.

As of December 31, 2021

Assets	Measured at amortized cost	At fair value with changes in results	Hedge derivatives	Total
	ThUS$	ThUS$	ThUS$	ThUS$
Cash and cash equivalents	1,020,810	26,025	-	1,046,835
Other financial assets, current (*)	83,150	347	17,641	101,138
Trade and others accounts receivable, current	881,770	-	-	881,770
Accounts receivable from related entities, current	724	-	-	724
Other financial assets, non current	15,622	-	-	15,622
Accounts receivable, non current	12,201	-	-	12,201
Total	2,014,277	26,372	17,641	2,058,290

Liabilities	Measured at amortized cost	At fair value with changes in results	Hedge derivatives	Total
	ThUS$	ThUS$	ThUS$	ThUS$
Other financial liabilities, current	4,447,780	2,937	2,734	4,453,451
Trade and others accounts payable, current	4,839,251	-	-	4,839,251
Accounts payable to related entities, current	661,602	-	-	661,602
Other financial liabilities, non-current	5,948,702	-	-	5,948,702
Accounts payable, non-current	472,426	-	-	472,426
Total	16,369,761	2,937	2,734	16,375,432

(*) The amount presented as at fair value with changes in results corresponds mainly to private investment funds. The amount presented as measured at amortized cost relates to guarantees.

NOTE 8 - TRADE AND OTHER ACCOUNTS RECEIVABLE CURRENT, AND NON- CURRENT ACCOUNTS RECEIVABLE

	As of December 31, 2022	As of December 31, 2021
	ThUS$	ThUS$
Trade accounts receivable	952,625	765,050
Other accounts receivable	135,459	209,925
Total trade and other accounts receivable	1,088,084	974,975
Less: Expected credit loss	(67,232)	(81,004)
Total net trade and accounts receivable	1,020,852	893,971
Less: non-current portion – accounts receivable	(12,743)	(12,201)
Trade and other accounts receivable, current	1,008,109	881,770

The fair value of trade and other accounts receivable does not differ significantly from the book value.

To determine the expected credit losses, the Company groups accounts receivable for passenger and cargo transportation depending on the characteristics of shared credit risk and maturity.

	As of December 31, 2022			As December 31, 2021		
Portfolio maturity	Expected loss rate (1)	Gross book value (2)	Impairment loss Provision	Expected loss rate (1)	Gross book value (2)	Impairment loss Provision
	%	ThUS$	ThUS$	%	ThUS$	ThUS$
Up to date	1%	745,334	(8,749)	2%	570,307	(8,806)
From 1 to 90 days	3%	142,780	(3,758)	10%	116,613	(11,840)
From 91 to 180 days	15%	8,622	(1,297)	31%	11,376	(3,567)
From 181 to 360 days	79%	8,269	(6,565)	72%	3,864	(2,766)
more of 360 days	98%	47,620	(46,863)	86%	62,890	(54,025)
Total		952,625	(67,232)		765,050	(81,004)

(1) Corresponds to the consolidated expected rate of accounts receivable.
(2) The gross book value represents the maximum credit risk value of trade accounts receivables.

Currency balances composition of Trade and other accounts receivable and non-current accounts receivable are as follow:

Currency	As of December 31, 2022	As of December 31, 2021
	ThUS$	ThUS$
Argentine Peso	25,559	7,282
Brazilian Real	389,451	352,027
Chilean Peso	36,626	53,488
Colombian Peso	6,779	5,657
Euro	12,506	24,548
US Dollar	510,916	429,091
Korean Won	6,337	844
Mexican Peso	1,536	2,428
Australian Dollar	9,808	62
Pound Sterling	9,149	13,105
Uruguayan Peso (New)	45	860
Swiss Franc	2,621	361
Japanese Yen	2,802	106
Swedish crown	223	490
Other Currencies	6,494	3,622
Total	1,020,852	893,971

The movements of the provision for impairment losses of the Trade Debtors and other accounts receivable are as follows:

Periods	Opening balance ThUS$	Write-offs ThUS$	(Increase) Decrease ThUS$	Closing balance ThUS$
From January 1 to December 31, 2020	(100,402)	30,754	(52,545)	(122,193)
From January 1 to December 31, 2021	(122,193)	26,435	14,754	(81,004)
From January 1 to December 31, 2022	(81,004)	5,966	7,806	(67,232)

Once pre-judicial and judicial collection efforts are exhausted, the assets are written off against the allowance. The Company only uses the allowance method rather than direct write-off, to ensure control.

The historical and current renegotiations are not significant, and the policy is to analyze case by case to classify them according to the existence of risk, determining they need to be reclassified to pre-judicial collection accounts.

The maximum credit-risk exposure at the date of presentation of the information is the fair value of each one of the categories of accounts receivable indicated above.

	As of December 31, 2022			As of December 31, 2021		
	Gross exposure according to balance ThUS$	Gross impaired exposure ThUS$	Exposure net of risk concentrations ThUS$	Gross exposure according to balance ThUS$	Gross Impaired exposure ThUS$	Exposure net of risk concentrations ThUS$
Trade accounts receivable	952,625	(67,232)	885,393	765,050	(81,004)	684,046
Other accounts receivable	135,459	-	135,459	209,925	-	209,925

There are no relevant guarantees covering credit risk and these are valued when they are settled; no materially significant direct guarantees exist. Existing guarantees, if appropriate, are made through IATA.

NOTE 9 - ACCOUNTS RECEIVABLE FROM/PAYABLE TO RELATED ENTITIES

(a) Accounts Receivable

Tax No.	Related party	Relationship	Country of origin	Currency	As of December 31, 2022	As of December 31, 2021
					ThUS$	ThUS$
Foreign	Qatar Airways	Indirect shareholder	Qatar	US$	257	703
Foreign	TAM Aviação Executiva e Taxi Aéreo S.A.	Common shareholder	Brazil	BRL	-	2
Foreign	Delta Air Lines Inc.	Shareholder	U.S.A.	US$	19,228	-
87.752.000-5	Granja Marina Tornagaleones S.A.	Common shareholder	Chile	CLP	-	6
76.335.600-0	Parque de Chile S.A.	Related director	Chile	CLP	2	2
96.989.370-3	Rio Dulce S.A.	Related director	Chile	CLP	1	4
96.810.370-9	Inversiones Costa Verde Ltda. y CPA.	Related director	Chile	CLP	35	7
	Total current assets				19,523	724

(b) Current accounts payable

					Current liabilities	
Tax No.	Related party	Relationship	Country of origin	Currency	As of December 31, 2022	As of December 31, 2021
					ThUS$	ThUS$
Foreign	Delta Airlines, Inc.	Shareholder	U.S.A.	US$	-	2,268
Foreign	Inversora Aeronáutica Argentina S.A.	Related director	Argentina	US$	5	5
Foreign	Patagonia Seafarms INC	Related director	U.S.A.	US$	7	7
81.062.300-4	Costa Verde Aeronautica S.A. (*)	Shareholder	Chile	US$	-	175,819
Foreign	QA Investments Ltd (*)	Common shareholder	U.K.	US$	-	219,774
Foreign	QA Investments 2 Ltd (*)	Common shareholder	U.K.	US$	-	219,774
Foreign	Lozuy S.A. (*)	Common shareholder	Uruguay	US$	-	43,955
	Total current and non current liabilities				12	661,602

(*) corresponds to drawdowns tranche C of the DIP loan (See note 3.1c)

Transactions between related parties have been carried out on arm's length conditions between interested and duly-informed parties. The transaction terms for the Liabilities of the period 2022 correspond from 30 days to 1 year of maturity, and the nature of the settlement of transactions are monetary.

NOTE 10 - INVENTORIES

The composition of Inventories is as follows:

	As of December 31, 2022	As of December 31, 2021
	ThUS$	ThUS$
Technical stock (*)	438,717	250,327
Non-technical stock (**)	39,072	37,010
Total	477,789	287,337

(*) Correspond to spare parts and materials that will be used in own maintenance services as well as those of third parties.

(**) Consumption of on-board services, uniforms and other indirect materials

These are valued at their average acquisition cost net of their obsolescence provision according to the following detail:

	As of December 31, 2022	As of December 31, 2021
	ThUS$	ThUS$
Provision for obsolescence Technical stock	49,981	64,455
Provision for obsolescence Non-technical stock	5,823	5,785
Total	55,804	70,240

The resulting amounts do not exceed the respective net realization values.

As of December 31, 2022, the Company registered ThUS$ 148,790 (ThUS$ 47,362 as of December 31, 2021) in results, mainly related to on-board consumption and maintenance, which is part of the Cost of sales.

NOTE 11 - OTHER FINANCIAL ASSETS

(a) The composition of other financial assets is as follows:

	Current Assets		Non-current assets		Total Assets	
	As of December 31, 2022	As of December 31, 2021	As of December 31, 2022	As of December 31, 2021	As of December 31, 2022	As of December 31, 2021
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
(a) Other financial assets						
Private investment funds	277	347	-	-	277	347
Deposits in guarantee (aircraft)	22,340	7,189	1,273	2,758	23,613	9,947
Guarantees for margins of derivatives	7,460	5,451	-	-	7,460	5,451
Other investments	-	-	493	493	493	493
Domestic and foreign bonds	-	1,290	-	-	-	1,290
Guaranteed debt advances Chapter 11 (*)	340,008	-	-	-	340,008	-
Other guarantees given	111,829	69,220	13,751	12,371	125,580	81,591
Subtotal of other financial assets	481,914	83,497	15,517	15,622	497,431	99,119
(b) Hedging derivative asset						
Fair value of interest rate derivatives	8,816	-	-	-	8,816	-
Fair value of foreign currency derivatives	191	-	-	-	191	-
Fair value of fuel price derivatives	12,594	17,641	-	-	12,594	17,641
Subtotal of derivative assets	21,601	17,641	-	-	21,601	17,641
Total Other Financial Assets	503,515	101,138	15,517	15,622	519,032	116,760

(*) As of December 31, 2022, there are ThUS$340,008 of funds delivered to an agent as restricted advances, the purpose of which is to settle the claims pending resolution existing at the exit of the Chapter 11 process. See claims in force at the end of the period in Note 34b.

The different derivative hedging contracts maintained by the Company at the end of each fiscal year are described in Note 18.

(b) The balances composition by currencies of the Other financial assets are as follows:

Type of currency	As of December 31, 2022	As of December 31, 2021
	ThUS$	ThUS$
Argentine peso	5	16
Brazilian real	336,676	9,775
Chilean peso	5,847	4,502
Colombian peso	1,716	1,727
Euro	6,791	4,104
U.S.A dollar	165,457	93,247
Other currencies	2,540	3,389
Total	519,032	116,760

NOTE 12 - OTHER NON-FINANCIAL ASSETS

The composition of other non-financial assets is as follows:

	Current assets		Non-current assets		Total Assets	
	As of December 31, 2022	As of December 31, 2021	As of December 31, 2022	As of December 31, 2021	As of December 31, 2022	As of December 31, 2021
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
(a) Advance payments						
Aircraft insurance and other	27,122	12,331	-	-	27,122	12,331
Others	13,039	11,404	1,733	2,002	14,772	13,406
Subtotal advance payments	40,161	23,735	1,733	2,002	41,894	25,737
(b) Contract assets (1)						
GDS costs	9,530	6,439	-	-	9,530	6,439
Credit card commissions	26,124	10,550	-	-	26,124	10,550
Travel agencies commissions	12,912	8,091	-	-	12,912	8,091
Subtotal advance payments	48,566	25,080	-	-	48,566	25,080
(c) Other assets						
Sales tax	100,665	57,634	27,962	33,212	128,627	90,846
Other taxes	1,688	1,661	-	-	1,688	1,661
Contributions to the International Aeronautical Telecommunications Society (“SITA”)	258	258	739	739	997	997
Contributions to Universal Air Travel Plan “UATP”	-	-	40	20	40	20
Judicial deposits	26	-	117,904	89,459	117,930	89,459
Subtotal other assets	102,637	59,553	146,645	123,430	249,282	182,983
Total Other Non - Financial Assets	191,364	108,368	148,378	125,432	339,742	233,800

(1) Movement of Contracts assets:

	Initial balance	Activation	Cumulative translation adjustment	Amortization	Final balance
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
From January 1 to December 31, 2021	15,476	67,647	(6,680)	(51,363)	25,080
From January 1 to December 31, 2022	25,080	302,290	(37,145)	(241,658)	48,567

NOTE 13 - NON-CURRENT ASSETS AND DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE

Non-current assets and disposal group classified as held for sale at December 31, 2022 and December 31, 2021, are detailed below:

	As of December 31, 2022	As of December 31, 2021
	ThUS$	ThUS$
Current assets		
Aircraft	64,483	99,694
Engines and rotables	21,552	46,724
Other assets	381	374
Total	86,416	146,792

The balances are presented at the lower of book value and fair value less cost to sell. The fair value of these assets was determined based on quoted prices in active markets for similar assets or liabilities. This is a level II measurement as per the fair value hierarchy set out in Note 3.3 (2). There were no transfers between levels for recurring fair value measurements during the year.

Assets reclassified from Property, plant and equipment to Non-current assets or groups of assets for disposal classified as held for sale.

During 2020, eleven Boeing 767 aircraft were transferred from the Property, plant and equipment, to Non-current assets item or groups of assets for disposal classified as held for sale. During 2021, the sale of five aircraft was completed. Additionally, during the year 2022 the sale of three aircraft was finalized.

During 2021, associated with the fleet restructuring plan, 3 engines of the A350 fleet were transferred from the Property, plant and equipment to Non-current assets or groups of assets for disposal classified as held for sale, of which during the same year the sale of an engine was finalized. Additionally, during the year 2022, the sale of an engine was finalized and some materials and spare parts of this same fleet were transferred to Non-current assets or groups of assets for disposal classified as held for sale.

During 2022, 28 A319 family aircraft were transferred from Property, plant and equipment to Non-current assets or asset groups for disposal classified as held for sale. Additionally, adjustments for US$ 345 million of expenses were recognized within results as part of Other gains (losses) to record these assets at their net realizable value.

During the year 2022, 6 aircraft and 8 engines of the A320 family were transferred from Property, plant and equipment to Non-current assets or asset groups for disposal classified as held for sale, of which during the year 2022 the sale of three aircraft was finalized. Additionally, adjustments for US$ 25 million of expenses were recognized to record these assets at their net realizable value, and since the fleet restructuring process had already been completed, these adjustments were recorded in results as part of Other expenses by function.

During the year ended December 31, 2021, adjustments for US$ 85 million (US$ 332 million at December 31, 2020) of expenses were recognized to record these assets at their net realizable value, which were recorded as restructuring activity expenses.

The detail of the fleet classified as non-current assets and disposal group classified as held for sale is as follows:

Aircraft	As of December 31, 2022	As of December 31, 2021
Boeing 767	3	6
Airbus A320	3	-
Airbus A319	28	-
Total	34	6

NOTE 14 - INVESTMENTS IN SUBSIDIARIES

(a) Investments in subsidiaries

The Company has investments in companies recognized as investments in subsidiaries. All the companies defined as subsidiaries have been consolidated within the financial statements of LATAM Airlines Group S.A. and Subsidiaries. The consolidation also includes special-purpose entities.

Detail of significant subsidiaries:

Name of significant subsidiary	Country of incorporation	Functional currency	Ownership	
			As of December 31, 2022	As of December 31, 2021
			%	%
Latam Airlines Perú S.A.	Peru	US$	99.81000	99.81000
Lan Cargo S.A.	Chile	US$	99.89810	99.89810
Lan Argentina S.A.	Argentina	ARS	100.00000	100.00000
Transporte Aéreo S.A.	Chile	US$	100.00000	100.00000
Latam Airlines Ecuador S.A.	Ecuador	US$	100.00000	100.00000
Aerovías de Integración Regional, AIRES S.A.	Colombia	COP	99.21764	99.20120
TAM S.A.	Brazil	BRL	100.00000	100.00000

The consolidated subsidiaries do not have significant restrictions for transferring funds to the parent company.

As of December 31, 2021 the consolidated subsidiaries do not have significant restrictions for transferring funds to the parent entity in the normal course of operations, except for those imposed by Chapter 11 on dividend payments.

Summary financial information of significant subsidiaries

Name of significant subsidiary	Statement of financial position as of December 31, 2022						Income for the period ended December 31, 2022	
	Total Assets	Current Assets	Non-current Assets	Total Liabilities	Current Liabilities	Non-current Liabilities	Revenue	Net Income/(loss)
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Latam Airlines Perú S.A.	335,773	305,288	30,485	281,178	276,875	4,303	1,257,865	(12,726)
Lan Cargo S.A.	394,378	144,854	249,524	212,094	165,297	46,797	333,054	(1,230)
Lan Argentina S.A.	178,881	175,130	3,751	176,707	111,306	65,401	3,108	(450,755)
Transporte Aéreo S.A.	283,166	47,238	235,928	177,109	145,446	31,663	320,187	(36,190)
Latam Airlines Ecuador S.A.	110,821	107,313	3,508	93,975	82,687	11,288	134,622	1,519
Aerovías de Integración Regional, AIRES S.A.	112,501	109,076	3,425	213,941	211,679	2,262	394,430	(122,199)
TAM S.A. (*)	3,497,848	1,998,284	1,499,564	4,231,547	3,302,692	928,855	4,255,115	(69,932)

Name of significant subsidiary	Statement of financial position as of December 31, 2021						Income for the period ended December 31, 2021	
	Total Assets	Current Assets	Non-current Assets	Total Liabilities	Current Liabilities	Non-current Liabilities	Revenue	Net Income/(loss)
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Latam Airlines Perú S.A.	484,388	454,266	30,122	417,067	414,997	2,070	584,929	(109,390)
Lan Cargo S.A.	721,484	452,981	268,503	537,180	488,535	48,645	215,811	1,590
Lan Argentina S.A.	162,995	158,008	4,987	119,700	98,316	21,384	242	(200,315)
Transporte Aéreo S.A.	471,094	184,235	286,859	327,955	275,246	52,709	203,411	(56,135)
Latam Airlines Ecuador S.A.	112,437	108,851	3,586	97,111	80,861	16,250	68,762	(5,596)
Aerovías de Integración Regional, AIRES S.A.	70,490	67,809	2,681	87,749	75,621	12,128	239,988	(19,810)
TAM S.A. (*)	2,608,859	1,262,825	1,346,034	3,257,148	2,410,426	846,722	2,003,922	(741,791)

(*) Corresponds to consolidated information of TAM S.A. and subsidiaries

(b) Non-controlling interests

Equity	Tax No.	Country of origin	As of December 31, 2022	As of December 31, 2021	As of December 31, 2022	As of December 31, 2021
			%	%	ThUS$	ThUS$
Latam Airlines Perú S.A	Foreign	Peru	0.19000	0.19000	(12,392)	(13,035)
Lan Cargo S.A. and Subsidiaries	93.383.000-4	Chile	0.10196	0.10196	(1,638)	2,481
Lan Pax Airlines Group S.A. y Filiales	96.969.680-0	Chile	0.00000	0.00000	1,691	(149)
Linea Aérea Carguera de Colombiana S.A.	Foreign	Colombia	9.54000	9.54000	129	(422)
Transportes Aereos del Mercosur S.A.	Foreign	Paraguay	5.02000	5.02000	653	769
Total					(11,557)	(10,356)

Incomes	Tax No.	Country of origin	For the year ended December 31, 2022	For the year ended December 31, 2021	2020	2022	For the year ended December 31, 2021	2020
			%	%	%	ThUS$	ThUS$	ThUS$
Latam Airlines Perú S.A	Foreign	Peru	0.19000	0.19000	0.19000	643	(5,553)	(8,102)
Lan Cargo S.A. and Subsidiaries	93.383.000-4	Chile	0.10196	0.10196	0.10196	(4,118)	(1,771)	(121)
Lan Pax Airlines Group S.A. y Filiales	96.969.680-0	Chile	-	-	0.10196	967	(182)	431
Linea Aérea Carguera de Colombiana S.A.	Foreign	Colombia	9.54000	9.54000	9.54000	551	1,788	(943)
Transportes Aereos del Mercosur S.A.	Foreign	Paraguay	5.02000	0.79880	5.02000	(116)	67	(913)
Total						(2,073)	(5,651)	(9,648)

NOTE 15 - INTANGIBLE ASSETS OTHER THAN GOODWILL

The details of intangible assets are as follows:

	Classes of intangible assets (net)		Classes of intangible assets (gross)	
	As of December 31, 2022	As of December 31, 2021	As of December 31, 2022	As of December 31, 2021
	ThUS$	ThUS$	ThUS$	ThUS$
Airport slots	625,368	587,214	625,368	587,214
Loyalty program	203,791	190,542	203,791	190,542
Computer software	143,550	136,135	518,971	463,478
Developing software	107,652	104,874	107,651	105,673
Trademarks (1)	-	-	37,904	36,723
Other assets	25	127	1,315	1,315
Total	1,080,386	1,018,892	1,495,000	1,384,945

a) Movement in Intangible assets other than goodwill:

	Computer software and others Net	Developing software	Airport slots	Trademarks and loyalty program (1)	Total
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Opening balance as of January 1, 2020	221,324	99,193	845,959	281,765	1,448,241
Additions	45	76,331	-	-	76,376
Withdrawals	(333)	(454)	(36,896)	-	(37,683)
Transfer software and others	101,015	(99,890)	-	-	1,125
Foreign exchange	(20,242)	(6,659)	(181,321)	(63,478)	(271,700)
Amortization	(162,468)	-	-	(7,332)	(169,800)
Closing balance as of December 31, 2020	139,341	68,521	627,742	210,955	1,046,559
Opening balance as of January 1, 2021	139,341	68,521	627,742	210,955	1,046,559
Additions	-	82,798	-	-	82,798
Withdrawals	(275)	(429)	-	-	(704)
Transfer software and others	46,144	(45,657)	-	(352)	135
Foreign exchange	(3,571)	(359)	(40,528)	(14,276)	(58,734)
Amortization	(45,377)	-	-	(5,785)	(51,162)
Closing balance as of December 31, 2021	136,262	104,874	587,214	190,542	1,018,892
Opening balance as of January 1, 2022	136,262	104,874	587,214	190,542	1,018,892
Additions	47	66,820	-	-	66,867
Withdrawals	(2,947)	(245)	-	-	(3,192)
Transfer software and others	61,212	(63,658)	-	-	(2,446)
Foreign exchange	3,359	(139)	38,154	13,249	54,623
Amortization	(54,358)	-	-	-	(54,358)
Closing balance as of December 31, 2022	143,575	107,652	625,368	203,791	1,080,386

(1) In 2016, the Company decided to adopt a unique name and identity and announced that the group's brand will be LATAM, which united all the companies under a single image.

The estimate of the new useful life is 5 years, equivalent to the period necessary to complete the change of image.

As of December, 31, 2022, the TAM brand is fully amortized.

See Note 2.5

The amortization of each period is recognized in the consolidated income statement within administrative expenses.

The cumulative amortization of computer programs, brands and other assets as of December 31, 2022 amounts to ThUS $ 414,614 (ThUS $ 366,053 as of December 31, 2021).

b) Impairment Test Intangible Assets with an indefinite useful life

As of December 31, 2022, the Company maintains only the CGU “Air Transport”.

The CGU “Air transport” considers the transport of passengers and cargo, both in the domestic markets of Chile, Peru, Argentina, Colombia, Ecuador and Brazil, as well as in a series of regional and international routes in America, Europe, Africa and Oceania.

As of December 31, 2022, in accordance with the accounting policy, the Company performed the annual impairment test.

The recoverable amount of the CGU was determined based on calculations of the value in use. These calculations use projections of 5 years of cash flows after taxes from the financial budgets approved by management. Cash flows beyond the budgeted period are extrapolated using growth rates and estimated average volumes, which do not exceed long-term average growth rates.

Management’s cash flow projections included significant judgements and assumptions related to annual revenue growth rates, discount rate, inflation rates, the exchange rate and the price of fuel. The annual revenue growth rate is based on past performance and management’s expectations of market development in each of the countries in which it operates. The discount rates used for the CGU “Air transport” are determined in US dollars, after taxes, and reflect specific risks related to the relevant countries of each of the operations. Inflation rates and exchange rates are based on the data available from the countries and the information provided by the Central Banks of the various countries where it operates, and the price of fuel is determined based on estimated levels of production, the competitive environment of the market in which they operate and their commercial strategy.

The recoverable values were determined using the following assumptions:

		CGU Air transport
Annual growth rate (Terminal)	%	0.0 – 3.5
Exchange rate (1)	R$/US$	5.40 – 5.63
Discount rate based don the Weighted Average		
Cost of Capital (WACC)	%	8.40 – 12.40
Fuel Price from future prices curves		
Commodities markets	US$/barrel	100 – 130

(1) In line with expectations of the Central Bank of Brazil.

The result of the impairment test, which includes a sensitivity analysis of its main variables, showed that the recoverable amount exceeded the book value of the cash-generating unit, and therefore no impairment was identified.

The CGU is sensitive to annual growth rates, discounts and exchange rates and fuel price. The sensitivity analysis included the individual impact of changes in critical estimates in determining recoverable amounts, namely:

	Increase WACC Maximum	Decrease rate Terminal growth Minimal	Increase fuel price Maximum US$/barrel
	%	%	
Air Transportation CGU	12.4	0	130

In none of the above scenarios an impairment of the cash-generating unit was identified.

NOTE 16 - PROPERTY, PLANT AND EQUIPMENT

The composition by category of Property, plant and equipment is as follows:

	Gross Book Value		Accumulated depreciation		Net Book Value	
	As of December 31, 2022	As of December 31, 2021	As of December 31, 2022	As of December 31, 2021	As of December 31, 2022	As of December 31, 2021
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
a) Property, plant and equipment						
Construction in progress (1)	388,810	473,797	-	-	388,810	473,797
Land	44,349	43,276	-	-	44,349	43,276
Buildings	124,507	121,972	(55,511)	(61,521)	68,996	60,451
Plant and equipment	11,135,425	11,024,722	(4,836,926)	(4,462,706)	6,298,499	6,562,016
Own aircraft (3) (4)	10,427,950	10,377,850	(4,619,279)	(4,237,585)	5,808,671	6,140,265
Other (2)	707,475	646,872	(217,647)	(225,121)	489,828	421,751
Machinery	27,090	25,764	(25,479)	(23,501)	1,611	2,263
Information technology equipment	153,355	146,986	(136,746)	(130,150)	16,609	16,836
Fixed installations and accessories	155,351	147,402	(118,279)	(108,661)	37,072	38,741
Motor vehicles	51,504	49,186	(46,343)	(44,423)	5,161	4,763
Leasehold improvements	202,753	248,733	(42,726)	(115,758)	160,027	132,975
Subtotal Properties, plant and equipment	12,283,144	12,281,838	(5,262,010)	(4,946,720)	7,021,134	7,335,118
b) Right of use						
Aircraft (3)	4,391,690	5,211,153	(3,064,869)	(3,109,411)	1,326,821	2,101,742
Other assets	246,078	243,014	(182,372)	(190,007)	63,706	53,007
Subtotal Right of use	4,637,768	5,454,167	(3,247,241)	(3,299,418)	1,390,527	2,154,749
Total	16,920,912	17,736,005	(8,509,251)	(8,246,138)	8,411,661	9,489,867

(1) As of December 31, 2022, includes advances paid to aircraft manufacturers for ThUS$ 357,979 (ThUS$ 368,625 as of December 31, 2021)
(2) Consider mainly rotables and tools.
(3) As of December 31, 2021, due to Chapter 11, 13 aircraft lease contract were rejected, of which 4 were recorded as Property, plant and equipment, (4 A350) and 9 were presented as right of use assets, (2 A320 and 7 A350).
(4) During 2022, six A320 and twenty-eight A319 aircraft were reclassified to Non-current assets or groups of assets for disposal as held for sale.

Movement in the different categories of Property, plant and equipment:

	Construction in progress	Land	Buildings net	Plant and equipment net	Information technology equipment net	Fixed installations & accessories net	Motor vehicles net	Leasehold improvements net	Property, Plant and equipment net
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Opening balance as of January 1, 2020	372,589	48,406	74,862	9,374,516	20,776	59,834	477	98,460	10,049,920
Additions	6,535	-	-	485,800	1,295	9	-	-	493,639
Disposals	-	-	-	(1,439)	(112)	(31)	(4)	-	(1,586)
Rejection fleet	-	-	-	(1,081,496)	-	-	-	(82)	(1,081,578)
Retirements	(39)	-	-	(107,912)	(55)	(3,250)	-	-	(111,256)
Depreciation expenses	-	-	(4,819)	(682,102)	(6,186)	(9,037)	(81)	(16,542)	(718,767)
Foreign exchange	(2,601)	(5,428)	(4,836)	(146,219)	(1,543)	(7,195)	4	(2,587)	(170,405)
Other increases (decreases)	1,477	-	-	(142,179)	656	8,869	-	(4,841)	(136,018)
Changes, total	5,372	(5,428)	(9,655)	(1,675,547)	(5,945)	(10,635)	(81)	(24,052)	(1,725,971)
Closing balance as of December 31, 2020	377,961	42,978	65,207	7,698,969	14,831	49,199	396	74,408	8,323,949
Opening balance as of January 1, 2021	377,961	42,978	65,207	7,698,969	14,831	49,199	396	74,408	8,323,949
Additions	84,392	1,550	92	563,023	6,455	6	17	6,543	662,078
Disposals	-	-	-	(169)	(26)	(309)	(17)	-	(521)
Rejection fleet (*)	-	-	-	(469,878)	-	-	-	(46,816)	(516,694)
Retirements	(279)	-	-	(44,684)	(212)	(1,885)	-	(26)	(47,086)
Depreciation expenses	-	-	(4,074)	(620,349)	(4,345)	(8,304)	(61)	(11,649)	(648,782)
Foreign exchange	(1,720)	(1,252)	(833)	(19,199)	(404)	(1,752)	(11)	(13,074)	(38,245)
Other increases (decreases) (**)	13,443	-	59	(538,996)	537	1,786	1	123,589	(399,581)
Changes, total	95,836	298	(4,756)	(1,130,252)	2,005	(10,458)	(71)	58,567	(988,831)
Closing balance as of December 31, 2021	473,797	43,276	60,451	6,568,717	16,836	38,741	325	132,975	7,335,118
Opening balance as of January 1, 2022	473,797	43,276	60,451	6,568,717	16,836	38,741	325	132,975	7,335,118
Additions	16,332	-	-	843,808	6,426	113	258	27,160	894,097
Disposals	-	-	-	(4,140)	-	(264)	(3)	-	(4,407)
Withdrawals	(75)	-	(2)	(42,055)	(24)	(836)	-	(313)	(43,305)
Retirements	-	-	(3,285)	(669,059)	(5,662)	(7,914)	(55)	(13,071)	(699,046)
Depreciation expenses	(1,282)	1,073	918	11,527	(84)	2,365	(28)	7,593	22,082
Foreing exchange	(99,962)	-	10,914	(403,950)	(883)	4,867	(74)	5,683	(483,405)
Other increases (decreases)	-	-	-	-	-	-	-	-	-
Changes, total	(84,987)	1,073	8,545	(263,869)	(227)	(1,669)	98	27,052	(313,984)
Closing balance as of December 31, 2022	388,810	44,349	68,996	6,304,848	16,609	37,072	423	160,027	7,021,134

(*) Include aircraft lease rejection due to Chapter 11.

(**) As of December 31, 2022, six A320 ThUS$ (29,328) and twenty-eight A319 ThUS$ (373,410) aircraft were reclassified to Non-current assets or groups of assets for disposal as held for sale. As of December 31, 2021, it includes the lease contract amendment of two B787 aircraft ThUS$ (397,569) and six A320N aircraft ThUS$ (284,952) (see note 13).

(a) Right of use assets:

	Aircraft	Others	Net right of use assets
	ThUS $	ThUS $	ThUS $
Opening balances as of January 1, 2020	2,768,540	101,158	2,869,698
Additions	-	399	399
Fleet rejection (*)	(9,090)	-	(9,090)
Depreciation expense	(395,936)	(22,492)	(418,428)
Cumulative translate adjustment	(6,578)	(11,173)	(17,751)
Other increases (decreases)	(18,894)	385	(18,509)
Total changes	(430,498)	(32,881)	(463,379)
Final balances as of December 31, 2020	2,338,042	68,277	2,406,319
Opening balances as of January 1, 2021	2,338,042	68,277	2,406,319
Additions	537,995	1,406	539,401
Fleet rejection (*)	(573,047)	(4,577)	(577,624)
Depreciation expense	(317,616)	(16,597)	(334,213)
Cumulative translate adjustment	(574)	(1,933)	(2,507)
Other increases (decreases) (**)	116,942	6,431	123,373
Total changes	(236,300)	(15,270)	(251,570)
Final balances as of December 31, 2021	2,101,742	53,007	2,154,749
Opening balances as of January 1, 2022	2,101,742	53,007	2,154,749
Additions	372,571	13,087	385,658
Depreciation expense	(249,802)	(16,368)	(266,170)
Cumulative translate adjustment	919	1,392	2,311
Other increases (decreases) (***)	(898,609)	12,588	(886,021)
Total changes	(774,921)	10,699	(764,222)
Final balances as of December 31, 2022	1,326,821	63,706	1,390,527

(*) Include aircraft lease rejection due to Chapter 11.
(**) Includes the renegotiations of 92 aircraft (1 A319, 37 A320, 12 A320N, 19 A321, 1 B767, 6 B777 and 16 B787).
(***) Include the renegotiations of 115 aircraft (1 A319, 39 A320, 14 A320N, 30 A321, 1 B767, 6 B777 and 24 B787).

Aircraft	Model	Aircraft included in Property, plant and equipment		Aircraft included as Rights of use assets		Total fleet	
		As of December 31, 2022	As of December 31, 2021	As of December 31, 2022	As of December 31, 2021	As of December 31, 2022	As of December 31, 2021
Boeing 767	300ER	15	16	-	-	15	16
Boeing 767	300F	13	12(1)	1	1	14	13(1)
Boeing 777	300ER	4	4	6	6	10	10
Boeing 787	800	4	4	6	6	10	10
Boeing 787	900	2	2	19	15	21	17
Airbus A319	100	12(3)	37	1	7	13	44
Airbus A320	200	88	94	40(2)	39	128(2)	133
Airbus A320	NEO	1	-	15	12	16	12
Airbus A321	200	19	18	30	31	49	49
Total		158	187	118	117	276	304

(1) An aircraft leased to Aerotransportes Mas de Carga S.A. de C.V, was returned to LATAM Airlines Group S.A. in 2022.
(2) An aircraft with a short-term operating lease is not considered value for right of use.
(3) Twenty-eight A319 aircraft were classified under non-current assets or groups of assets for disposal as held for sale, (see Note 13)

(d) Method used for the depreciation of Property, plant and equipment:

	Method	Useful life (years)	
		minimum	maximum
Buildings	Straight line without residual value	20	50
Plant and equipment	Straight line with residual value of 20% in the short-haul fleet and 36% in the long-haul fleet. (*)	5	30
Information technology equipment	Straight line without residual value	5	10
Fixed installations and accessories	Straight line without residual value	10	10
Motor vehicle	Straight line without residual value	10	10
Leasehold improvements	Straight line without residual value	5	8
Assets for rights of use	Straight line without residual value	1	25

(*) Except in the case of the Boeing 767 300ER, Airbus 320 Family and Boeing 767 300F fleets that consider a lower residual value, due to the extension of their useful life to 22, 25 and 30 years respectively. Additionally, certain technical components are depreciated based on cycles and hours flown.

(e) Additional information regarding Property, plant and equipment:

(i) Property, plant and equipment pledged as guarantee:

Description of Property, plant and equipment pledged as guarantee:

Guarantee agent (1)	Creditor company	Committed Assets	Fleet	As of Deceember 31, 2022		As of December 31, 2021	
				Existing Debt	Book Value	Existing Debt	Book Value
				ThUS$	ThUS$	ThUS$	ThUS$
Wilmington Trust Company	MUFG	Aircraft and engines	Airbus A319	4,554	13,205	58,611	259,036
			Airbus A320	33,154	203,788	51,543	227,604
			Boeing 767	35,043	164,448	46,779	168,315
			Boeing 777	141,605	144,065	144,358	141,620
Credit Agricole	Credit Agricole	Aircraft and engines	Airbus A319	3,518	5,311	1,073	6,419
			Airbus A320	195,864	161,397	139,192	117,130
			Airbus A321 / A350	6,192	4,827	30,733	27,427
			Boeing 767	9,121	23,323	10,404	30,958
			Boeing 787	60,305	34,077	91,797	38,551
Bank Of Utah	BNP Paribas	Aircraft and engines	Boeing 787	184,199	221,311	198,475	233,501
Citibank N.A.	Citibank N.A.	Aircraft and engines	Airbus A319	-	-	27,936	45,849
			Airbus A320	-	-	128,030	181,224
			Airbus A321	-	-	41,599	75,092
			Airbus A350	-	-	15,960	26,507
			Airbus B767	-	-	90,846	181,246
			Airbus B787	-	-	23,156	17,036
			Rotables	-	-	162,477	134,846
UMB Bank	MUFG	Aircraft and engines	Airbus A320	-	-	166,712	258,875
Total direct guarantee				673,555	975,752	1,429,681	2,171,236

(1) For the syndicated loans, the Guarantee Agent represents different creditors.

The amounts of the current debt are presented at their nominal value. The net book value corresponds to the assets granted as collateral.

Additionally, there are indirect guarantees associated with assets booked within Property, Plant and Equipment whose total debt as of December 31, 2022, amounts to ThUS$ 1,037,122 (ThUS$ 1,200,382 as of December 31, 2021). The book value of the assets with indirect guarantees as of December 31, 2022, amounts to ThUS$ 2,306,233 (ThUS$ 2,884,563 as of December 31, 2021).

As of December 31, 2021, given Chapter 11, four aircraft included within Property, plant and equipment were rejected, of which four had direct guarantees and one indirect guarantee.

As of December 31, 2022, the Company keeps valid letters of credit related to right of use assets according to the following detail:

Creditor Guarantee	Debtor	Type	Value ThUS$	Release date
GE Capital Aviation Services Ltd.	LATAM Airlines Group S.A.	Three letters of credit	12,198	Dec 6, 2023
Merlin Aviation Leasing (Ireland) 18 Limited	Tam Linhas Aéreas S.A.	Two letters of credit		
RB Comercial Properties 49			3,852	Mar 15, 2023
Empreendimentos Imobiliarios LTDA	Tam Linhas Aéreas S.A.	One letter of credit	27,091	Apr 20, 2023
			43,141	

(ii) Commitments and others

Fully depreciated assets and commitments for future purchases are as follows:

	As of December 31, 2022	As of December 31, 2021
	ThUS$	ThUS$
Gross book value of fully depreciated property, plant and equipment still in use	266,896	223,608
Commitments for the acquisition of aircraft (*)	13,186,000	10,800,000

(*) According to the manufacturer's price list.

Purchase commitment of aircraft

	Year of delivery				
Manufacturer	2023	2024	2025	2026-2029	Total
Airbus S.A.S.	8	8	11	56	83
A320-NEO Family	8	8	11	56	83
The Boeing Company	2	-	-	-	2
Boeing 787-9	2	-	-	-	2
Total	10	8	11	56	85

As of December 31, 2022, as a result of the different aircraft purchase contracts signed with Airbus S.A.S., 83 Airbus aircraft of the A320 family remain to be received with deliveries between 2023 and 2029. The approximate amount, according to manufacturer list prices, is ThUS$12,586,000.

As of December 31, 2022, as a result of the different aircraft purchase contracts signed with The Boeing Company, 2 Boeing 787 Dreamliner aircraft remain to be received with delivery dates during 2023. The approximate amount, according to list prices from the manufacturer, is ThUS$ 600,000.

As of December 31, 2022, as a result of the different aircraft operating lease contracts signed with AerCap Holdings N.V., 8 Airbus aircraft of the A320 Neo family remain to be received with deliveries between 2023 and 2024.

As of December 31, 2022, as a result of the different aircraft operating lease contracts signed with Air Lease Corporation, 2 Airbus aircraft of the A320 Neo family remain to be received with deliveries between 2023 and 2024.

As of December 31, 2022, as a result of the different aircraft operating lease contracts signed with Avolon Aerospace Leasing Limited, 3 Airbus aircraft of the A320 Neo family remain to be received with deliveries between 2023 and 2024.

As of December 31, 2022, as a result of the different aircraft operating lease contracts signed with CDB Aviation, 1 Airbus aircraft of the A320 Neo family with a delivery date of 2023 remains to be received.

As of December 31, 2022, as a result of the different aircraft operating lease contracts signed with Air Lease Corporation, 5 Airbus A321XLR family aircraft remain to be received with deliveries between 2025 and 2026.

As of December 31, 2022, as a result of the different aircraft operating lease contracts signed with ORIX Aviation Systems Ltd., 4 Boeing 787 Dreamliner aircraft with a delivery date of 2023 remain to be received.

(iii) Capitalized interest costs with respect to Property, plant and equipment.

		For the period ended December 31,		
		2022	2021	2020
Average rate of capitalization of capitalized interest costs	%	7.12	5.06	3.52
Costs of capitalized interest	ThUS$	10,575	7,345	11,627

(f) Assumption, Amendment & Rejection of Executory Contracts & Leases

On June 28, 2020, the Bankruptcy Court authorized the Debtors to establish procedures for the rejection of certain executory contracts and unexpired leases and on September 24, 2020, the Bankruptcy Court authorized the Debtors to establish procedures for the rejection of certain unexpired aircraft lease agreements, aircraft engine agreements and the abandonment of certain related assets. In accordance with these rejection procedures, the Bankruptcy Code and the Bankruptcy Rules the Debtors have or will reject certain contracts and leases (see notes 18 and 26). Relatedly, the Bankruptcy Court approved the Debtors' request to extend the date by which the Debtors may assume or reject unexpired non-residential, real property leases until December 22, 2020. Pursuant to the Disclosure Statement Order, the Debtors have until the Effective Date of the Plan (as defined in the Plan) to assume or reject executory contracts and unexpired leases.

Further, the Debtors have filed motions to reject certain aircraft and engine leases and related agreements:

Bankruptcy Court approval date:	Asset rejected:
January 29, 2021	(i) 2 Airbus A320-family aircraft
April 23, 2021	(i) 1 Airbus A350-941 aircraft
May 14, 2021	(i) 6 Airbus A350 aircraft
June 17, 2021	(i) 1 Airbus A350-941 aircraft
June 24, 2021	(i) 3 Airbus A350-941 aircraft
November 3, 2021	(i) 1 Rolls-Royce Trent XWB-84K engine;
	(ii) 1 Rolls-Royce International Aero Engine AG V2527M-A5;
January 5, 2022	(i) General Terms Agreement between Rolls-Royce PLC and Rolls-Royce Totalcare Services Limited and TAM Linhas Aereas S.A.;
March 22, 2022	(i) 1 International Aero Engines AG V2527-A5 engine; and
May 18, 2022	(i) Framework Deed Relating to the purchase and leaseback of ten used Airbus A330-200 aircraft, nine new Airbus A350-900 aircraft, four new Boeing 787-9 aircraft and two new Boeing 787-8 aircraft.

As of December 31, 2021, and as a result of these contract rejections, performance obligations with the lenders and lessors were extinguished and the Company lost control over the related assets resulting in the derecognition of the assets and the liabilities associated with these aircraft. See Note 18 and 26.

Contracts rejected during 2022 in the previous table do not result in changes in the asset or liabilities structure of the Company, since these were general terms of agreement for purchases, engine maintenance contracts and short term leases which according to the accounting policies (see Note 2) should not be registered as right of use assets.

The Debtors also have filed motions to enter into certain new aircraft lease agreements, including:

Bankruptcy Court Approval Date:	Counterparty / Aircraft
March 8, 2021	Vermillion Aviation (nine) Limited, Aircraft MSNs 4860 and 4827
April 12, 2021	Wilmington Trust Company, Solely in its Capacity as Trustee, Aircraft MSNs 6698, 6780, 6797, 6798, 6894, 6895, 6899, 6949, 7005, 7036, 7081
May 30, 2021	UMB Bank N.A., Solely in its Capacity as Trustee, Aircraft MSNs 38459, 38478, 38479, 38461
August 31, 2021	(i) Avolon Aerospace Leasing Limited or its Affiliates, Aircraft MSNs 38891, 38893, 38895
	(ii) Sky Aero Management Ltd. Ten Airbus A320neo
February 23, 2022	Vmo Aircraft Leasing, Two Boeing 787-9
March 17, 2022	Avolon Aerospace Leasing Limited, Two Airbus A321neo
March 17, 2022	Air Lease Corporation, Three Airbus A321NX
March 17, 2022	AerCap Ireland, Two Airbus A321-200NEO
March 18, 2022	CDB Aviation Lease Finance DAC, Two Airbus A321NX
April 14, 2022	Macquarie Aircraft Leasing Services (Ireland) Ltd., One Airbus A320-233
June 29, 2022	UK Export Finance, Four Boeing 787-9
August 12, 2022	Air Lease Corporation, Three Airbus A321XLR
September 8, 2022	Air Lease Corporation, Two Airbus A321XLR

In addition, the Debtors also have filed motions to enter into certain aircraft lease amendment agreements which have the effect of, among other things, reducing the Debtors' rental payment obligations and extension on the lease term. Certain amendments also involved updates to related financing arrangements. These amendments include:

Bankruptcy Court Approval Date:	Amended Lease Agreement/Counterparty
April 14, 2021	(1) Bank of Utah
	(2) AWAS 5234 Trust
	(3) Sapucaia Leasing Limited, PK Airfinance US, LLC and PK Air 1 LP
April 15, 2021	Aviator IV 3058, Limited
April 27, 2021	Bank of America Leasing Ireland Co.,
May 4, 2021	(1) NBB Grosbeak Co., Ltd, NBB Cuckoo Co., Ltd., NBB-6658 Lease Partnership, NBB-6670 Lease Partnership and NBB Redstart Co. Ltd.
	(2) Sky High XXIV Leasing Company Limited and Sky High XXV Leasing Company Limited
	(3) SMBC Aviation Capital Limited
May 5, 2021	(1) JSA International US Holdings LLC and Wells Fargo Trust Company N.A.
	(2) Orix Aviation Systems Limited
May 27, 2021	(1) Shenton Aircraft Leasing 3 (Ireland) Limited.
	(2) Chishima Real Estate Company, Limited and PAAL Aquila Company Limited
May 28, 2021	MAF Aviation 1 Designated Activity Company
May 30, 2021	(1) IC Airlease One Limited
	(2) UMB Bank, National Association, Macquarie Aerospace Finance 5125-2 Trust and Macquarie Aerospace Finance 5178 Limited
	(3) Wilmington Trust SP Services (Dublin) Limited
	(4) Aercap Holdings N.V.
	(5) Banc of America Leasing Ireland Co.
	(6) Castlelake L.P.
July 1, 2021	EX-IM Fleet
July 8, 2021	Greylag Goose Leasing 38887 Designated Activity Company
July 15, 2021	(1) ECAF I 40589 DAC
	(2) Wells Fargo Company, National Associates, as Owner Trustee
	(3) Orix Aviation Systems Limited
	(4) Wells Fargo Trust Company, N.A.

July 20, 2021	(1) Avolon AOE 62 Limited
	(2) Avolon Aerospace (Ireland) AOE 99 Limited, Avolon Aerospace (Ireland) AOE 100 Limited, Avolon Aerospace (Ireland) AOE 101 Limited, Avolon Aerospace (Ireland) AOE 102 Limited, Avolon Aerospace (Ireland) AOE 103 Limited, Avolon Aerospace AOE 130 Limited, Avolon Aerospace AOE 134 Limited
July 27, 2021	(1) Merlin Aviation Leasing (Ireland) 18 Limited
	(2) JSA International U.S. Holdings, LLC
August 30, 2021	(1) Yamasa Sangyo Aircraft LA1 Kumiai and Yamasa Sangyo Aircraft LA2 Kumiai
	(2) Dia Patagonia Ltd. and DIa Iguazu Ltd.
	Condor Leasing Co., Ltd., FC Initial Leasing Ltd., Alma Leasing Co., Ltd., and FI Timothy Leasing Ltd.
	(3) Platero Fleet
	(4) SL Alcyone Ltd.
	(5) NBB Crow Co., Ltd.
	(6) NBB Sao Paulo Lease Co., Ltd., NBB Rio Janeiro Lease Co., Ltd. And NBB Brasilia Lease LLC
	(7) Gallo Finance Limited
	(8) Orix Aviation Systems Limited

The lease amendment agreements were accounted for as lease modifications (see Note 18).

In relation to several of these lease amendment agreements, the Debtors entered into claims settlement stipulations for prepetition amounts due upon assumption of those agreements.

NOTE 17 - CURRENT AND DEFERRED TAXES

The Company calculated and booked its income tax provision for the period ended December 31, 2022 using the partially integrated system with a tax rate of 27%, in accordance with the Law No. 21,210, published in the Journal of the Republic of Chile, dated February 24, 2020, which update the Tax Legislation.

The net result for deferred tax corresponds to the variation of the year, of the assets and liabilities for deferred taxes generated by temporary differences and tax losses.

For the permanent differences that give rise to a book value of assets and liabilities other than their tax value, no deferred tax has been recorded since they are caused by transactions that are recorded in the financial statements and that will have no effect on income tax expense.

(a) Current taxes

(a.1) The composition of the current tax assets is the following:

	Current assets		Non-current assets		Total assets	
	As of December 31, 2022	As of December 31, 2021	As of December 31, 2022	As of December 31, 2021	As of December 31, 2022	As of December 31, 2021
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Provisional monthly payments (advances)	18,559	32,086	-	-	18,559	32,086
Other recoverable credits	14,474	9,178	-	-	14,474	9,178
Total current tax assets	33,033	41,264	-	-	33,033	41,264

(a.2) The composition of the current tax liabilities are as follows:

	Current liabilities		Non-current liabilities		Total liabilities	
	As of December 31, 2022	As of December 31, 2021	As of December 31, 2022	As of December 31, 2021	As of December 31, 2022	As of December 31, 2021
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Income tax provision	1,026	675	-	-	1,026	675
Total current tax liabilities	1,026	675	-	-	1,026	675

(b) Deferred taxes

The balances of deferred tax are the following:

	Assets		Liabilities	
Concept	As of December 31, 2022	As of December 31, 2021	As of December 31, 2022	As of December 31, 2021
	ThUS$	ThUS$	ThUS$	ThUS$
Properties, Plants and equipment	(1,006,814)	(1,128,225)	81,326	80,468
Assets by right of use	249,462	715,440	(45)	(68)
Amortization	(88,172)	(44,605)	10	10
Provisions	(20,563)	111,468	69,519	74,047
Revaluation of financial instruments	2,438	(16,575)	-	-
Tax losses	852,654	358,284	(94,005)	(87,378)
Intangibles	-	-	270,512	254,155
Other	16,910	19,503	17,308	19,777
Total	5,915	15,290	344,625	341,011

The balance of deferred tax assets and liabilities are composed primarily of temporary differences to be reversed in the long term.

Movements of Deferred tax assets and liabilities

(b.1) From January 1 to December 31, 2020

	Opening balance Assets/(liabilities)	Recognized in consolidated income	Recognized in comprehensive income	Exchange rate variation	Ending balance Asset (liability)
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Property, plant and equipment	(1,513,904)	110,010	-	7,557	(1,396,337)
Assets for right of use	133,481	95,774	-	-	229,255
Amortization	(53,136)	(14,142)	-	2,130	(65,148)
Provisions	43,567	158,178	924	(58,639)	144,030
Revaluation of financial instruments	10,279	(27,901)	959	(1,470)	(18,133)
Tax losses (*)	1,356,268	216,897	-	(15,428)	1,557,737
Intangibles	(349,082)	1,030	-	77,371	(270,681)
Others	(8,693)	6,541	-	1,965	(187)
Total	(381,220)	546,387	1,883	13,486	180,536

(b.2) From January 1 to December 31, 2021

	Opening balance Assets/(liabilities)	Recognized in consolidated income	Recognized in comprehensive income	Exchange rate variation	Ending balance Asset (liability)
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Property, plant and equipment	(1,396,337)	187,644	-	-	(1,208,693)
Assets for right of use	229,255	486,253	-	-	715,508
Amortization	(65,148)	20,533	-	-	(44,615)
Provisions	144,030	(103,826)	(2,783)	-	37,421
Revaluation of financial instruments	(18,133)	1,616	(58)	-	(16,575)
Tax losses (*)	1,557,737	(1,112,075)	-	-	445,662
Intangibles	(270,681)	(1,394)	-	17,920	(254,155)
Others	(187)	(87)	-	-	(274)
Total	180,536	(521,336)	(2,841)	17,920	(325,721)

(b.3) From January 1 to December 31, 2022

	Opening balance Assets/(liabilities)	Recognized in consolidated income	Recognized in comprehensive income	Exchange rate variation	Ending balance Asset (liability)
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Property, plant and equipment	(1,208,693)	120,553	-	-	(1,088,140)
Assets for right of use	715,508	(466,001)	-	-	249,507
Amortization	(44,615)	(43,567)	-	-	(88,182)
Provisions	37,421	(128,070)	567	-	(90,082)
Revaluation of financial instruments	(16,575)	19,248	(235)	-	2,438
Tax losses (*)	445,662	500,997	-	-	946,659
Intangibles	(254,155)	2,114	-	(18,471)	(270,512)
Others	(274)	(124)	-	-	(398)
Total	(325,721)	5,150	332	(18,471)	(338,710)

Unrecognized deferred tax assets:

Deferred tax assets are recognized to the extent that it is probable that sufficient taxable profits will be generated in the future. In total the Company has not recognized deferred tax assets for ThUS$ 3,651,023 at December 31, 2022 (ThUS$ 2,638,473 as of December 31, 2021) which include deferred tax assets related to negative tax results of ThUS$ 14,930,487 at December 31, 2022 (ThUS$ 9,030,059 at December 31, 2021).

(*) As stated in note 2c), on November 26th, 2021 the Company filed a Reorganization Plan and Disclosure Statement in which, among other items, financial forecasts were included together with the proposed issuance of new shares and convertible notes. With that information the Company´s management updated its analysis on the recoverability of deferred tax assets and determined that during the time covered by the financial forecast it will not be probable that part of such deferred tax assets may be offset by future taxable profits. Therefore, the Company during the fourth quarter of 2021 derecognized deferred tax assets not considered recoverable in the amount of ThUS$1,251,912. On the other hand, on December 31, 2022 the Company management of subsidiary Lan Cargo S.A determined that considering financial forecast it will not be probable that part of the deferred tax assets may be offset with future taxable profits. Therefore, the Company derecognized deferred tax assets not considered recoverable in the amount of ThUS$6,173.

(Expenses)/income from deferred taxes and income tax:

	For the year ended December 31,		
	2022	2021	2020
	ThUS$	ThUS$	ThUS$
Income tax (expense)/benefit			
Current tax (expense) benefit	(14,064)	(47,139)	3,602
Adjustments to the current tax of the previous year	-	(460)	199
Total current tax (expense) benefit	(14,064)	(47,599)	3,801
(Expense)/benefit from deferred income taxes			
Deferred (expense) benefit for taxes related to the creation and reversal of temporary differences	5,150	(521,336)	546,387
Total deferred tax (expense)benefit	5,150	(521,336)	546,387
Income tax (expense)/benefit	(8,914)	(568,935)	550,188

Income tax (expense)benefit

	For the year ended December 31,		
	2022	2021	2020
	ThUS$	ThUS$	ThUS$
Current tax (expense) benefit, foreign	19,573	(9,943)	(4,232)
Current tax (expense) benefit, domestic	(33,637)	(37,656)	8,033
Total current tax (expense) benefit	(14,064)	(47,599)	3,801
Deferred tax (expense) benefit, foreign	(532)	4,309	(235,963)
Deferred tax (expense) benefit, domestic	5,682	(525,645)	782,350
Total deferred tax (expense)benefit	5,150	(521,336)	546,387
Income tax (expense)/benefit	(8,914)	(568,935)	550,188

Income before tax from the Chilean legal tax rate (27% as of December 31, 2022, 2021 and 2020)

	For the year ended December 31,			For the year ended December 31,		
	2022	2021	2020	2022	2021	2020
	ThUS$	ThUS$	ThUS$	%	%	%
Income tax benefit/(expense) using the legal tax rate	(363,434)	1,102,736	1,378,547	(27.00)	(27.00)	(27.00)
Tax effect by change in tax rate	9,016	-	-	0.67	-	-
Tax effect of rates in other jurisdictions	20,398	54,775	58,268	1.52	(1.34)	(1.14)
Tax effect of non-taxable income (*)	1,201,618	9,444	19,529	89.27	(0.23)	(0.38)
Tax effect of disallowable expenses	(33,855)	(30,928)	(40,528)	(2.52)	0.76	0.79
Other increases (decreases):						
Derecognition of deferred tax liabilities for early termination of aircraft financing	90,823	205,458	294,969	6.75	(5.03)	(5.78)
Tax effect for goodwill impairment losses	-	-	(453,681)	-	-	8.89
Derecognition of deferred tax assets not recoverable	(6,173)	(1,251,912)	(237,637)	(0.46)	30.65	4.65
Deferred tax asset not recognized	(990,095)	(667,702)	(414,741)	(73.56)	16.35	8.12
Other increases (decreases)	62,788	9,194	(54,538)	4.66	(0.23)	1.07
Total adjustments to tax expense using the legal rate	354,520	(1,671,671)	(828,359)	26.33	40.93	16.22
Income tax benefit/(expense) using the effective rate	(8,914)	(568,935)	550,188	(0.67)	13.93	(10.78)

(*) As of December 31, 2022, this amount mainly includes ThUS$974,826 and ThUS$218,775 related to amounts resulting from the gain resulting from the de-recognition of financial liabilities as a result of emergence from Chapter 11, and the equity issuance cost which is not taxable respectively.

Deferred taxes related to items charged to equity:

	For the year ended December 31,		
	2022	2021	2020
	ThUS$	ThUS$	ThUS$
Aggregate deferred taxation of components of other comprehensive income	332	(2,841)	1,883

NOTE 18 - OTHER FINANCIAL LIABILITIES

The composition of other financial liabilities is as follows:

	As of December 31, 2022	As of December 31, 2021
	ThUS$	ThUS$
Current		
(a) Interest bearing loans	629,106	3,869,040
(b) Lease Liability	173,735	578,740
(c) Hedge derivatives	-	2,734
(d) Derivative non classified as hedge accounting	-	2,937
Total current	802,841	4,453,451
Non-current		
(a) Interest bearing loans	3,936,320	3,566,804
(b) Lease Liability	2,042,719	2,381,898
Total non-current	5,979,039	5,948,702

(a) Interest bearing loans

Obligations with credit institutions and debt instruments:

	As of December 31, 2022	As of December 31, 2021
	ThUS$	ThUS$
Current		
Loans to exporters	-	159,161
Bank loans (3)	353,284	415,087
Guaranteed obligations (5)(6)	17,887	75,593
Other guaranteed obligations (1)(3)	66,239	2,546,461
Subtotal bank loans	437,410	3,196,302
Obligation with the public (3)	33,383	396,345
Financial leases (4)(5)(6)(7)	156,285	199,885
Other loans	2,028	76,508
Total current (2)	629,106	3,869,040
Non-current		
Bank loans (3)	1,032,711	106,751
Guaranteed obligations (5)(6)	307,174	434,942
Other guaranteed obligations	408,065	178,961
Subtotal bank loans	1,747,950	720,654
Obligation with the public (3)	1,256,416	1,856,853
Financial leases (4)(5)(6)(7)	931,954	989,297
Total non-current (2)	3,936,320	3,566,804
Total obligations with financial institutions (2)	4,565,426	7,435,844

(1) During March and April 2020, LATAM Airlines Group S.A. drew the entirety (US$ 600 million) of the committed credit line “Revolving Credit Facility (RCF)”. The line is guaranteed with collateral made up of aircraft, engines and spare parts, which was fully drawn until November 3, 2022. Once emerged from Chapter 11, this line was fully repaid and is available to be drawn.

(2) On May 26, 2020 LATAM Airlines Group S.A. and its subsidiaries in Chile, Peru, Colombia and Ecuador filed for protection under Chapter 11 of the United States bankruptcy law in the Court for the Southern District of New York. Under Section 362 of the Bankruptcy Code. The same occurred for TAM LINHAS AÉREAS S.A and its affiliates (all LATAM affiliates in Brazil), dated July 9, 2020. Filing for Chapter 11 automatically suspends most actions against LATAM and its affiliates, including most of actions to collect financial obligations incurred before the Chapter 11 filing date or to exercise control over the property of LATAM and its affiliates. Consequently, although the bankruptcy filing may have caused defaults for some of the obligations of LATAM and its affiliates, the counterparties cannot take any action as a result of such defaults.

Then, on November 3, 2022, the Company and all of its subsidiaries successfully emerged from Chapter 11.

(3) On September 29, 2020, LATAM Airlines Group S.A. obtained Debtor-in-Possession ("DIP") financing for a total of US$2,450 million, composed of US$1,300 million of a tranche A ("Tranche A") and US$1,150 million of a tranche C ("Tranche C"), of which US$750 million were provided by related parties. Obligations under the DIP were secured by assets owned by LATAM and certain of its subsidiaries, including, but not limited to, shares, certain engines and spare parts.

On October 8, 2020, LATAM made a partial withdrawal for US$1,150 million from Tranche A and Tranche C, and then, on or around June 22, 2021, LATAM made an additional withdrawal for US$500 million from Tranche A and Tranche C.

On October 18, 2021, LATAM Airlines Group S.A. obtained court approval for a Tranche B ("Tranche B") of the DIP Financing for up to a total of US$750 million. The obligations of this Tranche B, like the previous tranches, were guaranteed with the same guarantees granted by LATAM and its subsidiaries subject to the Chapter 11 Procedure, included without limitation, by pledges on shares, certain engines and spare parts. The following draws on the DIP must be done from Tranche B until the proportion drawn is equal to the proportion drawn on the other tranches. When the proportions were the same, new draws are done on a pro-rata basis on all tranches.

On November 10, 2021, the Company made a partial transfer for US$200 million from Tranche B and later on December 28, 2021, LATAM made a new transfer for MUS$ 100. After these transfers, LATAM still It had US$1,250 million of line available for future transfers.

On March 14, 2022, LATAM made a transfer for MUS$ 38.6 from Tranche A, US$227.3 million from Tranche B and US$34.1 million from Tranche C.

The DIP had an expiration date of April 8, 2022, subject to a potential extension, at LATAM's decision, for an additional 60 days in the event that LATAM's reorganization plan has been confirmed by a United States Court order. for the Southern District of New York, but the plan is not yet effective. Finally, it should be noted that this extension was not carried out and that this DIP financing was paid in full on April 8, 2022, being replaced by a new consolidated and modified DIP Credit Agreement.

On February 17, 2022, LATAM submitted an initial proposal (the "Consolidated and Modified Initial DIP Financing Proposal") of a consolidated and modified text of the contract called Super-Priority Debtor-In-Possession Term Loan Agreement before the Court of Bankruptcies of the Southern District of New York.

On March 14, 2022, the Board of Directors of the Company, unanimously, approved the Amended and Restated DIP Financing Proposal, subject to the approval of the Court. On March 14, 2022, a new consolidated and modified contract of the Existing DIP Credit Agreement (the "Amended and Restated DIP Credit Agreement") was submitted to the Court for its approval. The NewDIP Credit Agreement (i) refinances and fully replaces the existing Tranches A, B and C in the Existing DIP Credit Agreement; (ii) contemplates a maturity date in accordance with the calendar that the Debtors foresee to emerge from the Chapter 11 Procedure; and (iii) includes certain reductions in fees and interest compared to the Existing DIP Credit Agreement and the Recast and Amended DIP Initial Financing Proposal. Obligations under the DIP were secured by assets owned by LATAM and certain of its subsidiaries, including, but not limited to, shares, certain engines and spare parts.

On April 8, 2022, a consolidated and modified text was signed (the "Amended and restated DIP Credit Agreement") of the Original DIP Credit Agreement, which modifies and recasts said agreement and repays the obligations pending payment under it. (that is, under its Tranches A, B and C). The total amount of the Consolidated and Modified DIP Credit Agreement is US$3.700 million. The Consolidated and Amended DIP Credit Agreement (i) includes certain reductions in fees and interest compared to the Existing DIP Credit Agreement; and (ii) contemplates an expiration date in accordance with the calendar that LATAM foresees to emerge from the Chapter 11 Procedure. Regarding the latter, the scheduled expiration date of the intitial DIP Credit Agreement was August 8, 2022, subject to to possible extensions that, in certain cases, had a deadline of November 30, 2022.

Likewise, on April 8, 2022, the initial disbursement took place under the Amended and Restated DIP Credit Agreement for the amount of US$2,750 million. On April 28, 2022, an amendment to this contract was signed, extending the expiration date from August 8, 2022 to October 14, 2022.

On October 12, 2022, this Amended and Restated DIP Credit Agreement was fully repaid with the DIP-to-Exit financing, which contemplated US$750 million of a bridge financing for senior secured notes maturing in 2027, US$750 million of another bridge financing for senior secured notes due 2029, US$750 Mn of a Term Financing, US$1,146 million of a Junior DIP financing, and US$ 500 million of an undrawn Revolving Credit Facility. The DIP-to-exit financing was collateralized by assets owned by LATAM and by certain of its subsidiaries. The Junior DIP contemplated a subordinate priority to the rest of the credits.

On October 18, 2022, the Bridge Loans were partially repaid by; (i) a Note issued from registration under U.S. Securities Act of 1933, as amended ("the "Securities Act"), pursuant to Rule 144A and Regulation S, both under the Securities Act, due in 2027 (the "5 Year Note"), with a total principal amount of US$ 450 million, and (ii) a Note issued from registration under the Securities Act pursuant to Rule 144A and Regulation A, both under the Securities Act, due in 2029 (the "7 Year Note"), with a total principal amount of US$ 700 million.

In the context of the Company's exit from the Chapter 11 proceedings on November 3, 2022, the DIP-to-Exit financing was fully repaid with the funds from the exit financing issued by the Company, which included US$350 million corresponding to an incremental loan Term B; US$450 million in senior secured notes due 2027, US$700 million in senior secured notes due 2029 and a Term Financing of US$1,1 billion, with part of the proceeds from the capital increase implemented in the context of the reorganization process for a total of approximately US$10,3 billion, through the issuance of new payment shares and convertible notes.

On March 31, 2021, the United States Court for the Southern District of New York approved and, subsequently, on April 13, 2021, issued an order approving the motion presented by the Company to extend certain leases of 3 aircraft.

(4) On June 17, 2021, the United States Court for the Southern District of New York approved the motion presented by the Company to reject the lease of an aircraft financed under a financial lease in the amount of US$130.7 million.

(5) On June 30, 2021, the United States Court for the Southern District of New York approved the motion filed by the Company to reject the lease contract for 3 aircraft financed under a financial lease in the amount of US$ 307.4 million.

(6) On November 1, 2021, the United States Court for the Southern District of New York approved the motion filed by the Company to reject the lease contract for 1 engine financed under a financial lease in the amount of US$ 19.5 million.

Balances by currency of interest bearing loans are as follows:

Currency	As of December 31, 2022 ThUS$	As of December 31, 2021 ThUS$
Brazilian real	314,322	338,953
Chilean peso (U.F.)	157,288	639,710
US Dollar	4,093,816	6,457,181
Total	4,565,426	7,435,844

Interest-bearing loans due in installments to December 31, 2022
Debtor: LATAM Airlines Group S.A. and Subsidiaries, Tax No. 89.862.200-2, Chile.

				Nominal values						Accounting values							
Tax No.	Creditor	Creditor country	Currency	Up to 90 days	More than 90 days to one year	More than one to three years	More than three to five years	More than five years	Total nominal value	Up to 90 days	More than 90 days to one year	More than one to three years	More than three to five years	More than five years	Total accounting value	Amortization	Annual Effective rate	Annual Nominal rate
				ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$		%	%
Bank loans																		
0-E	SANTANDER	Spain	US$	-	-	70,951	-	-	70,951	173	-	70,951	-	-	71,124	Quaterly	7,26	7,26
0-E	GOLDMAN SACHS	U.S.A.	US$	2,750	8,250	22,000	1,067,000	-	1,100,000	30,539	8,250	22,000	939,760	-	1,000,549	Quaterly	18.46	13.38
Obligations with the public																		
97.036.000-K	SANTANDER	Chile	UF	-	-	-	-	156,783	156,783	505	-	-	-	156,783	157,288	At Expiration	2.00	2.00
97.036.000-K	SANTANDER	U.S.A.	US$	-	-	-	-	3	3	-	-	-	-	3	3	At Expiration	1,00	1,00
0 - E	WILMINGTON TRUST COMPANY	U.S.A.	US$	-	-	-	450,000	700,000	1,150,000	-	32,878	-	430,290	669,340	1,132,508	At Expiration	15.00	13,38
Guaranteed obligations																		
0-E	BNP PARIBAS	U.S.A.	US$	1,761	6,907	22,890	26,035	126,605	184,198	2,637	6,907	22,212	25,627	126,048	183,431	Quaterly	5,76	5,76
0-E	WILMINGTON TRUST COMPANY	U.S.A.	US$	2,208	6,110	32,620	33,210	67,457	141,605	2,233	6,110	32,620	33,210	67,457	141,630	Quaterly/Monthly	8.20	8.20
-	SWAP Received aircraft	-	US$	-	-	-	-	-	-	-	-	-	-	-	-	Quaterly	-	-
Other guaranteed obligations																		
0-E	CREDIT AGRICOLE	France	US$	-	14,667	29,333	231,000	-	275,000	3,837	14,667	26,153	228,880	-	273,537	Quaterly	8,24	8,24
0-E	MUFG	U.S.A.	US$	11,345	34,624	66,419	-	-	112,388	11,404	34,624	66,419	-	-	112,447	Quaterly	6.23	6.23
0-E	CITIBANK	U.S.A.	US$	-	-	-	-	-	-	1470			-	-	1,470	At Expiration	1,00	1,00
0-E	EXIM BANK	U.S.A.	US$	-	-	17,737	36,431	32,444	86,612	237	-	17,738	36,431	32,444	86,850	Quaterly	2.01	1.78
Financial leases																		
0-E	CITIBANK	U.S.A.	US$	6,825	5,689	-	-	-	12,514	6,888	5,689	-	-	-	12,577	Quaterly	6.19	5.47
0-E	BNP PARIBAS	U.S.A.	US$	6,596	20,048	1,521	-	-	28,165	6,776	20,048	1,516	-	-	28,340	Quaterly	5.99	5.39
0-E	NATIXIS	France	US$	6,419	19,341	53,207	55,696	104,475	239,138	8,545	19,341	52,881	55,478	103,905	240,150	Quaterly	6.44	6.44
0-E	US BANK	U.S.A.	US$	16,984	51,532	84,177	-	-	152,693	17,831	51,532	79,805	-	-	149,168	Quaterly	4.06	2.85
0-E	PK AIRFINANCE	U.S.A.	US$	1,533	4,664	6,393	-	-	12,590	1,579	4,664	6,393	-	-	12,636	Quaterly	5.97	5.97
0-E	EXIM BANK	U.S.A.	US$	-	-	113,668	180,260	152,581	446,509	1,923	-	112,666	178,672	151,236	444,497	Quaterly	3.58	2.79
0-E	BANK OF UTAH	U.S.A.	US$	2321	6568	20990	30557	121801	182,237	2321	6568	20990	30557	121801	182,237	Monthly	10,45	10,45
Others loans																		
0-E	Various (*)		US $	2,028	-	-	-	-	2,028	2,028	-	-	-	-	2,028	At Expiration	-	-
	Total			60,770	178,400	541,906	2,110,189	1,462,149	4,353,414	100,926	211,278	532,344	1,958,905	1,429,017	4,232,470			

(*) Obligation to creditors for executed letters of credit.

Interest-bearing loans due in installments to December 31, 2022
Debtor: TAM S.A. and Subsidiaries, Tax No. 02.012.862/0001-60, Brazil

				Nominal values						Accounting values								
	Tax No.	Creditor Country	Currency	Up to 90 days	More than 90 days to one year	More than one to three years	More than three to five years	More than five years	Total nominal value	Up to 90 days	More than 90 days to one year	More than one to three years	More than three to five years	More than five years	Total accounting value	Amortization	Annual Effective rate	Annual Nominal rate
				ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$		%	%
Bank loans																		
0-E	Merril Lynch Credit Products LLC	U.S.A.	BRL	304,549	-	-	-	-	304,549	314,322	-	-	-	-	314,322	Monthly	3,95	3,95
Financial lease																		
0-E	NATIXIS	France	US	$ 510	1,530	4,080	4,080	7,846	18,046	1,050	1,530	4,080	4,080	7,894	18,634	Semiannual/Quaterly	7.23	7.23
	Total			305,059	1,530	4,080	4,080	7,846	322,595	315,372	1,530	4,080	4,080	7,894	332,956			
	Total consolidated			365,829	179,930	545,986	2,114,269	1,469,995	4,676,009	416,298	212,808	536,424	1,962,985	1,436,911	4,565,426			

Interest-bearing loans due in installments to December 31, 2021
Debtor: LATAM Airlines Group S.A. and Subsidiaries, Tax No. 89.862.200-2, Chile.

				Nominal values						Accounting values								
Tax No.	Creditor	Creditor country	Currency	Up to 90 days	More than 90 days to one year	More than one to three years	More than three to five years	More than five years	Total nominal value	Up to 90 days	More than 90 days to one year	More than one to three years	More than three to five years	More than five years	Total accounting value	Amortization	Annual Effective rate	Annual Nominal rate
				ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$		%	%
Loans to exporters																		
0-E	CITIBANK	U.S.A.	US$	114,000	-	-	-	-	114,000	123,366	-	-	-	-	123,366	At Expiration	2.96	2.96
76.645.030-K	ITAU	Chile	US$	20,000	-	-	-	-	20,000	22,742	-	-	-	-	22,742	At Expiration	4.20	4.20
0-E	HSBC	England	US$	12,000	-	-	-	-	12,000	13,053	-	-	-	-	13,053	At Expiration	4.15	4.15
Bank loans																		
97.023.000-9	CORPBANCA	Chile	UF	10,106	-	-	-	-	10,106	11,040	-	-	-	-	11,040	Quaterly	3.35	3.35
0-E	SANTANDER	Spain	US$	-	-	106,427	-	-	106,427	135	-	106,427	-	-	106,562	Quaterly	2.80	2.80
0-E	CITIBANK	U.S.A.	UF	60,935	-	-	-	-	60,935	64,293	-	-	-	-	64,293	At Expiration	3.10	3.10
Obligations with the public																		
97.030.000-7	BANCOESTADO	Chile	UF	-	159,679	-	-	343,218	502,897	49,584	159,679	-	-	355,114	564,377	At Expiration	4.81	4.81
0-E	BANK OF NEW YORK	U.S.A.	US$	-	-	700,000	800,000	-	1,500,000	187,082	-	698,450	803,289	-	1,688,821	At Expiration	7.16	6.94
Guaranteed obligations																		
0-E	BNP PARIBAS	U.S.A.	US$	16,079	12,412	34,958	37,891	97,135	198,475	17,926	12,412	34,044	37,466	96,379	198,227	Quaterly	1.48	1.48
0-E	MUFG	U.S.A.	US$	29,054	11,661	32,639	34,970	58,388	166,712	31,375	11,661	32,188	34,733	57,983	167,940	Quaterly	1.64	1.64
0-E	WILMINGTON TRUST COMPANY	U.S.A.	US$	-	2,209	24,703	32,327	85,119	144,358	-	2,209	24,703	32,327	85,119	144,358	Quaterly/Mensual	3.17	1.60
-	SWAP Received aircraft	-	US$	10	-	-	-	-	10	10	-	-	-	-	10	Quaterly	-	-
Other guaranteed obligations																		
0-E	CREDIT AGRICOLE	France	US$	273,199	-	-	-	-	273,199	274,403	-	-	-	-	274,403	At Expiration	1.82	1.82
0-E	MUFG	U.S.A.	US$	7,551	33,131	91,435	24,816	-	156,933	8,259	33,131	91,255	24,816	-	157,461	Quaterly	1.72	1.72
0-E	CITIBANK	U.S.A.	US$	-	600,000	-	-	-	600,000	95	600,000	-	-	-	600,095	At Expiration	2.00	2.00
0-E	BANK OF UTAH	U.S.A.	US$	-	1,644,876	-	-	-	1,644,876	-	1,630,390	-	-	-	1,630,390	At Expiration	22.71	12.97
0-E	EXIM BANK	U.S.A.	US$	-	-	-	25,876	37,014	62,890	183	-	-	25,876	37,014	63,073	Quaterly	1.84	1.84
Financial leases																		
0-E	CREDIT AGRICOLE	France	US$	682	1,370	-	-	-	2,052	694	1,370	-	-	-	2,064	Quaterly	3.68	3.23
0-E	CITIBANK	U.S.A.	US$	19,101	52,371	12,513	-	-	83,985	19,198	52,371	12,359	-	-	83,928	Quaterly	1.37	0.79
0-E	BNP PARIBAS	U.S.A.	US$	7,216	19,537	28,165	-	-	54,918	7,313	19,537	27,905	-	-	54,755	Quaterly	1.56	0.96
0-E	NATIXIS	France	US$	1,335	15,612	52,010	54,443	138,058	261,458	4,472	15,612	51,647	54,064	137,430	263,225	Quaterly	2.09	2.09
0-E	US BANK	U.S.A.	US$	16,601	50,373	135,201	17,492	-	219,667	17,755	50,373	127,721	17,188	-	213,037	Quaterly	4.03	2.84
0-E	PK AIRFINANCE	U.S.A.	US$	800	3,842	11,562	647	-	16,851	903	3,842	11,562	647	-	16,954	Quaterly	1.88	1.88
0-E	EXIM BANK	U.S.A.	US$	-	-	-	248,354	284,773	533,127	1,771	-	-	244,490	280,341	526,602	Quaterly	2.88	2.03
Others loans																		
0-E	Various (*)		US$	55,819	-	-	-	-	55,819	55,819	-	-	-	-	55,819	At Expiration	-	-
	Total			644,488	2,607,073	1,229,613	1,276,816	1,043,705	6,801,695	911,471	2,592,587	1,218,261	1,274,896	1,049,380	7,046,595			

(*) Obligation to creditors for executed letters of credit.

Interest-bearing loans due in installments to December 31, 2021
Debtor: TAM S.A. and Subsidiaries, Tax No. 02.012.862/0001-60, Brazil

				Nominal values						Accounting values							Annual	
Bank loans	Tax No.	Creditor Country	Currency	Up to 90 days	More than 90 days to one year	More than one to three years	More than three to five years	More than five years	Total nominal value	Up to 90 days	More than 90 days to one year	More than one to three years	More than three to five years	More than five years	Total accounting value	Amortization	Effective rate	Nominal rate
				ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$		%	%
0-E	NCM	Netherlands	US$	619	-	324	-	-	943	666	-	324	-	-	990	Monthly	6.01	6.01
0-E	BANCO BRADESCO	Brazil	BRL	74,661	-	-	-	-	74,661	98,864	-	-	-	-	98,864	Monthly	4.33	4.33
0-E	Merril Lynch Credit Products LLC	U.S.A.	BRL	185,833	-	-	-	-	185,833	240,089	-	-	-	-	240,089	Monthly	3.95	3.95
Financial lease																		
0-E	NATIXIS	France	US$	433	2,482	2,872	11,539	-	17,326	637	2,481	2,872	11,539	-	17,529	Quaterly	2.74	2.74
0-E	GA Telessis LLC	U.S.A.	US$	320	1,147	2,695	2,850	3,987	10,999	409	1,147	2,695	2,850	3,987	11,088	Monthly	14.72	14.72
Others loans																		
0-E	DEUTCHEBANK (*)	Brazil	US$	20,689	-	-	-	-	20,689	20,689	-	-	-	-	20,689	At Expiration	-	-
	Total			282,555	3,629	5,891	14,389	3,987	310,451	361,354	3,628	5,891	14,389	3,987	389,249			
	Total consolidated			927,043	2,610,702	1,235,504	1,291,205	1,047,692	7,112,146	1,272,825	2,596,215	1,224,152	1,289,285	1,053,367	7,435,844			

(*) Obligation to creditors for executed letters of credit

(b) Lease Liability:

The movement of the lease liabilities corresponding to the years reported are as follow:

	Aircraft	Others	Lease Liability total
	ThUS$	ThUS$	ThUS$
Opening balance as January 1, 2020	3,042,231	129,926	3,172,157
New contracts	-	543	543
Lease termination (*)	(7,435)	(285)	(7,720)
Renegotiations	(35,049)	4,919	(30,130)
Payments	(131,427)	(36,689)	(168,116)
Accrued interest	158,253	9,348	167,601
Exchange differences	-	(7,967)	(7,967)
Cumulative translation adjustment	-	(38)	(38)
Other increases (decreases)	-	(5,324)	(5,324)
Changes	(15,658)	(35,493)	(51,151)
Closing balance as of December 31, 2020	3,026,573	94,433	3,121,006
Opening balance as January 1, 2021	3,026,573	94,433	3,121,006
New contracts	518,478	875	519,353
Lease termination (*)	(724,193)	(5,300)	(729,493)
Renegotiations	101,486	5,717	107,203
Payments	(95,831)	(24,192)	(120,023)
Accrued interest	88,245	8,334	96,579
Exchange differences	-	3,356	3,356
Cumulative translation adjustment	-	(2,332)	(2,332)
Other increases (decreases)	(31,097)	(3,914)	(35,011)
Changes	(142,912)	(17,456)	(160,368)
Closing balance as of December 31,2021	2,883,661	76,977	2,960,638
Opening balance as January 1, 2022	2,883,661	76,977	2,960,638
New contracts	354,924	13,019	367,943
Lease termination (*)	(19,606)	-	(19,606)
Renegotiations	(76,233)	(4,198)	(80,431)
Exit effect of chapter 11 (**)	(995,888)	-	(995,888)
Payments	(154,823)	(26,172)	(180,995)
accrued interest	142,939	9,194	152,133
Exchange differences	-	2,279	2,279
Subsidiaries conversion difference	(2)	7,463	7,461
other variations	-	2,920	2,920
Changes	(748,689)	4,505	(744,184)
Closing balance as of December 31,2022	2,134,972	81,482	2,216,454

(*) As of December 31, 2022 these correspond to anticipated lease terminations. For December 31, 2021 and 2020 these correspond to fleet rejections.

(**) Corresponds to the effect of emergence from Chapter 11 ThUS$679,273 associated with claims (Derecognition of assets for right of use for ThUS$639,728 (See Note 24 (4)) and conversion of Notes for ThUS$39,545) and ThUS$316,615 due to IBR rate change.

The company recognizes the interest payments related to the lease liabilities in the consolidated result under Financial expenses (See Note 26 (c)).

(c) Hedge derivatives

	Current liabilities		Non-current liabilities		Total hedge derivatives	
	As of December 31, 2022	As of December 31, 2021	As of December 31, 2022	As of December 31, 2021	As of December 31, 2022	As of December 31, 2021
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Fair value of interest rate derivatives	-	2,734	-	-	-	2,734
Total hedge derivatives	-	2,734	-	-	-	2,734

(d) Derivatives that do not qualify for hedge accounting

	Current liabilities		Non-current liabilities		Total derivatives of no coverage	
	As of December 31, 2022	As of December 31, 2021	As of December 31, 2022	As of December 31, 2021	As of December 31, 2022	As of December 31, 2021
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Derivative of foreign currency not registered as hedge	-	2,937	-	-	-	2,937
Total derived not qualify as hedge accounting	-	2,937	-	-	-	2,937

The foreign currency derivatives correspond to options, forwards and swaps.

Hedging operation

The fair values of net assets/ (liabilities), by type of derivative, of the contracts held as hedging instruments are presented below:

	As of December 31, 2022	As of December 31, 2021
	ThUS$	ThUS$
Interest rate swaps (1)	8,816	(2,734)
Fuel options (2)	12,594	17,641
Foreign currency derivative R$/US$ (3)	191	-

(1) They cover the significant variations in the cash flows associated with the market risk implicit in the increases in the 3-month LIBOR interest rate, SOFR, among others, for long-term loans originated by the acquisition or rental of aircraft and Bank credits. These contracts are recorded as cash flow hedge contracts.

(2) Hedge significant variations in cash flows associated with market risk implicit in the changes in the price of future fuel purchases. These contracts are recorded as cash flow hedges.

(3) Hedge significant variations in expected cash flows associated with the market risk implicit in changes in exchange rates, particularly the BRL/R$. These contracts are recorded as cash flow hedge contracts.

The Company only maintains cash flow hedges. In the case of fuel hedges, the cash flows subject to such hedges will occur and will impact results in the next 12 months from the date of the consolidated statement of financial position.

All hedging operations have been performed for highly probable transactions, except for fuel hedge. See Note 3.

See Note 24 (h) for reclassification to profit or loss for each hedging operation and Note 17 (b) for deferred taxes related.

NOTE 19 - TRADE AND OTHER ACCOUNTS PAYABLES

The composition of Trade and other accounts payables is as follows:

	As of December 31, 2022	As of December 31, 2021
	ThUS$	ThUS$
Current		
(a) Trade and other accounts payables	1,248,790	1,945,731
(b) Accrued liabilities	379,202	2,893,520
Total trade and other accounts payables	1,627,992	4,839,251

(a) Trade and other accounts payable:

	As of December 31 2022	As of December 31, 2021
	ThUS$	ThUS$
Trade creditors	967,468	1,439,929
Other accounts payable	281,322	505,802
Total	1,248,790	1,945,731

The details of Trade and other accounts payables are as follows:

	As of December 31, 2022	As of December 31, 2021
	ThUS$	ThUS$
Maintenance	108,402	375,144
Suppliers technical purchases	136,594	328,811
Professional services and advisory	131,991	129,682
Boarding Fees	209,370	171,128
Leases, maintenance and IT services	81,119	143,586
Handling and ground handling	126,464	176,142
Aircraft Fuel	52,606	77,171
Other personnel expenses	124,000	90,410
Airport charges and overflight	90,386	104,241
Marketing	37,351	49,865
Services on board	43,349	56,072
Air companies	14,496	11,250
Crew	11,428	12,007
Bonus Payable	9,450	11,144
Land services	3,049	6,553
Jol Fleet	-	9,891
Others	68,735	192,634
Total trade and other accounts payables	1,248,790	1,945,731

(b) Liabilities accrued:

	As of December 31, 2022	As of December 31, 2021
	ThUS$	ThUS$
Aircraft and engine maintenance (1)	184,753	1,166,181
Accrued personnel expenses	81,857	59,327
Accounts payable to personnel (2)	74,802	58,153
Other agreed claims (3)	-	1,575,005
Others accrued liabilities	37,790	34,854
Total accrued liabilities	379,202	2,893,520

(1) As of December 31, 2021, these amounts include some claims agreed with aircraft lessors related to maintenance in addition to agreed fleet claims, both associated with the negotiations resulting from the Chapter 11 procedure.The balances of commercial accounts and other accounts payable for 2021, include the amounts that were part of the reorganization agreement, as a result of the entry into the Chapter 11 Procedure on May 26, 2020, and on July 9 for the subsidiaries of LATAM in Brazil. These balances were paid upon exit from Chapter 11, from November to December 2022.

(2) Participation in profits and bonuses (Note 22 letter b).

(3) For the other agreed claims, ThUS$ 26,145 were compensated with Convert G and ThUS$ 1,548,860 with Convert I.

NOTE 20 - OTHER PROVISIONS

	Current liabilities		Non-current liabilities		Total Liabilities	
	As of December 31, 2022	As of December 31, 2021	As of December 31, 2022	As of December 31, 2021	As of December 31, 2022	As of December 31, 2021
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Provision for contingencies (1)						
Tax contingencies	8,733	24,330	617,692	490,217	626,425	514,547
Civil contingencies	5,490	3,154	119,483	92,955	124,973	96,109
Labor contingencies	350	388	175,212	98,254	175,562	98,642
Other	-	-	13,180	21,855	13,180	21,855
Provision for European						
Commission investigation (2)	-	-	2,397	9,300	2,397	9,300
Total other provisions (3)	14,573	27,872	927,964	712,581	942,537	740,453

(1) Provisions for contingencies:

The tax contingencies correspond to litigation and tax criteria related to the tax treatment applicable to direct and indirect taxes, which are found in both administrative and judicial stage.

The civil contingencies correspond to different demands of civil order filed against the Company.

The labor contingencies correspond to different demands of labor order filed against the Company.

The Provisions are recognized in the consolidated income statement in administrative expenses or tax expenses, as appropriate.

(2) Provision made for proceedings brought by the European Commission for possible breaches of free competition in the freight market.

(3) Total other provision as of December 31, 2022, and December 31, 2021, include the fair value of the contingencies arising at the time of the business combination with TAM S.A and subsidiaries, with a probability of loss under 50%, which wold not be provided for except in the context of a business combination in accordance with IFRS 3.

Movement of provisions:

	Legal claims (1)	European Commission Investigation (2)	Onerous Contracts	Total
	ThUS$	ThUS$	ThUS$	ThUS$
Opening balance as of January 1, 2020	282,392	9,217	-	291,609
Increase in provisions	408,078	-	44,000	452,078
Provision used	(47,238)	-	-	(47,238)
Difference by subsidiaries conversion	(58,654)	-	-	(58,654)
Reversal of provision	(25,563)	-	-	(25,563)
Exchange difference	(979)	880	-	(99)
Closing balance as of December 31, 2020	558,036	10,097	44,000	612,133
Opening balance as of January 1, 2021	558,036	10,097	44,000	612,133
Increase in provisions	403,229	-	-	403,229
Provision used	(84,497)	-	-	(84,497)
Difference by subsidiaries conversion	(25,531)	-	-	(25,531)
Reversal of provision	(119,029)	-	(44,000)	(163,029)
Exchange difference	(1,055)	(797)	-	(1,852)
Closing balance as of December 31, 2021	731,153	9,300	-	740,453
Opening balance as of January 1, 2022	731,153	9,300	-	740,453
Increase in provisions	687,558	-	-	687,558
Provision used	(63,087)	-	-	(63,087)
Difference by subsidiaries conversion	28,655	-	-	28,655
Reversal of provision	(427,979)	(6,630)	-	(434,609)
Exchange difference	(16,160)	(273)	-	(16,433)
Closing balance as of December 31, 2022	940,140	2,397	-	942,537

(1) Accumulated balances include a judicial deposit delivered in guarantee, with respect to the "Fundo Aeroviario" (FA), for MUS$ 74, made in order to suspend the collection and the application of a fine. The Company is discussing in Court the constitutionality of the requirement made by FA calculated at the ratio of 2.5% on the payroll in a legal claim. Initially the payment of said contribution was suspended by a preliminary judicial decision and about 10 years later, this same decision was reversed. As the decision is not final, the Company has deposited the amounts until that date, in order to avoid collection processing and the application of the fine.

Finally, if the final decision is favorable to the Company, the deposit made and payments made later will return to TAM. On the other hand, if the court confirms the first decision, said deposit will become a final payment in favor of the Government of Brazil. The procedural stage as of December 31, 2022 is described in Note 30 under in the Role of the case 2001.51.01.012530-0.

(2) European Commission Provision

Provision constituted on the occasion of the process initiated in December 2007 by the General Competition Directorate of the European Commission against more than 25 cargo airlines, among which is Lan Cargo SA, which forms part of the global investigation initiated in 2006 for possible infractions of free competition in the air cargo market, which was carried out jointly by the European and United States authorities.

With respect to Europe, the General Directorate of Competition imposed fines totaling € 799,445,000 (seven hundred and ninety-nine million four hundred and forty-five thousand Euros) for infractions of European Union regulations on free competition against eleven (11) airlines, among which are LATAM Airlines Group SA and its subsidiary Lan Cargo S.A .,For its part, LATAM Airlines Group S.A. and Lan Cargo S.A., jointly and severally, have been fined for the amount of € 8,220,000 (eight million two hundred twenty thousand euros), for these infractions, an amount that was provisioned in the financial statements of LATAM. On January 24, 2011, LATAM Airlines Group S.A. and Lan Cargo S.A. They appealed the decision before the Court of Justice of the European Union. On December 16, 2015, the European Court resolved the appeal and annulled the Commission's Decision. The European Commission did not appeal the judgment, but on March 17, 2017, the European Commission again adopted its original decision to impose on the eleven lines original areas, the same fine previously imposed, amounting to a total of € 776,465,000 Euros. In the case of LAN Cargo and its parent, LATAM Airlines Group S.A. imposed the same fine mentioned above. On May 31, 2017 Lan Cargo S.A. and LATAM Airlines Group S.A. requested the annulment of this Decision to the General Court of the European Union. We presented our defense in December 2017. On July 12, 2019, we participated in a hearing before the European Court of Justice in which we confirmed our request for annulment of the decision or a reduction in the amount of the fine instead. On March 30, 2022, the European Court issued its ruling and reduced the amount of our fine from € 8,220,000 Euros to € 2,240,000 Euros. This ruling can be appealed by both parties before June 15, 2022. Likewise, on December 17, 2020, the European Commission had presented a proof of claim for the total amount of the fine of € 8,220,000 Euros before the Court of New York dealing with the financial reorganization procedure requested by LATAM Airlines Group, S.A. and LAN Cargo, S.A. (Chapter 11) in May 2020. The amount of this claim could be modified subject to the eventual appeal of the ruling of the European Court. The procedural stage as of December 31, 2022 is described in Note 30 in section 2 lawsuits received by LATAM Airlines Group S.A. and Subsidiaries.

NOTE 21 - OTHER NON-FINANCIAL LIABILITIES

	Current liabilities		Non-current liabilities		Total Liabilities	
	As of December 31, 2022	As of December 31, 2021	As of December 31, 2022	As of December 31, 2021	As of December 31, 2022	As of December 31, 2021
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Deferred revenues (1)(2)	2,533,081	2,273,137	420,208	512,056	2,953,289	2,785,193
Sales tax	7,194	3,870	-	-	7,194	3,870
Retentions	40,810	31,509	-	-	40,810	31,509
Other taxes	12,045	4,916	-	-	12,045	4,916
Other sundry liabilities	49,121	19,144	-	-	49,121	19,144
Total other non-financial liabilities	2,642,251	2,332,576	420,208	512,056	3,062,459	2,844,632

Deferred Income Movement

		Deferred income						
	Initial balance	(1) Recognition	Use	Loyalty program (Award and redeem)	Expiration of tickets	Translation Difference	Others provisions	Final balance
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
From January 1 to December 31, 2019	2,974,760	8,264,970	(7,703,011)	124,548	(156,435)	2,232	33,402	3,540,466
From January 1 to December 31, 2020	3,540,466	1,970,203	(2,554,476)	(137,176)	(72,670)	(3,485)	(3,974)	2,738,888
From January 1 to December 31, 2021	2,738,888	4,221,168	(4,053,345)	(12,091)	(114,227)	-	4,800	2,785,193
From 1 de January to December 31, 2022	2,785,193	9,772,469	(9,077,188)	(241,201)	(314,027)	4,585	23,458	2,953,289

(1) The balance includes mainly, deferred income for services not provided as of December 31, 2022 and December 31, 2021 and for the frequent flyer LATAM Pass program.

LATAM Pass is LATAM's frequent flyer program that allows rewarding the preference and loyalty of its customers with multiple benefits and privileges, through the accumulation of miles or points that can be exchanged for tickets or for a varied range of products and services. Clients accumulate miles or LATAM Pass points every time they fly in LATAM and other airlines associated with the program, as well as by buying in stores or use the services of a vast network of companies that have agreements with the program around the world.

(2) As of December 31, 2022, Deferred Income includes ThUS$ 41,318 related to the compensation from Delta Air Lines, Inc., which is recognized in the income statement based on the estimation of income differentials until the implementation of the strategic alliance. During the period, the Company has recognized ThUS $ 30,408 within the income statement related with this compensation.

Additionally, as of December 31, 2021, the Company maintains a balance of ThUS $ 29,507 in Trade accounts payable of the Statement of Financial Position, corresponding to the compensation of costs to be incurred.

NOTE 22 - EMPLOYEE BENEFITS

	As of December, 31, 2022	As of December 31, 2021
	ThUS$	ThUS$
Retirements payments	45,076	35,075
Resignation payments	6,365	5,817
Other obligations	42,047	15,341
Total liability for employee benefits	93,488	56,233

(a) The movement in retirements, resignations and other obligations:

	Opening balance	Increase (decrease) current service provision	Benefits paid	Actuarial (gains) losses	Currency translation	Closing balance
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
From January 1 to December 31, 2020	93,570	(18,759)	(8,634)	3,968	3,971	74,116
From January 1 to December 31, 2021	74,116	(11,391)	(5,136)	10,018	(11,374)	56,233
From January 1 to December 31, 2022	56,233	53,254	(4,375)	(9,935)	(1,689)	93,488

The main assumptions used in the calculation of the provision in Chile are presented below:

	For the period ended December 31,	
Assumptions	2022	2021
Discount rate	5.37%	5.81%
Expected rate of salary increase	5.23%	3.00%
Rate of turnover	5.14%	5.14%
Mortality rate	RV-2014	RV-2014
Inflation rate	3.61%	3.44%
Retirement age of women	60	60
Retirement age of men	65	65

The discount rate is based on the bonds issued by the Central Bank of Chile with a maturity of 20 years. The RV-2014 mortality tables correspond to those established by the Commission for the Financial Market of Chile. The inflation rates are based on the yield curves of the long term nominal and inflation adjusted bonds issued by the Central Bank of Chile.

The calculation of the present value of the defined benefit obligation is sensitive to the variation of some actuarial assumptions such as discount rate, salary increase, rotation and inflation.

The sensitivity analysis for these variables is presented below:

	Effect on the liability	
	As of December 31, 2022	As of December 31, 2021
	ThUS$	ThUS$
Discount rate		
Change in the accrued liability an closing for increase in 100 p.b.	(3,308)	(2,642)
Change in the accrued liability an closing for decrease of 100 p.b.	3,724	2,959
Rate of wage growth		
Change in the accrued liability an closing for increase in 100 p.b.	3,520	2,849
Change in the accrued liability an closing for decrease of 100 p.b.	(3,216)	(2,613)

(b) The liability for short-term:

	As of December 31, 2022	As of December 31, 2021
	ThUS$	ThUS$
Profit-sharing and bonuses (*)	74,802	58,153

(*) Accounts payables to employees (Note 19 letter b)

The participation in profits and bonuses related to an annual incentive plan for achievement of certain objectives.

(c) Employment expenses are detailed below:

	For the period ended December 31,		
	2022	2021	2020
	ThUS$	ThUS$	ThUS$
Salaries and wages	(1,024,304)	(825,792)	(850,557)
Short-term employee benefits	(121,882)	(122,650)	(41,259)
Other personnel expenses	(120,150)	(93,457)	(70,244)
Total	(1,266,336)	(1,041,899)	(962,060)

NOTE 23 - ACCOUNTS PAYABLE, NON-CURRENT

	As of December 31, 2022	As of December 31, 2021
	ThUS$	ThUS$
Aircraft and engine maintenance	249,710	276,816
Fleet (JOL)	40,000	124,387
Airport and Overflight Taxes	19,866	26,321
Provision for vacations and bonuses	16,539	14,545
Other sundry liabilities	169	30,357
Total accounts payable, non-current	326,284	472,426

NOTE 24 - EQUITY

(a) Capital

The Company's objective is to maintain an appropriate level of capitalization that enables it to ensure access to the financial markets for carrying out its medium and long-term objectives, optimizing the return for its shareholders and maintaining a solid financial position.

The paid capital of the Company at December 31, 2022 amounts to ThUS$ 13,298,486 divided into 605,231,854,725 common stock of a same series (ThUS$ 3,146,265 divided into 606,407,693 shares as of December 31, 2021), a single series nominative, ordinary character with no par value. The total number of authorized shares of the Company December, 31, 2022, corresponds to 606.407.693.000 shares. There are no special series of shares and no privileges. The form of its stock certificates and their issuance, exchange, disablement, loss, replacement and other similar circumstances, as well as the transfer of the shares, is governed by the provisions of the Corporate Law and its regulations.

At the Company's Extraordinary Shareholders' Meeting held on July 5, 2022, it was agreed to increase the Company's capital by US$ 10,293,269,524 through the issuance of 73,809,875,794 paid shares and 531,991,409,513 backup shares, all ordinary, of the same and single series, without par value, of which: (a) US$ 9,493,269,524 represented by 531,991,409,513 new shares, to be used to respond to the conversion of the Convertible Notes, according to this term is defined below (the "Support Shares"); and (b) US$800,000,000 represented by 73,809,875,794 new paid shares (the "New Paid Shares"), to be offered preferentially to shareholders. On September 12, 2022, the preferential placement of the convertible notes and, in turn, of the new paid shares began, ending on the following dates, as explained below:

1. On October 12, 2022 expired the 30-day preemptive rights offering period (the "POP") of (i) the 73,809,875,794 new paid shares, issued and registered in the Securities Registry of the Comisión para el Mercado Financiero ("CMF") (the "ERO"); and (ii) US$1,257,002,540 notes convertible into shares Serie G, the US$1,372,839,695 notes convertible into shares Serie H, and the US$6,863,427,289 notes convertible into shares Serie I, all registered in the Securities Registry of the CMF (jointly, the "Convertible Notes").

2. On October 13, 2022, the second round (the "Second Round") of subscription of the ERO has taken place, in which had the right to participate, the shareholders (or their assignees) that subscribed ERO in the POP and expressed to LATAM, at the time of the subscription, their intention to participate in the Second Round.

3. As previously reported, the Remainder will be placed, in compliance with the applicable laws and regulations, according to the rules governing the offering of the ERO and the Convertible Notes, as provided in Article 10 of the Regulations of the Corporations Law. Such placement includes, among other things, the placement of a portion of the Remainder with (i) a group of unsecured creditors of LATAM represented by Evercore and certain holders of Chilean notes issued by LATAM (collectively, the "Backstop Creditors"); and (ii) Delta Air Lines, Inc., Qatar Airways Investments (UK) Ltd. and the Cueto group (collectively, the "Backstop Shareholders";and them jointly with the Backstop Creditors, the "Backstop Parties") according to the rules of their respective backstop commitment agreements (the "Backstop Agreements").

4. For purposes of the above, the Company will exercise its rights under the Backstop Agreements and will therefore require the Backstop Parties to subscribe and pay their respective portion of the Remainder, as provided in such agreements. Given the funding period contemplated in the Backstop Agreements, the Company managed to exit the Chapter 11on November 3, 2022. Consequently, on this same date the Company, together with its various subsidiaries that were part of the Chapter 11 Procedure, have emerged from bankruptcy. (See Note 2, c).

5. As part of the implementation of its Reorganization Plan within the framework of the exit from Chapter 11, LATAM issued US$800 million in new paid shares and US$9,493 million through the issue of three classes of notes convertible into Company shares, equivalent to a total of 605,801,285,307 paid shares. As of December 31, 2022, from the aforementioned capital increase, 604,625,447,032 shares were subscribed and paid, equivalent to ThUS$ 10,152,221 and issuance and placement costs of ThUS$ 810,279 were incurred, which are currently presented under other reserve and will be reclassified to "share capital" upon approval for such transfer during the next Extraordinary Shareholders' Meeting.

(b) Movement of authorized shares

The following table shows the movement of the authorized, fully paid shares and back-up shares to be delivered in the event that the respective conversion option is exercised under the convertible notes currently issued by the Company:

	as of December 31, 2022				as of December 31, 2021		
	N° of authorized shares	N° of Subscribed of shares and paid or delivered pursuant to the exercise of the conversion option	N° of convertible notes back-up shares pending to place	N° of shares to subscribe or not used	N° of authorized shares	N° of subscribed shares and paid	N° of shares to subscribe or not used
Opening Balance	606,407,693	606,407,693	-	-	606,407,693	606,407,693	-
New shares issued	73,809,875,794	73,809,875,794	-	-	-	-	-
Convertible Notes G	19,992,142,087	18,820,511,197	960,098	960,098	1,170,670,792	-	-
Convertible Notes H	126,661,409,136	126,657,203,849	4,205,287	4,205,287	-	-	-
Convertible Notes I	385,337,858,290	385,337,856,192	-	2,098	-	-	-
Subtotal	605,801,285,307	604,625,447,032	5,165,385	1,170,672,890	-	-	-
Closing Balance	606,407,693,000	605,231,854,725	5,165,385	1,170,672,890	606,407,693	606,407,693	-

(c) Share capital

The following table shows the movement of share capital:

Movement fully paid shares

	Paid- in Capital
	ThUS$
Initial balance as of January 1, 2020	3,146,265
There are no movements of shares paid during the 2020 year	-
Ending balance as of December 31, 2020	3,146,265
Initial balance as of January 1, 2021	3,146,265
There are no movements of shares paid during the 2021 period	-
Ending balance as of December 31, 2021	3,146,265
Initial balance as of January 1, 2022	3,146,265
New shares issued (ERO)	800,000
Conversion options of convertible notes exercised during the year - Convertible Notes G (1)	1,115,996
Conversion options of convertible notes exercised during the year - Convertible Notes H	1,372,798
Conversion options of convertible notes exercised during the year - Convertible Notes I (2)	6,863,427
Subtotal	10,152,221
Ending balance as of December 31, 2022	13,298,486

(1) It only includes Convertible Notes issued in exchange for the settlement of Chapter 11 claims.

(2) Part of the Convertible Notes received in cash and the rest in exchange for the settlement of Chapter 11 claims.

(d) Treasury stock

At December 31, 2022, the Company held no treasury stock. The remaining of ThUS$ (178) corresponds to the difference between the amount paid for the shares and their book value, at the time of the full right decrease of the shares which held in its portfolio.

(e) Other equity- Value of conversion right - Convertible Notes

(e.1) Notes subscription

The Convertible Notes were issued to be place in exchange for a cash contribution, in exchange for settlement of Chapter 11 Proceeding or a combination of both. Convertible Notes issued in exchange for cash were valued at fair value (the cash received). Notes issued in exchange for settlement of Chapter 11 claims were valued considering the discount that each group of liabilities settled on at the emergence date. The table below shows the 3 Convertible Notes at their nominal values, the adjustment, if any, to arrive at their fair values and the amount of transaction costs. The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. The equity portion is recognized under Other equity at the time the Convertible Notes are issued.

Concepts	Convertible Notes G	Convertible Notes H	Convertible Notes I	Total Convertible Notes
	THUS$	THUS$	THUS$	THUS$
Face Value	1,115,996	1,372,837	6,863,427	9,352,260
Adjustment to fair value				
Convertible Notes at the date of issue	(923,616)	-	(2,686,854)	(3,610,470)
Issuance cost	-	(24,812)	(705,467)	(730,279)
Subtotal	(923,616)	(24,812)	(3,392,321)	(4,340,749)
Fair Value of Notes	192,380	1,348,025	3,471,106	5,011,511
Debt component at the date of issue		(102,031)	-	(102,031)
Equity component at the date of issue	192,380	1,245,994	3,471,106	4,909,480

(e.2) Conversion of notes into shares

As of December 31, 2022, the following notes have been converted into shares:

Concepts	Convertible Notes G	Convertible Notes H	Convertible Notes I	Total Convertible Notes
	ThUS$	ThUS$	ThUS$	ThUS$
Conversion percentage	100.000%	99.997%	100.000%	
Conversion option of convertible notes exercised	1,115,996	1,270,767	6,863,427	9,250,190
Converted debt component	-	102,031	-	102,031
Total Converted Notes	1,115,996	1,372,798	6,863,427	9,352,221

The conversion option from the issuance of convertible notes classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument (i.e. convertible notes) as a whole. This is recognized and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognized in equity will be transferred to share capital. As of December 31, 2022, the portion not converted into equity corresponds to ThUS$39.

(e.3) The Convertible Notes

The contractual conditions of the G, H and I Convertible Notes consider the delivery of a fixed number of shares of LATAM Airlines Group S.A. at the time of settlement of the conversion option of each of them. The foregoing determined the classification of convertible notes as equity instruments, with the exception of Bond H, which considers, in addition to the delivery of a fixed number of shares, the payment of 1% annual interest with certain conditions for its payment and its accrual from 60 days after the exit Date. The payment of this interest gives rise to the recognition of a liability component for the class H convertible notes.

At the date of issue, the fair value of the liability component in the amount of ThUS$ 102,031 was estimated using the prevailing market interest rate for similar non-convertible instruments.

Transaction costs relating to the liability component are included in the carrying amount of the liability portion and amortized over the period of the convertible notes using the effective interest method. At December 31, 2022, the debt portion was converted into equity. Transaction costs relating to the equity component are recognised as part of Other reserves within Equity.

(f) Reserve of share- based payments

Movement of Reserves of share- based payments:

Periods	Opening balance	Stock option plan	Closing balance
	ThUS$	ThUS$	ThUS$
From January 1 to December 31, 2020	36,289	946	37,235
From January 1 to December 31, 2021	37,235	-	37,235
From January 1 to December 31, 2022	37,235	-	37,235

These reserves are related to the “Share-based payments” explained in Note 33.

(g) Other sundry reserves

Movement of Other sundry reserves:

Periods	Opening balance	Transactions with non-controlling interest	Legal reserves	Other sundry reserves	Closing balance
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
From January 1 to December 31, 2020	2,452,469	(3,125)	2,675	-	2,452,019
From January 1 to December 31, 2021	2,452,019	(3,383)	(538)	-	2,448,098
From January 1 to December 31, 2022	2,448,098	-	-	(4,420,749)	(1,972,651)

Balance of Other sundry reserves comprise the following:

	As of December 31, 2022	As of December 31, 2021	As of December 31, 2020
	ThUS$	ThUS$	ThUS$
Higher value for TAM S.A. share exchange (1)	2,665,692	2,665,692	2,665,692
Reserve for the adjustment to the value of fixed assets (2)	2,620	2,620	2,620
Transactions with non-controlling interest (3)	(216,656)	(216,656)	(213,273)
Adjustment to the fair value of the New Convertible Notes (4)	(3,610,470)	-	-
Cost of issuing shares and New Convertible Notes (5)	(810,279)	-	-
Others	(3,558)	(3,558)	(3,020)
Total	(1,972,651)	2,448,098	2,452,019

(1) Corresponds to the difference between the value of the shares of TAM S.A., acquired by Sister Holdco S.A. (under the Subscriptions) and by Holdco II S.A. (by virtue of the Exchange Offer), which is recorded in the declaration of completion of the merger by absorption, and the fair value of the shares exchanged by LATAM Airlines Group S.A. as of June 22, 2012.

(2) Corresponds to the technical revaluation of the fixed assets authorized by the Commission for the Financial Market in the year 1979, in Circular No. 1529. The revaluation was optional and could be made only once; the originated reserve is not distributable and can only be capitalized.

(3) The balance as of December 31, 2022 corresponds to the loss generated by: Lan Pax Group S.A. e Inversiones Lan S.A. in the acquisition of shares of Aerovías de Integración Regional Aires S.A. for ThUS $ (3,480) and ThUS $ (20), respectively; the acquisition of TAM S.A. of the minority interest in Aerolinhas Brasileiras S.A. for ThUS $ (885), the acquisition of Inversiones Lan S.A. of the minority participation in Aires Integra Regional Airlines S.A. for an amount of ThUS $ (2) and the acquisition of a minority stake in Aerolane S.A. by Lan Pax Group S.A. for an amount of ThUS $ (21,526) through Holdco Ecuador S.A. (3) The loss due to the acquisition of the minority interest of Multiplus S.A. for ThUS $ (184,135) (see Note 1), (4) and the acquisition of a minority interest in LATAM Airlines Perú S.A through LATAM Airlines Group S.A for an amount of ThUS $ (3,225) and acquisition of the minority stake in LAN Argentina S.A. and Inversora Cordillera through Transportes Aéreos del Mercosur S.A. for an amount of ThUS $ (3,383).

(4) The adjustment to the fair value of the Convertible Notes issued in exchange for settlement of Chapter 11 claims was valued considering the discount that each group of liabilities settled on at the emergence date. These relate to: gain on the haircut for the accounts payable and other accounts payable for ThUS$2,550,306 (see note 26d), gain on the haircut for the financial liabilities for ThUS$420,436 (see note 26e) and gain on the haircut of lease liabilities which is booked against the right of use asset for THUS$639,728.

(5) Corresponds to 20% of the sum of the commitment of new funds of the Backstop Parties under the Series I Convertible Bonds and the New Paid Shares, plus additional costs for extension of the Backstop agreement.

(h) Reserves with effect in other comprehensive income.

Movement of Reserves with effect in other comprehensive income:

	Currency translation reserve	Cash flow hedging reserve	Gains (Losses) on change on value of time value of options	Actuarial gain or loss on defined benefit plans reserve	Total
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Opening balance as of January 1, 2020	(2,890,287)	56,892	-	(22,940)	(2,856,335)
Change in fair value of hedging instrument recognised in OCI	-	(105,776)	-	-	(105,776)
Reclassified from OCI to profit or loss	-	(13,016)	-	-	(13,016)
Deferred tax	-	959	-	-	959
Actuarial reserves by employee benefit plans	-	-	-	(3,968)	(3,968)
Deferred tax actuarial IAS by employee benefit plans	-	-	-	923	923
Translation difference subsidiaries	(900,226)	-	-	-	(900,226)
Closing balance as of December 31, 2020	(3,790,513)	(60,941)	-	(25,985)	(3,877,439)
Increase (decrease) due to application of new accounting standars	-	380	(380)		-
Opening balance as of January 1, 2021	(3,790,513)	(60,561)	(380)	(25,985)	(3,877,439)
Change in fair value of hedging instrument recognised in OCI	-	39,602	(23,692)	-	15,910
Reclassified from OCI to profit or loss	-	(16,641)	6,509	-	(10,132)
Deferred tax	-	(58)	-	-	(58)
Actuarial reserves by employee benefit plans	-	-	-	10,017	10,017
Deferred tax actuarial IAS by employee benefit plans	-	-	-	(2,782)	(2,782)
Translation difference subsidiaries	18,354	(732)	-	-	17,622
Closing balance as of December 31, 2021	(3,772,159)	(38,390)	(17,563)	(18,750)	(3,846,862)
Opening balance as of January 1, 2022	(3,772,159)	(38,390)	(17,563)	(18,750)	(3,846,862)
Change in fair value of hedging instrument recognised in OCI	-	51,323	(23,845)	-	27,478
Reclassified from OCI to profit or loss	-	31,293	19,946	-	51,239
Reclassified from OCI to the value of the hedged asset	-	(8,143)	-	-	(8,143)
Deferred tax	-	(235)	-	-	(235)
Actuarial reserves by employee benefit plans	-	-	-	(9,933)	(9,933)
Deferred tax actuarial IAS by employee benefit plans	-	-	-	566	566
Translation difference subsidiaries	(33,401)	694	(160)	-	(32,867)
Closing balance as of December 31, 2022	(3,805,560)	36,542	(21,622)	(28,117)	(3,818,757)

(h.1) Cumulative translate difference

These are originated from exchange differences arising from the translation of any investment in foreign entities (or Chilean investments with a functional currency different to that of the parent), and from loans and other instruments in foreign currency designated as hedges for such investments. When the investment (all or part) is sold or disposed and a loss of control occurs, these reserves are shown in the consolidated statement of income as part of the loss or gain on the sale or disposal. If the sale does not involve loss of control, these reserves are transferred to non-controlling interests

(h.2) Cash flow hedging reserve

These are originated from the fair value valuation at the end of each period of the outstanding derivative contracts that have been defined as cash flow hedges. When these contracts expire, these reserves should be adjusted, and the corresponding results recognized.

(h.3) Reserves of actuarial gains or losses on defined benefit plans

Correspond to the increase or decrease in the present value obligation for defined benefit plans due to changes in actuarial assumptions, and experience adjustments, which are the effects of differences between the previous actuarial assumptions and the actual events that have occurred.

(i) Retained earnings/(losses)

Movement of Retained earnings/(losses):

Periods	Opening balance	Result for the period	Dividends	Closing balance
	ThUS$	ThUS$	ThUS$	ThUS$
From January 1 to December 31, 2020	352,272	(4,545,887)	-	(4,193,615)
From January 1 to December 31, 2021	(4,193,615)	(4,647,491)	-	(8,841,106)
From January 1 to December 31, 2022	(8,841,106)	1,339,210	-	(7,501,896)

(j) Dividends per share

During the years 2022 and 2021 no dividends have been paid.

NOTE 25 - REVENUE

The detail of revenues is as follows:

	For the year ended December 31,		
	2022	2021	2020
	ThUS$	ThUS$	ThUS$
Passengers	7,636,429	3,342,381	2,713,774
Cargo	1,726,092	1,541,634	1,209,893
Total	9,362,521	4,884,015	3,923,667

NOTE 26 - COSTS AND EXPENSES BY NATURE

(a) Costs and operating expenses

The main operating costs and administrative expenses are detailed below:

	For the year. ended December 31,		
	2022	2021	2020
	ThUS$	ThUS$	ThUS$
Aircraft fuel	(3,882,505)	(1,487,776)	(1,045,343)
Other rentals and landing fees	(1,036,158)	(755,188)	(720,005)
Aircraft maintenance	(582,848)	(533,738)	(472,382)
Aircraft rental (*)	(202,845)	(120,630)	-
Comisions	(167,035)	(89,208)	(91,910)
Passenger services	(184,357)	(77,363)	(97,688)
Other operating expenses	(1,136,490)	(959,427)	(1,221,183)
Total	(7,192,238)	(4,023,330)	(3,648,511)

(*) During 2021, the Company amended its Aircraft Lease Contracts to include lease payments based on Power by the Hour (PBH) at the beginning of the contract and fixed-rent payments later on. For these contracts that contain an initial period based on PBH and then a fixed amount, a right of use asset and a lease liability was recognized at the date of modification of the contract. These amounts continue to be amortized over the contract term on a straight-line basis starting from the modification date of the contract. Therefore, as a result of the application of the lease accounting policy, the expenses for the year include both the lease expense for variable payments (Aircraft Rentals) as well as the expenses resulting from the amortization of the right of use assets (included in the Depreciation line included in b) below) and interest from the lease liability (included in Lease Liabilities letter c) below)

	For the year ended December 31,		
	2022	2021	2020
	ThUS$	ThUS$	ThUS$
Payments for leases of low-value assets	(17,959)	(19,793)	(21,178)
Rent concessions recognized directly in profit or loss	-	-	110
Total	(17,959)	(19,793)	(21,068)

(b) Depreciation and amortization

Depreciation and amortization are detailed below:

	For the year ended December 31,		
	2022	2021	2020
	ThUS$	ThUS$	ThUS$
Depreciation (*)	(1,125,154)	(1,114,232)	(1,219,586)
Amortization	(54,358)	(51,162)	(169,800)
Total	(1,179,512)	(1,165,394)	(1,389,386)

(*) Included within this amount is the depreciation of the Property, plant and equipment (See Note 16 (a)) and the maintenance of the aircraft recognized as right of use assets. The maintenance cost amount included in the depreciation line for the period ended December 31, 2022 is ThUS$ 463,306 (ThUS $ 351,701 for the same period in 2021).

(c) Financial costs

The detail of financial costs is as follows:

	For the year ended December 31,		
	2022	2021	2020
	ThUS$	ThUS$	ThUS$
Bank loan interests	(714,310)	(580,193)	(314,468)
Financial leases	(45,384)	(46,679)	(45,245)
Lease liabilities	(152,132)	(121,147)	(170,918)
Other financial instruments	(30,577)	(57,525)	(56,348)
Total	(942,403)	(805,544)	(586,979)

Costs and expenses by nature presented in this note plus the Employee expenses disclosed in Note 22, are equivalent to the sum of cost of sales, distribution costs, administrative expenses, other expenses and financing costs presented in the consolidated statement of income by function.

(d) Gain (losses) from restructuring activities

Gains (losses) from restructuring activities are detailed below:

	For the year ended December 31,		
	2022	2021	2020
	ThUS$	ThUS$	ThUS$
Renegotiation of fleet contracts	(483,068)	(516,559)	-
Legal advice	(323,204)	(91,870)	(76,541)
Employee reestructuring plan (*)	(80,407)	(46,938)	(290,831)
Rejection of fleet contracts	-	(1,564,973)	(269,467)
Rejection of IT contracts	(2,586)	(26,368)	-
Adjustment net realizable value fleet available for sale	-	(73,595)	(331,522)
Gains resulting from the settlement of Chapter 11 claims (**)	2,550,306	-	-
Others	18,893	(16,879)	(21,648)
Total	1,679,934	(2,337,182)	(990,009)

(*) See note 2.1, c.
(**) See Note 24 (g)

(e) Financial income

Financial income is detailed below:

	For the year ended December 31,		
	2022	2021	2020
	ThUS$	ThUS$	ThUS$
Financial claims (*)	491,326	-	-
Gains resulting from the settlement of Chapter 11 claims (**)	420,436	-	-
Finance lease rate change effect	49,824	-	-
Other miscellaneous income	90,709	21,107	50,397
Total	1,052,295	21,107	50,397

(*) See Note 34 (a.4.)
(**) See Note 24 (g)

(f) Other gains (losses)

Other gains (losses) are detailed below:

	For the year ended December 31,		
	2022	2021	2020
	ThUS$	ThUS$	ThUS$
Fuel hedging	-	-	(82,487)
Slot Write Off	-	-	(36,896)
Provision for onerous contract related to purchase commitment	-	44,000	(44,000)
Goodwill Impairment	-	-	(1,728,975)
Adjustment net realizable value fleet available for sale	(345,410)	-	-
Other	(1,667)	(13,326)	17,569
Total	(347,077)	30,674	(1,874,789)

NOTE 27 - OTHER INCOME, BY FUNCTION

Other income, by function is as follows:

	For the year ended December 31,		
	2022	2021	2020
	ThUS$	ThUS$	ThUS$
Tours	24,068	11,209	22,499
Aircraft leasing	18,164	6,852	46,045
Customs and warehousing	30,323	27,089	25,138
Maintenance	7,995	15,602	18,579
Income from non-airlines products latam pass	23,954	40,481	42,913
Other miscellaneous income (*)	49,782	126,098	255,828
Total	154,286	227,331	411,002

(*) Included within this amount are ThUS$30,408 in December 2022, ThUS$118,188 in December 2021 and ThUS$ 132,467 in 2020 and related to the compensation of Delta Air Lines Inc. for the JBA signed in 2019.

NOTE 28 - FOREIGN CURRENCY AND EXCHANGE RATE DIFFERENCES

The functional currency of LATAM Airlines Group S.A. is the US dollar, LATAM has subsidiaries whose functional currency is different to the US dollar, such as the chilean peso, argentine peso, colombian peso, brazilian real and guaraní.

The functional currency is defined as the currency of the primary economic environment in which an entity operates. For each entity and all othercurrencies are defined as a foreign currency.

Considering the above, the balances by currency mentioned in this note correspond to the sum of foreign currency of each of the entities that are part of the LATAM Airlines Group S.A. and Subsidiaries.

Following are the current exchange rates for the US dollar, on the dates indicated:

	As of December 31,	As of December 31,	
	2022	2021	2020
Argentine peso	177.12	102.75	84.14
Brazilian real	5.29	5.57	5.18
Chilean peso	855.86	844.69	710.95
Colombian peso	4,845.35	4,002.52	3,421.00
Euro	0.93	0.88	0.81
Australian dollar	1.47	1.38	1.30
Boliviano	6.86	6.86	6.86
Mexican peso	19.50	20.53	19.93
New Zealand dollar	1.58	1.46	1.39
Peruvian Sol	3.81	3.98	3.62
Paraguayan Guarani	7,332.2	6,866.4	6,900.10
Uruguayan peso	39.71	44.43	42.14

Foreign currency

The foreign currency detail of balances of monetary items in current and non-current assets is as follows:

	As of December 31, 2022	As of December 31, 2021
	ThUS$	ThUS$
Current assets		
Cash and cash equivalents	265,371	262,886
Argentine peso	6,712	6,440
Brazilian real	3,355	9,073
Chilean peso	17,591	9,759
Colombian peso	8,415	4,745
Euro	19,361	7,099
U.S. dollar	168,139	195,264
Other currency	41,798	30,506
Other financial assets, current	14,530	12,728
Argentine peso	3	4
Brazilian real	24	4
Chilean peso	5,778	4,440
Colombian peso	93	111
Euro	2,483	1,720
U.S. dollar	5,709	5,242
Other currency	440	1,207

	As of December 31, 2022	As of December 31, 2021
	ThUS$	ThUS$
Current assets		
Other non - financial assets, current	19,425	34,613
Argentine peso	381	5,715
Brazilian real	2,303	1,488
Chilean peso	3,341	20,074
Colombian peso	544	121
Euro	622	1,936
U.S. dollar	4,369	1,106
Other currency	7,865	4,173
Trade and other accounts receivable, current	127,666	144,367
Argentine peso	25,035	6,850
Brazilian real	10,669	53
Chilean peso	31,258	47,392
Colombian peso	176	455
Euro	12,506	24,548
U.S. dollar	9,584	43,418
Other currency	38,438	21,651
Accounts receivable from related entities, current	138	502
Chilean peso	31	19
U.S. dollar	107	483
Tax current assets	15,623	8,674
Argentine peso	186	322
Brazilian real	669	47
Chilean peso	1,569	681
Colombian peso	1,921	1,618
Euro	68	70
U.S. dollar	2	406
Peruvian sun	10,300	4,450
Other currency	908	1,080
Total current assets	442,753	463,770
Argentine peso	32,317	19,331
Brazilian real	17,020	10,665
Chilean peso	59,568	82,365
Colombian peso	11,149	7,050
Euro	35,040	35,373
U.S. Dollar	187,910	245,919
Other currency	99,749	63,067

	As of December 31, 2022	As of December 31, 2021
	ThUS$	ThUS$
Non-current assets		
Other financial assets, non-current	13,366	10,700
Brazilian real	3,495	3,326
Chilean peso	69	62
Colombian peso	1,344	231
Euro	4,308	2,384
U.S. dollar	2,050	2,524
Other currency	2,100	2,173
Other non - financial assets, non-current	11,909	12,197
Argentine peso	12	32
Brazilian real	8,082	6,924
U.S. dollar	3,815	5,241
Other currency	-	-
Accounts receivable, non-current	4,526	3,985
Chilean peso	4,526	3,985
Deferred tax assets	2,948	6,720
Colombian peso	2,567	4,717
U.S. dollar	20	10
Other currency	361	1,993
Total non-current assets	32,749	33,602
Argentine peso	12	32
Brazilian real	11,577	10,250
Chilean peso	4,595	4,047
Colombian peso	3,911	4,948
Euro	4,308	2,384
U.S. dollar	5,885	7,775
Other currency	2,461	4,166

The foreign currency detail of balances of monetary items in current liabilities and non-current is as follows:

	Up to 90 days		91 days to 1 year	
	As of December 31, 2022	As of December 31, 2021	As of December 31, 2022	As of December 31, 2021
	ThUS$	ThUS$	ThUS$	ThUS$
Current liabilities				
Other financial liabilities, current	17,062	179,777	602	177,471
Argentine peso	1	1	-	-
Brazilian real	-	31	-	210
Chilean peso	10,697	135,431	602	159,541
Euro	621	259	-	184
U.S. dollar	5,558	43,919	-	17,460
Other currency	185	136	-	76
Trade and other accounts payables, current	720,688	1,317,418	20,995	50,312
Argentine peso	45,345	234,358	3,446	2,335
Brazilian real	48,511	70,523	651	653
Chilean peso	146,395	280,405	1,231	44,438
Colombian peso	2,330	7,673	31	1,134
Euro	29,502	134,146	11	887
U.S. dollar	328,540	472,800	2,883	73
Peruvian sol	7,426	2,487	10,886	310
Mexican peso	12,969	11,297	75	29
Pound sterling	37,788	45,096	19	86
Uruguayan peso	1,199	775	1,110	58
Other currency	60,683	57,858	652	309
Accounts payable to related entities, current	-	57	-	-
Chilean peso	-	6	-	-
U.S. dollar	-	51	-	-
Other provisions, current	29	-	11,655	4,980
Chilean peso	-	-	29	25
Other currency	29	-	11,626	4,955

	Up to 90 days		91 days to 1 year	
	As of December 31, 2022	As of December 31, 2021	As of December 31, 2022	As of December 31, 2021
	ThUS$	ThUS$	ThUS$	ThUS$
Current liabilities				
Other non-financial liabilities, current	16,315	29,057	9,071	-
Argentine peso	87	1,604	6,563	-
Brazilian real	220	859	11	-
Chilean peso	1,568	1,332	178	-
Colombian peso	294	941	798	-
Euro	546	1,375	173	-
U.S. dollar	12,975	21,174	1,063	-
Other currency	625	1,772	285	-
Total current liabilities	754,095	981,129	42,323	232,770
Argentine peso	45,433	28,128	10,009	2,335
Brazilian real	48,731	31,903	662	863
Chilean peso	158,660	212,629	2,040	204,004
Colombian peso	2,624	2,520	829	1,134
Euro	30,669	46,681	184	1,071
U.S. dollar	347,073	539,429	3,946	17,540
Other currency	120,905	119,839	24,653	5,823

	More than 1 to 3 years		More than 3 to 5 years		More than 5 years	
	As of December 31, 2022	As of December 31, 2021	As of December 31, 2022	As of December 31, 2021	As of December 31, 2022	As of December 31, 2021
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Non-current liabilities						
Other financial liabilities, non-current	32,036	33,205	774	15,375	170,437	359,623
Chilean peso	11,544	1,512	774	896	170,437	355,636
Brazillian real	16	86	-	-	-	-
Euro	1,409	135	-	90	-	-
U.S. dollar	18,354	31,413	-	14,389	-	3,987
Other currency	713	59	-	-	-	-
Accounts payable, non-current	58,449	114,097	-	1,451	-	342
Chilean peso	17,259	41,456	-	1,451	-	342
U.S. dollar	39,717	71,339	-	-	-	-
Other currency	1,473	1,302	-	-	-	-
Other provisions, non-current	43,301	49,420	-	-	-	-
Argentine peso	1,917	1,074	-	-	-	-
Brazillian real	37,982	27,532	-	-	-	-
Chilean peso	-	-	-	-	-	-
Colombian peso	202	255	-	-	-	-
Euro	2,944	10,820	-	-	-	-
U.S. dollar	256	9,739	-	-	-	-
Provisions for employees benefits, non-current	55,454	44,816	-	-	-	-
Chilean peso	55,454	44,816	-	-	-	-
Total non-current liabilities	189,240	241,538	774	16,826	170,437	359,965
Argentine peso	1,917	1,074	-	-	-	-
Brazilian real	37,998	27,618	-	-	-	-
Chilean peso	84,257	87,784	774	2,347	170,437	355,978
Colombian peso	202	255	-	-	-	-
Euro	4,353	10,955	-	90	-	-
U.S. dollar	58,327	112,491	-	14,389	-	3,987
Other currency	2,186	1,361	-	-	-	-

	As of December 31, 2022	As of December 31, 2021
	ThUS$	ThUS$
General summary of foreign currency:		
Total assets	475,502	497,372
Argentine peso	32,329	19,363
Brazilian real	28,597	20,915
Chilean peso	64,163	86,412
Colombian peso	15,060	11,998
Euro	39,348	37,757
U.S. dollar	193,795	253,694
Other currency	102,210	67,233
Total liabilities	1,156,869	1,832,228
Argentine peso	57,359	31,537
Brazilian real	87,391	60,384
Chilean peso	416,168	862,742
Colombian peso	3,655	3,909
Euro	35,206	58,797
U.S. dollar	409,346	687,836
Other currency	147,744	127,023
Net position		
Argentine peso	(25,030)	(12,174)
Brazilian real	(58,794)	(39,469)
Chilean peso	(352,005)	(776,330)
Colombian peso	11,405	8,089
Euro	4,142	(21,040)
U.S. dollar	(215,551)	(434,142)
Other currency	(45,534)	(59,790)

NOTE 29 – EARNINGS (LOSS) PER SHARE

	For the year ended December 31,		
	2022	2021	2020
Basic earnings (loss) per share			
Income (Loss) attributable to owners of the parent (ThUS$)	1,339,210	(4,647,491)	(4,545,887)
Weighted average number of shares, basic	96,614,464,231(*)	606,407,693	606,407,693
Basic earnings (loss) per share (US$)	0.013861	(7.66397)	(7.49642)

	For the year ended December 31,		
	2022	2021	2020
Diluted earnings (loss) per share			
Income (Loss) attributable to owners of the parent (ThUS$)	1,339,210(***)	(4,647,491)	(4,545,887)
Weighted average number of shares, diluted	98,530,451,071(**)	606,407,693	606,407,693
Weighted average number of shares, diluted (2)	98,530,451,071	606,407,693	606,407,693
Diluted earnings (loss) per share (US$)	0.013592	(7.66397)	(7.49642)

(*) As of December 31, 2022, the weighted average number of shares considers 606,407,693 shares outstanding from January 1, 2022 until November 2, 2022. From November 3, 2022 until December 31, 2022 the number of shares outstanding increases due to the equity rights offering and then increases daily as the holders of the convertible notes convert them into shares (See movement of shares in Note 24).

(**) As of December 31, 2022, the weighted average number of fully diluted shares considers 606,407,693 shares outstanding from January 1, 2022 until November 2, 2022, and 605,801,285,307 shares outstanding from November 3, 2022 until December 31, 2022 which includes the equity rights offering and assumes the conversion of all convertible notes that were issued upon emergence from Chapter 11 (See movement of shares in Note 24).

(***) Profit (Loss) attributable to holders of equity instruments of the parent company is unchanged when calculating diluted EPS because only Convertible Note H accrued interest. However, this Note was converted into shares immediately after issuance and therefore did not accrue interest during the year.

NOTE 30 – CONTINGENCIES

I. Lawsuits

1) Lawsuits filed by LATAM Airlines Group S.A. and Subsidiaries

Company	Court	Case Number	Origin	Stage of trial	Amounts Committed (*)
					ThUS$
LATAM Airlines Group S.A., Aerovías de Integración Regional S.A., LATAM Airlines Perú S.A., Latam-Airlines Ecuador S.A., LAN Cargo S.A., TAM Linhas Aereas S.A. and 32 affiliates	United States Bankruptcy Court for the Southern District of New York	Case No. 20-11254	LATAM Airlines Group S.A., Aerovías de Integración Regional S.A., LATAM Airlines Peru S.A., LATAM Airlines Ecuador S.A., LAN Cargo S.A., TAM Linhas Aereas S.A. and 32 subsidiaries began a reorganization in the United States of America according to Chapter 11 of Title 11 of the U.S. Code. They filed a voluntary petition for Chapter 11 protection (the "Chapter 11 Procedure") that granted an automatic foreclosure suspension for at least 180 days.	On May 26, 2020, LATAM Airlines Group S.A. and 28 subsidiaries (the "Initial Debtors") individually filed a voluntary reorganization petition with U.S. Bankruptcy Court for the Southern District of New York according to Chapter 11 of the U.S. Bankruptcy Code. On July 7 and 9, 2020, 9 additional affiliated debtors (the "Subsequent Debtors," and together with the Initial Debtors, the "Debtors"), including TAM Linhas Aereas S.A., filed a voluntary reorganization petition with the Court according to Chapter 11 of the U.S. Bankruptcy Code. On November 26, 2021, the Debtors submitted a joint reorganization plan together with an informational statement. On May 11, 2022, the Debtors submitted a revised version of the Plan. On June 18, 2022, the Bankruptcy Court issued an order confirming the Reorganization Plan filed by the Debtors (the "Confirmation Order"). On July 5, 2022, a Special Shareholders Meeting of LATAM approved implementing the Restructuring Plan and issuing the required instruments to be able to exit the Chapter 11 Procedure. On November 3, 2022, LATAM Airlines Group S.A. and its various subsidiaries (the "Debtors") that were parties to the Chapter 11 Procedure exited that Procedure. The effective date of the exit (the "Effective Date") of LATAM's reorganization and financing plan (the "Reorganization Plan") was approved and confirmed in the U.S. reorganization procedure (the "Chapter 11 Procedure") according to the rules of Chapter 11 in Title 11 of the U.S. Code. On November 17, 2022, the 37 subsidiaries of LATAM Airlines Group S.A. filed a petition to close the Chapter 11 Proceeding. On December 14, 2022, the Bankruptcy Court approved the petition. The process remains open with respect to LATAM Airlines Group S.A. Limited claims pending in the Chapter 11 proceedings continue to be reconciled.	-0-

Company	Court	Case Number	Origin	Stage of trial	Amounts Committed (*)
					ThUS$
LATAM Airlines Group S.A.	2° Juzgado Civil de Santiago	C-8553-2020	Request for recognition of the foreign reorganization proceeding.	On June 1, 2020, LATAM Airlines Group SA, in its capacity as foreign representative of the reorganization procedure under the rules of Chapter 11 of Title 11 of the United States Code, filed the request for recognition of the foreign reorganization proceeding as the main proceeding, pursuant to Law 20,720. On June 4, 2020, the Court issued the ruling recognizing in Chile the bankruptcy proceeding for the foreign reorganization of the company LATAM Airlines Group S.A. All remedies filed against the decision have been dismissed, so the decision is final. Considering that November 3, 2022 was the Effective Date of the reorganization plan approved and confirmed in the main proceeding, on November 10, 2022, the representative of the foreign proceeding submitted to the court his last monthly report in accordance with the Communications Protocol Cross-border.	-0-
Aerovías de Integración Regional S.A.	Superintendencia de Sociedades	-	Request for recognition of the foreign reorganization proceeding.	On June 4, 2020, LATAM Airlines Group and the companies that were admitted to the Chapter 11 reorganization procedure (the "Borrower") before the U.S. District Court for the Southern District of New York (the "U.S. Bankruptcy Court") filed a petition with the Colombian Companies Commission (the "Companies Commission") for recognition of the Chapter 11 reorganization procedure in Colombia based on Colombian cross-border insolvency regulations (Title III of Law 1116 of 2006). On June 12, 2020, the Superintendency of Companies recognized in Colombia the reorganization proceeding filed before the Bankruptcy Court of the United States of America for the Southern District of New York as a main process, under the terms of Title III of Law 1116 of 2006. On August 26, 2022, the Companies Commission (i) recognized the Bankruptcy Court's June 24, 2022 order approving 8 exit financing strategies presented by LATAM Airlines Group S.A. and its subsidiary, Aerovías de Integración Regional S.A., and (ii) authorized the termination of the guarantees granted in the DIP loan and the establishment of the new guarantees. On November 3, 2022, the Borrowers notified the U.S. Bankruptcy Court, lenders and stakeholders of the Reorganization Plan effective date.	-0-

Company	Court	Case Number	Origin	Stage of trial	Amounts Committed (*)
					ThUS$
LATAM Finance Limited	Grand Court of the Cayman Islands	-	Request for a provisional bankruptcy process.	On May 26, 2020, LATAM Finance Limited submitted a request for a provisional liquidation in the Grand Court of the Cayman Islands, covered in the reorganization proceeding filed before the Bankruptcy Court of the United States of America, which was accepted on May 27, 2020 by the Grand Court of the Cayman Islands. On September 28, 2020, LATAM Finance Limited filed a petition to suspend the liquidation. On October 9, 2020, the Grand Court of Cayman Islands accepted the petition and extended the status of temporary liquidation for a period of 6 months. The lawsuit continues to be active. On May 13, 2021, LATAM Finance Limited filed a petition to suspend the liquidation. On May 18, 2021, the Grand Court of Cayman Islands accepted the petition and extended the status of temporary liquidation until October 9, 2021. The lawsuit continues to be active. On December 1, 2021, LATAM Finance Limited filed a petition to suspend the liquidation, which was accepted by the Grand Court of Cayman Islands. This extended the status of the provisional liquidation through April 9, 2022. The procedure continues. On August 22, 2022, LATAM Finance Limited petitioned for a suspension of the liquidation, which was granted by the Grand Court of the Cayman Islands. The provisional liquidation was extended to October 9, 2022 and the process continues in effect. That petition was sustained by the Grand Court of the Cayman Islands on October 4, 2022. On September 30, 2022, LATAM Finance Limited filed an application for validation of security obligations arising in connection with the DIP to Exit and new DIP facilities. On October 04, 2022, the Grand Court made an Order validating such application. Currently the proceeding remains open.	-0-

Company	Court	Case Number	Origin	Stage of trial	Amounts Committed (*)
					ThUS$
Peuco Finance Limited	Grand Court of the Cayman Islands	-	Request for a provisional bankruptcy process.	Peuco Finance Limited submitted a request for a provisional liquidation in Grand Court of the Cayman Islands, covered in the reorganization proceeding filed before the Bankruptcy Court of the United States of America, which was accepted on May 27, 2020 by the Grand Court of the Cayman Islands. On September 28, 2020, Peuco Finance Limited filed a petition to suspend the liquidation. On October 9, 2020, the Grand Court of Cayman Islands accepted the petition and extended the status of temporary liquidation for a period of 6 months. The lawsuit continues to be active. On May 13, 2021, Peuco Finance Limited filed a petition to suspend the liquidation. On May 18, 2021, the Grand Court of Cayman Islands accepted the petition and extended the status of temporary liquidation until October 9, 2021. The lawsuit continues to be active. On December 1, 2021, Peuco Finance Limited filed a petition to suspend the liquidation, which was accepted by the Grand Court of Cayman Islands. This extended the status of the provisional liquidation through April 9, 2022. The procedure continues. On August 22, 2022, Peuco Finance Limited petitioned for a suspension of the liquidation, which was granted by the Grand Court of the Cayman Islands. The provisional liquidation was extended to October 9, 2022 and the process continues in effect. That petition was sustained by the Grand Court of the Cayman Islands on October 4, 2022. On September 30, 2022, Peuco Finance Limited filed an application for validation of security obligations arising in connection with the DIP to Exit and new DIP facilities. On October 04, 2022, the Grand Court made an Order validating such application. Currently the proceeding remains open.	-0-

Company	Court	Case Number	Origin	Stage of trial	Amounts Committed (*)
					ThUS$
Piquero Leasing Limited	Grand Court of the Cayman Islands	-	Request for a provisional bankruptcy process.	On July 07, 2020, Piquero Leasing Limited submitted a request for a provisional liquidation in Grand Court of the Cayman Islands, covered in the reorganization proceeding filed before the Bankruptcy Court of the United States of America, which was accepted on July 10, 2020, by the Grand Court of the Cayman Islands. Piquero Leasing Limited entered a motion to suspend the liquidation on September 28, 2020. The Grand Court of the Cayman Islands granted the motion and extended the provisional liquidation status for 6 months. The procedure continues. On May 13, 2021, Piquero Leasing Limited filed a petition to suspend the liquidation. On May 18, 2021, the Grand Court of Cayman Islands accepted the petition and extended the status of temporary liquidation until October 9, 2021. The lawsuit continues to be active. On December 1, 2021, Piquero Leasing Limited filed a petition to suspend the liquidation, which was accepted by the Grand Court of Cayman Islands. This extended the status of the provisional liquidation through April 9, 2022. The procedure continues. On August 22, 2022, Piquero Leasing Limited petitioned for a suspension of the liquidation, which was granted by the Grand Court of the Cayman Islands. The provisional liquidation was extended to October 9, 2022 and the process continues in effect. Currently the proceeding remains open.	-0-

2) Lawsuits received by LATAM Airlines Group S.A. and Subsidiaries.

Company	Court	Case Number	Origin	Stage of trial	Amounts Committed (*)
					ThUS$
LATAM Airlines Group S.A. y Lan Cargo S.A.	European Commission.		Investigation of alleged infringements to free competition of cargo airlines, especially fuel surcharge. On December 26th, 2007, the General Directorate for Competition of the European Commission notified Lan Cargo S.A. and LATAM Airlines Group S.A. the instruction process against twenty five cargo airlines, including Lan Cargo S.A., for alleged breaches of competition in the air cargo market in Europe, especially the alleged fixed fuel surcharge and freight.	On April 14th, 2008, the notification of the European Commission was replied. The appeal was filed on January 24, 2011. On May 11, 2015, we attended a hearing at which we petitioned for the vacation of the Decision based on discrepancies in the Decision between the operating section, which mentions four infringements (depending on the routes involved) but refers to Lan in only one of those four routes; and the ruling section (which mentions one single conjoint infraction). On November 9th, 2010, the General Directorate for Competition of the European Commission notified Lan Cargo S.A. and LATAM Airlines Group S.A. the imposition of a fine in the amount of THUS$8,797 (8.220.000 Euros) This fine is being appealed by Lan Cargo S.A. and LATAM Airlines Group S.A. On December 16, 2015, the European Court of Justice revoked the Commission's decision because of discrepancies. The European Commission did not appeal the decision, but presented a new one on March 17, 2017 reiterating the imposition of the same fine on the eleven original airlines. The fine totals 776,465,000 Euros. It imposed the same fine as before on Lan Cargo and its parent, LATAM Airlines Group S.A., totaling 8.2 million Euros. On May 31, 2017 Lan Cargo S.A. and LATAM Airlines Group S.A. filed a petition with the General Court of the European Union seeking vacation of this decision. We presented our defense in December 2017. On July 12, 2019, we attended a hearing before the European Court of Justice to confirm our petition for vacation of judgment or otherwise, a reduction in the amount of the fine. On March 30, 2022, the European Court issued its ruling and lowered the amount of our fine from KUS$8,797 (8,220,000 Euros) to KUS$2,397 (2,240,000 Euros). This ruling was appealed by LAN Cargo S.A. and LATAM on June 9, 2022. The other eleven airlines also appealed the ruling affecting them. The European Commission responded to our appeal of September 7, 2022. Lan Cargo S.A. and LATAM answered the Commission's arguments on November 11, 2022. The European Commission has until January 24, 2023 to reply to our defense. On December 17, 2020, the European Commission had presentaded proof of claim for the total amount of the fine (ThUS$8,797 (€8,220,000)) to the New York Court hearing the Chapter 11 procedure petitioned by LATAM Airlines Group, S.A. and LAN Cargo, S.A. in May 2020. The amount of this claim has been modified subject to the possible appeal of the ruling of the European Court.	2,397

Company	Court	Case Number	Origin	Stage of trial	Amounts Committed (*)
					ThUS$
Lan Cargo S.A. y LATAM Airlines Group S.A.	In the Ovre Romerike District Court (Norway) y Directie Juridische Zaken Afdeling Ceveil Recht (Netherlands)		Lawsuits filed against European airlines by users of freight services in private lawsuits as a result of the investigation into alleged breaches of competition of cargo airlines, especially fuel surcharge. Lan Cargo S.A. and LATAM Airlines Group S.A., have been sued in court proceedings directly and/or in third party, based in England, Norway, the Netherlands and Germany, these claims were filed in England, Norway, the Netherlands and Germany, but are only ongoing in Norway and the Netherlands.	The two proceedings still pending in Norway and the Netherlands are in the evidentiary stages. There has been no activity in Norway since January 2014 and in the Netherlands, since February 2021. The amounts are indeterminate.	-0-
Aerolinhas Brasileiras S.A.	Federal Justice.	0008285-53.2015.403.6105	An action seeking to quash a decision and petioning for early protection in order to obgain a revocation of the penalty imposed by the Brazilian Competition Authority (CADE) in the investigation of cargo airlines alleged fair trade violations, in particular the fuel surcharge.	This action was filed by presenting a guaranty – policy – in order to suspend the effects of the CADE's decision regarding the payment of the following fines: (i) ABSA: ThUS$10,438; (ii) Norberto Jochmann: ThUS$201; (iii) Hernan Merino: ThUS$ 102; (iv) Felipe Meyer:ThUS$ 102. The action also deals with the affirmative obligation required by the CADE consisting of the duty to publish the condemnation in a widely circulating newspaper. This obligation had also been stayed by the court of federal justice in this process. Awaiting CADE's statement. ABSA began a judicial review in search of an additional reduction in the fine amount. The Judge's decision was published on March 12, 2019, and we filed an appeal against it on March 13, 2019	9,847
Aerolinhas Brasileiras S.A.	Federal Justice.	0001872-58.2014.4.03.6105	An annulment action with a motion for preliminary injunction, was filed on 28/02/2014, in order to cancel tax debts of PIS, CONFINS, IPI and II, connected with the administrative process 10831.005704/2006.43	We have been waiting since August 21, 2015 for a statement by Serasa on TAM's letter of indemnity and a statement by the Union. The statement was authenticated on January 29, 2016. A new insurance policy was submitted on March 30, 2016 with the change to the guarantee requested by PGFN. On 05/20/2016 the process was sent to PGFN, which was manifested on 06/03/2016. The Decision denied the company's request in the lawsuit. The court (TRF3) made a decision to eliminate part of the debt and keep the other part (already owed by the Company, but which it has to pay only at the end of the process: KUS$3,478– R$18.148.281,61- probable). We must await a decision on the Treasury appeal.	7,822

Company	Court	Case Number	Origin	Stage of trial	Amounts Committed (*)
					ThUS$
Tam Linhas Aéreas S.A.	Court of the Second Region.	2001.51.01.012530-0 (linked to the procces 19515.721154/2014-71, 19515.002963/2009-12)	Ordinary judicial action brought for the purpose of declaring the nonexistence of legal relationship obligating the company to collect the Air Fund.	Unfavorable court decision in first instance. Currently expecting the ruling on the appeal filed by the company. In order to suspend chargeability of Tax Credit a Guaranty Deposit to the Court was delivered for R$ 260.223.373,10-original amount in 2012/2013, which currently equals THUS$73,986. The court decision requesting that the Expert make all clarifications requested by the parties in a period of 30 days was published on March 29, 2016. The plaintiffs' submitted a petition on June 21, 2016 requesting acceptance of the opinion of their consultant and an urgent ruling on the dispute. No amount additional to the deposit that has already been made is required if this case is lost.	73,986
Tam Linhas Aéreas S.A.	Internal Revenue Service of Brazil.	10880.725950/2011-05	Compensation credits of the Social Integration Program (PIS) and Contribution for Social Security Financing (COFINS) Declared on DCOMPs.	The objection (manifestação de inconformidade) filed by the company was rejected, which is why the voluntary appeal was filed. The case was assigned to the 1st Ordinary Group of Brazil's Administrative Council of Tax Appeals (CARF) on June 8, 2015. TAM's appeal was included in the CARF session held August 25, 2016. An agreement that converted the proceedings into a formal case was published on October 7, 2016. The amount has been reduced after some set-offs were approved by the Department of Federal Revenue of Brazil. We must wait until the due diligence is complete.	32,989

Company	Court	Case Number	Origin	Stage of trial	Amounts Committed (*) ThUS$
Aerovías de Integración Regional, AIRES S.A.	United States Court of Appeals for the Eleventh Circuit, Florida, U.S.A. 45th Civil Court of the Bogota Circuit in Colombia.	2013-20319 CA 01	The July 30th, 2012 Aerovías de Integración Recional, Aires S.A. (LATAM AIRLINES COLOMBIA) initiated a legal process in Colombia against Regional One INC and Volvo Aero Services LLC, to declare that these companies are civilly liable for moral and material damages caused to LATAM AIRLINES COLOMBIA arising from breach of contractual obligations of the aircraft HK-4107. The June 20th, 2013 AIRES SA And / Or LATAM AIRLINES COLOMBIA was notified of the lawsuit filed in U.S. for Regional One INC and Dash 224 LLC for damages caused by the aircraft HK-4107 arguing failure of LATAM AIRLINES GROUP S.A. customs duty to obtain import declaration when the aircraft in April 2010 entered Colombia for maintenance required by Regional One.	Colombia. This case is being heard by the 45th Civil Court of the Bogota Circuit in Colombia. Statements were taken from witnesses presented by REGIONAL ONE and VAS on February 12, 2018. The court received the expert opinions requested by REGIONAL ONE and VAS and given their petition, it asked the experts to expand upon their opinions. It also changed the experts requested by LATAM AIRLINES COLOMBIA. The case was brought before the Court on September 10, 2018 and these rulings are pending processing so that a new hearing can be scheduled. On October 31, 2018, the judge postponed the deadline for the parties to answer the objection because of a serious error brought to light by VAS regarding the translation submitted by the expert. The process has been in the judge's chambers since March 11, 2019 to decide on replacing the damage estimation expert as requested by LATAM AIRLINES COLOMBIA. The one previously appointed did not take office. A petition has also been made by VAS objecting to the translation of the documents in English into Spanish due to serious mistakes, which was served to the parties in October 2018. The 45th Civil Circuit Court issued an order on August 13, 2019 that did not decide on the pending matters but rather voided all actions since September 14, 2018 and ordered the case to be referred to the 46th Civil Circuit Court according to article 121 of the General Code of Procedure. Said article says that court decisions must be rendered in no more than one (1) year as from the service of the court order admitting the claim. If that period expires without any ruling being issued, the Judge will automatically forfeit competence over the proceedings and must give the Administrative Room of the Superior Council of the Judiciary notice of that fact the next day, in addition to referring the case file to the next sitting judge in line, who will have competence and will issue a ruling in no more than 6 months. The case was sent to the 46th Civil Circuit Court on September 4, 2019, which claims that there was a competence conflict and then sent the case to the Superior Court of Bogotá to decide which court, the 45th or 46th, had to continue with the case. The Court decided that 45th Civil Circuit Court should continue with the case, so this Court on 01/15/2020 has reactivated the procedural process ordering the transfer to the parties of the objection presented by VAS for serious error of the translation to Spanish of documents provided in English. On 02/24/2020 it declares that the parties did not rule on the objection presented by VAS and requires the plaintiff to submit an expert opinion of damages corresponding to the claims of the lawsuit through its channel. Since 03/16/20 a suspension of terms is filed in Courts due to the pandemic. Judicial terms were reactivated on July 1, 2020. On September 18, 2020, an expert opinion on damages was submitted that had been requested by the Court. The Court ordered service of the ruling to the parties on December 14, 2020. The defendants, REGIONAL ONE and VAS, filed a motion for reconsideration of this decision, petitioning that the evidence of the expert opinion be eliminated because it was presented late. The motion was denied by the Court. On April 30, 2021, they petitioned for a clarification and supplement to the opinion, to which the Court agreed in a decision on May 19, 2021, giving the expert 10 business days to respond. The brief of clarification was filed June 2, 2021 and the docket was presented to the Judge	-0-

on June 3, 2021. The parties were given notice of the objection on July 21, 2021 based on a serious mistake in the opinion presented by Regional One. The case entered the judgment phase on August 5, 2021. On October 7, 2021, the Court set a date for the instruction and judgment hearing, which will be February 3, 2022. Regional One, the defendant, filed a petition for reconsideration on October 13, 2021 that had not been decided on the date of this report. The claim was withdrawn on January 11, 2022 because the matter had been settled before the Bankruptcy Court hearing the Chapter 11 claim. The Court decreed the end of the proceedings because the claims were withdrawn in a ruling issued January 19, 2022. On January 21, 2022, VAS submitted a remedy of reconsideration and, alternatively, an appeal against the interim decision because it did not order costs to be paid to it. The parties were given notice to present a response between February 2 and 4, 2022. The proceedings continue with the judge while they decide on costs. These costs will not be enforced under the settlement made in the USA by VAS and LATAM Airlines Colombia.

Company	Court	Case Number	Origin	Stage of trial	Amounts Committed (*) ThUS$
				Florida. On June 4, 2019, the State Court of Florida allowed REGIONAL ONE to add a new claim against LATAM AIRLINES COLOMBIA for default on a verbal contract. Given the new claim, LATAM AIRLINES COLOMBIA petitioned that the Court postpone the trial to August 2019 to have the time to investigate the facts alleged by REGIONAL ONE to prove a verbal contract. The facts discovery phase continued, including the verbal statements of the experts of both sides, which have been taking place since March 2020. Given the Covid-19 pandemic and the suspension of trials in the County of Miami-Dade, the Court canceled the trial scheduled for June 2020. In addition, the claims against Aires have been suspended given the request for reorganization filed by LATAM AIRLINES GROUP SA and some of its subsidiaries, including Aires, on May 26, 2020, under Chapter 11 of the United States Bankruptcy Code. Dash, Regional One and VAS filed unsecured claims with the U.S. Bankruptcy Court by the deadline that creditors have according to Chapter 11. On October 18, 2021, Regional One, Dash and LATAM AIRLINES COLOMBIA participated in a third mediation where they agreed on the terms of a global settlement. On December 16, 2021, the Bankruptcy Court for the Southern District of New York approved the global agreement and release. Therefore, Dash and Regional withdrew their claims against Aires in Florida on December 21, 2021. VAS and Regional One informed the Court of a settlement agreement between them. VAS has informally presented a modified Chapter 11 claim to LATAM AIRLINES COLOMBIA in the intent to claim an indemnity of USD$1,197,539. LATAM AIRLINES COLOMBIA has not yet responded. VAS withdrew the damage indemnity claim against LATAM Airlines Colombia.	

Company	Court	Case Number	Origin	Stage of trial	Amounts Committed (*)
					ThUS$
Tam Linhas Aéreas S.A.	Internal Revenue Service of Brazil	10880.722.355/2014-52	On August 19th, 2014 the Federal Tax Service issued a notice of violation stating that compensation credits Program (PIS) and the Contribution for the Financing of Social Security COFINS by TAM are not directly related to the activity of air transport.	An administrative objection was filed on September 17th, 2014. A first-instance ruling was rendered on June 1, 2016 that was partially favorable. The separate fine was revoked. A voluntary appeal was filed on June 30, 2016, which is pending a decision by CARF. On September 9, 2016, the case was referred to the Second Division, Fourth Chamber, of the Third Section of the Administrative Council of Tax Appeals (CARF). In September 2019, the Court rejected the appeal of the Hacienda Nacional. Hacienda Nacional filed a complaint that was denied by the Court. The final calculations of the Federal Income Tax Bureau are pending.	10,095
LATAM Airlines Group S.A.	22° Civil Court of Santiago	C-29.945-2016	The Company received notice of a civil liability claim by Inversiones Ranco Tres S.A. on January 18, 2017. It is represented by Mr. Jorge Enrique Said Yarur. It was filed against LATAM Airlines Group S.A. for an alleged contractual default by the Company and against Ramon Eblen Kadiz, Jorge Awad Mehech, Juan Jose Cueto Plaza, Enrique Cueto Plaza and Ignacio Cueto Plaza, directors and officers, for alleged breaches of their duties. In the case of Juan Jose Cueto Plaza, Enrique Cueto Plaza and Ignacio Cueto Plaza, it alleges a breach, as controllers of the Company, of their duties under the incorporation agreement. LATAM has retained legal counsel specializing in this area to defend it.	The claim was answered on March 22, 2017 and the plaintiff filed its replication on April 4, 2017. LATAM filed its rejoinder on April 13, 2017, which concluded the argument stage of the lawsuit. A reconciliation hearing was held on May 2, 2017, but the parties did not reach an agreement. The Court issued the evidentiary decree on May 12, 2017. We filed a petition for reconsideration because we disagreed with certain points of evidence. That petition was partially sustained by the Court on June 27, 2017. The evidentiary stage commenced and then concluded on July 20, 2017. Observations to the evidence must now be presented. That period expires August 1, 2017. We filed our observations to the evidence on August 1, 2017. We were served the decision on December 13, 2017 that dismissed the claim since LATAM was in no way liable. The plaintiff filed an appeal on December 26, 2017. Arguments were pled before the Santiago Court of Appeals on April 23, 2019, and on April 30, 2019, this Court confirmed the ruling of the trial court absolving LATAM. The losing party was ordered to pay costs in both cases. On May 18, 2019, Inversiones Ranco Tres S.A. filed a remedy of vacation of judgment based on technicalities and on substance against the Appellate Court decision. The Appellate Court admitted both appeals on May 29, 2019 and the appeals are pending a hearing by the Supreme Court. On August 11, 2021 Inversiones Ranco Tres S.A. requested the suspension of the hearing of the Appeal, after the recognition by the 2nd Civil Court of Santiago of the foreign reorganization procedure in accordance with Law No. 20,720, for the entire period that said procedure lasts, a request that was accepted by the Supreme Court. In December 2022 LATAM requested the end of the suspension.	15,488

Company	Court	Case Number	Origin	Stage of trial	Amounts Committed (*)
					ThUS$
TAM Linhas Aéreas S.A.	10th Jurisdiction of Federal Tax Enforcement of Sao Paulo	0061196-68.2016.4.03.6182	Tax Enforcement Lien No. 0020869-47.2017.4.03.6182 on Profit-Based Social Contributions from 2004 to 2007.	This tax enforcement was referred to the 10th Federal Jurisdiction on February 16, 2017. A petition reporting our request to submit collateral was recorded on April 18, 2017. At this time, the period is pending for the plaintiff to respond to our petition. The bond was replaced. The evidentiary stage has begun.	30,811
TAM Linhas Aéreas S.A.	Department of Federal Revenue of Brazil	5002912.29.2019.4.03.6100	A lawsuit disputing the debit in the administrative proceeding 16643.000085/2009-47, reported in previous notes, consisting of a notice demanding recovery of the Income and Social Assessment Tax on the net profit (SCL) resulting from the itemization of royalties and use of the TAM trademark	The lawsuit was assigned on February 28, 2019. A decision was rendered on March 1, 2019 stating that no guarantee was required. Actualmente, debemos esperar la decisión final. On 04/06/2020 TAM Linhas Aéreas S.A. had a favorable decision (sentence). The National Treasury can appeal. Today, we await the final decision.	9,071
TAM Linhas Aéreas S.A	Delegacía de Receita Federal	10611.720630/2017-16	This is an administrative claim about a fine for the incorrectness of an import declaration.	The administrative defensive arguments were presented September 28, 2017. The Court dismissed the Company's appeal in August 2019. Then on September 17, 2019, Company filed a special appeal (CRSF (Higher Tax Appeals Chamber)) that is pending a decision. A hearing will be held on October 19, 2022. A new decision was rendered against the company and the discussion at the administrative level ended. The debt will be disputed in a claim to be filed in January 2023.	18,307
TAM Linhas Aéreas S.A	Delegacía de Receita Federal	10611.720852/2016-58	An improper charge of the Contribution for the Financing of Social Security (COFINS) on an import	We are currently awaiting a decision. There is no predictable decision date because it depends on the court of the government agency.	13,023
TAM Linhas Aéreas S.A	Delegacía de Receita Federal	16692.721.933/2017-80	The Internal Revenue Service of Brazil issued a notice of violation because TAM applied for credits offsetting the contributions for the Social Integration Program (PIS) and the Social Security Funding Contribution (COFINS) that do not bear a direct relationship to air transport (Referring to 2012).	An administrative defense was presented on May 29, 2018. The process has become a judicial proceeding.	26,580
SNEA (Sindicato Nacional das empresas aeroviárias)	União Federal	0012177-54.2016.4.01.3400	A claim against the 72% increase in airport control fees (TAT-ADR) and approach control fees (TAT-APP) charged by the Airspace Control Department ("DECEA").	A decision is now pending on the appeal presented by SNEA.	83,636
TAM Linhas Aéreas S/A	União Federal	2001.51.01.020420-0	TAM and other airlines filed a recourse claim seeking a finding that there is no legal or tax basis to be released from collecting the Additional Airport Fee ("ATAERO").	A decision by the superior court is pending. The amount is indeterminate because even though TAM is the plaintiff, if the ruling is against it, it could be ordered to pay a fee.	-0-

Company	Court	Case Number	Origin	Stage of trial	Amounts Committed (*)
					ThUS$
TAM Linhas Aéreas S/A	Delegacia da Receita Federal	10880-900.424/2018-07	This is a claim for a negative Legal Entity Income Tax (IRPJ) balance for the 2014 calendar year (2015 fiscal year) because set-offs were not allowed.	The administrative defensive arguments were presented March 19, 2018. A decision in favor of the company was rendered on October 22, 2022. The process was archived in favor of the company.	13,661
TAM Linhas Aéreas S/A	Department of Federal Revenue of Brazil	19515-720.823/2018-11	An administrative claim to collect alleged differences in SAT payments for the periods 11/2013 to 12/2017.	A defense was presented on November 28, 2018. The Court dismissed the Company's appeal in August 2019. Then on September 17, 2019, Company filed a voluntary appeal (CRSF (Administrative Tax Appeals Board)) that is pending a decision.	106,331
TAM Linhas Aéreas S/A	Department of Federal Revenue of Brazil	10880.938832/2013-19	The decision denied the reallocation petition and did not equate the Social Security Tax (COFINS) credit declarations for the second quarter of 2011, which were determined to be in the non-cumulative system	An administrative defense was argued on March 19, 2019. The Court dismissed the Company's defense in December 2020. The Company filed a voluntary appeal to the Brazilian Administrative Council of Tax Appeals (CARF) that is pending a decision.	19,632
TAM Linhas Aéreas S/A	Department of Federal Revenue of Brazil	10880.938834/2013-16	The decision denied the reallocation petition and did not equate the Social Security Tax (COFINS) credit declarations for the third quarter of 2011, which were determined to be in the non-cumulative system.	An administrative defense was argued on March 19, 2019. The Court dismissed the Company's defense in December 2020. The Company filed a voluntary appeal to the Brazilian Administrative Council of Tax Appeals (CARF) that is pending a decision.	14,586
TAM Linhas Aéreas S/A	Department of Federal Revenue of Brazil	10880.938837/2013-41	The decision denied the reallocation petition and did not equate the Social Security Tax (COFINS) credit declarations for the fourth quarter of 2011, which were determined to be in the non-cumulative system.	An administrative defense was argued on March 19, 2019. The Court dismissed the Company's defense in December 2020. The Company filed a voluntary appeal to the Brazilian Administrative Council of Tax Appeals (CARF) that is pending a decision.	18,989
TAM Linhas Aéreas S/A	Department of Federal Revenue of Brazil	10880.938838/2013-96	The decision denied the reallocation petition and did not equate the Social Security Tax (COFINS) credit declarations for the first quarter of 2012, which were determined to be in the non-cumulative system.	We presented our administrative defense. The Court dismissed the Company's defense in December 2020. The Company filed a voluntary appeal to the Brazilian Administrative Council of Tax Appeals (CARF) that is pending a decision.	12,162
LATAM Airlines Group Argentina, Brasil, Perú, Ecuador, y TAM Mercosur.	Commercial and Civil Trial Court No. 11 of Buenos Aires.	1408/2017	Consumidores Libres Coop. Ltda. filed this claim on March 14, 2017 regarding a provision of services. It petitioned for the reimbursement of certain fees or the difference in fees charged for passengers who purchased a ticket in the last 10 years but did not use it.	Federal Commercial and Civil Trial Court No. 11 in the city of Buenos Aires. After two years of arguments on jurisdiction and competence, the claim was assigned to this court and an answer was filed on March 19, 2019. The Court ruled in favor of the defendants on March 26, 2021, denying the precautionary measure petitioned by the plaintiff. The evidentiary stage has not yet begun in this case.	-0-
TAM Linhas Aéreas S.A	Department of Federal Revenue of Brazil	10.880.938842/2013-54	The decision denied the petition for reassignment and did not equate the COFINS credit statements for the third quarter of 2012 that had been determined to be in the non-accumulative system.	We presented our administrative defense. The Court dismissed the Company's defense in December 2020. The Company filed a voluntary appeal to the Brazilian Administrative Council of Tax Appeals (CARF) that is pending a decision.	14,047
TAM Linhas Aéreas S.A	Department of Federal Revenue of Brazil	10.880.93844/2013-43	The decision denied the petition for reassignment and did not equate the COFINS credit statements for the third quarter of 2012 that had been determined to be in the non-accumulative system.	We presented our administrative defense. The Court dismissed the Company's defense in December 2020. The Company filed a voluntary appeal (CARF) that is pending a decision.	12,838
TAM Linhas Aéreas S.A	Department of Federal Revenue of Brazil	10880.938841/2013-18	The decision denied the petition for reassignment and did not equate the COFINS credit statements for the second quarter of 2012 that had been determined to be in the non-accumulative system.	We presented our administrative defense. The Court dismissed the Company's defense in December 2020. The Company filed a voluntary appeal (CARF) that is pending a decision.	12,690

Company	Court	Case Number	Origin	Stage of trial	Amounts Committed (*)
					ThUS$
TAM Linhas Aéreas S.A	Receita Federal de Brasil	10840.727719/2019-71	Collection of PIS / COFINS tax for the period of 2014.	We presented our administrative defense on January 11, 2020. The Court dismissed the Company's defense in December 2020. The Company filed a voluntary appeal (CARF) that is pending a decision.	37,062
Latam-Airlines Ecuador S.A.	Tribunal Distrital de lo Fiscal	17509-2014-0088	An audit of the 2006 Income Tax Return that disallowed fuel expenses, fees and other items because the necessary support was not provided, according to Management.	On August 6, 2018, the District Tax Claims Court rendered a decision denying the request for a refund of a mistaken payment. An appeal seeking vacation of this judgment by the Court was filed on September 5th and we are awaiting a decision by the Appellate judges. As of December 31, 2018, the attorneys believed that the probability of recovering this sum had fallen to 30%-40% because of the pressure being put by the Executive Branch on the National Court of Justice and the Judiciary in general for rulings not to affect government revenues and because the case involves differences that are based on insufficient documentation supporting the expense. Given the percentage loss (above 50%), the accounting write-off of this recovery has been carried out.	12,505
Latam Airlines Group S.A.	Southern District of Florida. United States District Court	19cv23965	A lawsuit filed by Jose Ramon Lopez Regueiro against American Airlines Inc. and Latam Airlines Group S.A. seeking an indemnity for damages caused by the commercial use of the Jose Marti International Airport in Cuba that he says were repaired and reconditioned by his family before the change in government in 1959.	Latam Airlines Group S.A. was served this claim on September 27, 2019. LATAM Airlines Group filed a motion to dismiss on November 26, 2019. In response, a motion to suspend discovery was filed on December 23, 2019 while the Court was deciding on the motion to dismiss. The process was under a temporary Suspension Order from April 6, 2020 to September 2021 because of the inability to proceed regularly as a result of the indefinite duration and restrictions imposed by the world pandemic. Jose Ramon Lopez Regueiro filed a Second Amendment to the Claim on September 27, 2021 of undetermined amount. This case was dismissed by the Court on June 30, 2022 because the property was not confiscated by a U.S. national and the plaintiff was not a U.S. citizen when they acquired the alleged claim to the property or at least not before the enactment of the Helms-Burton Act (March 12, 1996). The suspension of claims against LATAM remained in effect until the Chapter 11 proceedings concluded. Since the plaintiff did not present a proof of claim against LATAM as part of the Chapter 11 proceedings, they could not file any claim against LATAM. Consequently, the plaintiff agreed to withdraw their claim. A status report was presented to the Court that confirmed this. The provision is undetermined.	-0-
TAM Linhas Aéreas S.A.	Receita Federal de Brasil	10880.910559/2017-91	Compensation non equate by Cofins	It is about the non-approved compensation of Cofins. Administrative defense submitted (Manifestação de Inconformidade). The Court dismissed the Company's defense in December 2020. The Company filed a voluntary appeal (CARF) that is pending a decision.	10,979
TAM Linhas Aéreas S.A.	Receita Federal de Brasil	10880.910547/2017-67	Compensation non equate by Cofins	We presented our administrative defense (Manifestação de Inconformidade). The Court dismissed the Company's defense in December 2020. The Company filed a voluntary appeal (CARF) that is pending a decision.	12,710

Company	Court	Case Number	Origin	Stage of trial	Amounts Committed (*)
					ThUS$
TAM Linhas Aéreas S.A.	Receita Federal de Brasil	10880.910553/2017-14	Compensation non equate by Cofins	We presented our administrative defense (Manifestação de Inconformidade). The Court dismissed the Company's defense in December 2020. The Company filed a voluntary appeal (CARF) that is pending a decision.	12,221
TAM Linhas Aéreas S.A.	Receita Federal de Brasil	10880.910555/2017-11	Compensation non equate by Cofins	We presented our administrative defense (Manifestação de Inconformidade). The Court dismissed the Company's defense in December 2020. The Company filed a voluntary appeal (CARF) that is pending a decision.	12,893
TAM Linhas Aéreas S.A.	Receita Federal de Brasil	10880.910560/2017-16	Compensation non equate by Cofins	We presented our administrative defense (Manifestação de Inconformidade). The Court dismissed the Company's defense in December 2020. The Company filed a voluntary appeal (CARF) that is pending a decision.	11,226
TAM Linhas Aéreas S.A.	Receita Federal de Brasil	10880.910550/2017-81	Compensation non equate by Cofins	We presented our administrative defense (Manifestação de Inconformidade). The Court dismissed the Company's defense in December 2020. The Company filed a voluntary appeal (CARF) that is pending a decision.	13,051

Company	Court	Case Number	Origin	Stage of trial	Amounts Committed (*)
					ThUS$
TAM Linhas Aéreas S.A.	Receita Federal de Brasil	10880.910549/2017-56	Compensation non equate by Cofins	We presented our administrative defense (Manifestação de Inconformidade). The Court dismissed the Company's defense in December 2020. The Company filed a voluntary appeal (CARF) that is pending a decision.	10,927
TAM Linhas Aéreas S.A.	Receita Federal de Brasil	10880.910557/2017-01	Compensation non equate by Cofins	We presented our administrative defense (Manifestação de Inconformidade). The Court dismissed the Company's defense in December 2020. The Company filed a voluntary appeal (CARF) that is pending a decision.	10,346
TAM Linhas Aéreas S.A.	Receita Federal de Brasil	10840.722712/2020-05	Administrative trial that deals with the collection of PIS/Cofins proportionality (fiscal year 2015).	We presented our administrative defense (Manifestação de Inconformidade). A decision is pending. The Company filed a voluntary appeal (CARF) that is pending a decision.	29,474
TAM Linhas Aéreas S.A.	Receita Federal de Brasil	10880.978948/2019-86	It is about the non-approved compensation/reimbursement of Cofins for the 4th Quarter of 2015.	TAM filed its administrative defense on July 14, 2020. A decision is pending. The Company filed a voluntary appeal (CARF) that is pending a decision.	16,551
TAM Linhas Aéreas S.A.	Receita Federal de Brasil	10880.978946/2019-97	It is about the non-approved compensation/reimbursement of Cofins for the 3th Quarter of 2015	TAM filed its administrative defense on July 14, 2020. A decision is pending. The Company filed a voluntary appeal (CARF) that is pending a decision.	10,022
TAM Linhas Aéreas S.A.	Receita Federal de Brasil	10880.978944/2019-06	It is about the non-approved compensation/reimbursement of Cofins for the 2th Quarter of 2015	TAM filed its administrative defense on July 14, 2020. A decision is pending. The Company filed a voluntary appeal (CARF) that is pending a decision.	10,628

Company	Court	Case Number	Origin	Stage of trial	Amounts Committed (*)
					ThUS$
Latam Airlines Group S.A	23° Juzgado Civil de Santiago	C-8498-2020	Class Action Lawsuit filed by the National Corporation of Consumers and Users (CONADECUS) against LATAM Airlines Group S.A. for alleged breaches of the Law on Protection of Consumer Rights due to flight cancellations caused by the COVID-19 Pandemic, requesting the nullity of possible abusive clauses, the imposition of fines and compensation for damages in defense of the collective interest of consumers. LATAM has hired specialist lawyers to undertake its defense.	On 06/25/2020 we were notified of the lawsuit. On 04/07/2020 we filed a motion for reversal against the ruling that declared the action filed by CONADECUS admissible, the decision is pending to date. On 07/11/2020 we requested the Court to comply with the suspension of this case, ruled by the 2nd Civil Court of Santiago, in recognition of the foreign reorganization procedure pursuant to Law No. 20,720, for the entire period that said proceeding lasts, a request that was accepted by the Court. CONADECUS filed a remedy of reconsideration and an appeal against this resolution should the remedy of reconsideration be dismissed. The Court dismissed the reconsideration on August 3, 2020, but admitted the appeal. On March 1, 2023, the Court of Appeals resolved to omit the hearing of the case and pronouncement regarding the appeal, in view of the fact that in January 2023 LATAM's request the end of the suspension of the process that was decreed by resolution of July 17, 2020 in case file C-8498-2020 of the 23rd Civil Court of Santiago, for which the file is expected to return to the first instance to continue the processing. The amount at the moment is undetermined.	-0-

Company	Court	Case Number	Origin	Stage of trial	Amounts Committed (*) ThUS$
Latam Airlines Group S.A	25° Juzgado Civil de Santiago	C-8903-2020	Class Action Lawsuit filed by AGRECU against LATAM Airlines Group S.A. for alleged breaches of the Law on Protection of Consumer Rights due to flight cancellations caused by the COVID-19 Pandemic, requesting the nullity of possible abusive clauses, the imposition of fines and compensation for damages in defense of the collective interest of consumers. LATAM has hired specialist lawyers to undertake its defense.	On July 7, 2020 we were notified of the lawsuit. We filed our answer to the claim on August 21, 2020. A settlement was reached with AGRECU at that hearing that was approved by the Court on October 5, 2020. On October 7, 2020, the 25th Civil Court confirmed that the decision approving the settlement was final and binding. CONADECUS filed a brief on October 4, 2020 to become a party and oppose the agreement, which was dismissed on October 5, 2020. It petitioned for an official correction on October 8, 2020 and the annulment of all proceedings on October 22, 2020, which were dismissed, costs payable by CONADECUS, on November 16, 2020 and November 20, 2020, respectively. LATAM presented reports on the implementation of the agreement on May 19, 2021, November 19, 2021 and May 19, 2022, which concluded its obligation to report on that implementation. On 12/28/22 the Civil Court ordered the filing of the file. CONADECUS still has appeals pending against these decisions before the Court of Appeals of Santiago under entry number 14.213-2020. The amount at the moment is undetermined.	-0-
TAM Linhas Aéreas S.A	Receita Federal de Brasil	13074.726429/2021-41	It is about the non-approved compensation/reimbursement of Cofins for the periods 07/2016 to 06/2017.	TAM filed its administrative defense. (Manifestação de Inconformidade). A decision is pending	16,738
TAM Linhas Aéreas S.A	Receita Federal de Brasil	2007.34.00.009919-3(0009850-54.2007.4.01.3400)	A lawsuit seeking to review the incidence of the Social Security Contribution taxed on 1/3 of vacations, maternity payments and medical leave for accident.	A decision is pending	64,998
Tam Linhas Aéreas S/A.	Justicia Cível do Rio de Janeiro/RJ	0117185-03.2013.8.19.0001	MAIS Linhas Aéreas filed a claim seeking an indemnity for alleged loss of profit during the period when one of its aircraft was being repaired at the LATAM Technology Center in Sao Carlos, Sao Paulo.	TAM was ordered to pay an indemnity to Mais Linhas for loss of profit and moral damage, estimated to be R$48 million. Both parties appealed the decision, but the Rio de Janeiro Court has not issued a ruling on the appeals. Before any appeals decision is rendered, Mais filed a provisional enforcement petition for R$48 million. TAM appealed that petition on September 21, 2021, and presented guarantee insurance on the record to keep its accounts from being frozen.	8,909
TAM Linhas Aéreas S.A.	Delegacía da Receita Federal	13896.720385/2017-96	It is about the refund request regarding the negative balance of IRPJ, corresponding to the calendar year 2011.	Presented the defense, which was denied by RFB. TAM resource partially accepted. The Federal Revenue Service of Brazil issued a decision granting the request for a refund. The process was closed with a decision favorable to the company.	28,174
TAM Linhas Aéreas S.A.	Tribunal del Trabajo de Brasília/DF	0000038-25.2021.5.10.0017	This civil suit was filed by the National Pilots Union seeking that the company be ordered to pay for meals daily when pilots are on alert status.	The hearing is scheduled for March 06, 2023.	11,572
TAM Linhas Aéreas S.A.	Receita Federal de Brasil	13896.720386/2017-31	This claim is seeking reimbursement of the negative balance of the social tax on net profits (CSLL) from the 2011 calendar year.	The defensive arguments were presented, but the claim was denied by the Brazilian Federal Revenue Agency (RFB). TAM's appeal was sustained in part. The Federal Revenue Service of Brazil issued a decision granting the request for a refund. The process was closed with a decision favorable to the company.	10,142

Company	Court	Case Number	Origin	Stage of trial	Amounts Committed (*) ThUS$
TAM Linhas Aéreas S.A.	UNIÃO FEDERAL	0052711-85.1998.4.01.0000	An indemnity claim to collect a differentiated price from the Federal Union because of the disruption of the economic equilibrium in the concession agreements between 1988 and 1992. The indemnity, should the action prosper, cannot be estimated (Price Freeze).	The lawsuit began in 1993. In 1998, there was a decision favorable to TAM. The process reached the Court, and in 2019, the decision was against TAM. The company has appealed and a decision is pending.	-0-
TAM Linhas Aéreas S.A	UNIÃO FEDERAL	1012674-80.2018.4.01.3400	Legal actions for members to have the right to collect contributions in the payroll collectible on the basis of gross sales.	This claim was filed in 2018. In January 2020, a decision favorable to the Company was rendered so that contributions would be collected on the basis of gross income. The company recently learned that the Superior Courts are rendering decisions unfavorable to contributors. They have ruled against the contributor in a recent decision (jointly with the legal team and prosecutor). A provision has been made in the accounting for KUS$17.137 (R$ 89.417.472,87).	-0-
TAM Linhas Aéreas S.A	Tribunal do Trabajo de São Paulo	1000115-90.2022.5.02.0312	A class action whereby the Air Transport Union is petitioning for payment of additional hazardous and unhealthy work retroactively and in the future for maintenance/CML employees.	The instruction hearing is pending in this case, scheduled for 12:02 p.m. on March 24, 2023.	13,141
TAM Linhas Aéreas S.A	Fazenda do Estado de Sao Paulo	4.037.054-9	The Finance Department of the State of São Paulo filed a claim of a violation because the tax on the circulation of merchandise and services (ICMS) was not paid for telecommunications services. It is being heard by the Office of the Secretary of Finance of the State of São Paulo. We were served the claim on September 20, 2014.	Presentada la defensa. Dictada sentencia de primera instancia que mantuvo la Notificación de Infracción en su totalidad. Presentamos un Recurso Ordinario, que aguarda sentencia del TIT / SP. En noviembre de 2021 tuvimos un juicio que anuló la decisión anterior y determinó un nuevo juicio. A defense has been presented. The first-instance decision maintained all of the Violation Notice. We filed an ordinary remedy that is pending a decision by the Taxes and Imposts Court of Sao Paulo. There was a lawsuit in November 2021 that voided the previous decision and ordered a new lawsuit. In November 2022, we received a decision ordering payment of part of the debt. The remaining part of the debt will be disputed before the courts.	10.013
TAM Linhas Aéreas S.A	Receita Federal	15746.728063/2022-00	This is an administrative claim regarding alleged irregularities in the payment of Technical Assistance (SAT) in 2018.	We will be presenting a defense.	15.904

- In order to cover any financial obligations arising from legal proceedings in effect at December 31, 2022 whether civil, tax, or labor, LATAM Airlines Group S.A. and Subsidiaries, has made provisions, which are included in Other non-current provisions that are disclosed in Note 20.

- The Company has not disclosed the individual probability of success for each contingency in order to not negatively affect its outcome.

(*) The Company has reported the amounts involved only for the lawsuits for which a reliable estimation can be made of the financial impacts and of the possibility of any recovery, pursuant to Paragraph 86 of IAS 37 Provisions, Contingent Liabilities and Contingent Assets.

II. Governmental Investigations.

1) On April 6, 2019, LATAM Airlines Group S.A. received the resolution issued by the National Economic Prosecutor's Office (FNE), which begins an investigation Role No. 2530-19 into the LATAM Pass frequent passenger program. The last activity in this investigation corresponds to request for information received in May 2019.

2) On July 9, 2019, LATAM Airlines Group S.A. received the resolution issued by the National Economic Prosecutor's Office (FNE) which begins an investigation Role No. 2565-19 into the Alliance Agreement between LATAM Airlines Group S.A. and American Airlines INC. The National Economic Prosecutor's Office archived the investigation on November 29, 2022.

3) On July 26, 2019, the National Consumer Service of Chile (SERNAC) issued the Ordinary Resolution No. 12,711 which proposed to initiate a collective voluntary mediation procedure on effectively informing passengers of their rights in cases of cancellation of flights or no show to boarding, as well as the obligation to return the respective boarding fees as provided by art. 133 C of the Aeronautical Code. The Company has voluntarily decided to participate in this proceeding, in which an agreement was reached on March 18, 2020, which implies the return of shipping fees from September 1, 2021, with an initial amount of ThUS$ 5,165, plus ThUS$ 565, as well as information to each passenger who has not flown since March 18, 2020, that their boarding fees are available. On January 18, 2021, the 14th Civil Court of Santiago approved the aforesaid agreement. LATAM published an abstract of the decision in nationwide newspapers in compliance with the law. LATAM began performance of the agreement on September 3, 2021. In April and October 2022, the external auditors presented preliminary reports agreed upon with the National Consumer Service (SERNAC).

4) On October 15, 2019, LATAM Airlines Group S.A. received the resolution issued by the National Economic Prosecuting Authority (FNE) which begins an investigation Role N°2585-19 into the agreement between LATAM Airlines Group S.A. and Delta Airlines, Inc. On August 13, 2021 FNE, Delta and LATAM reached an out-of-court agreement that put an end to this investigation. On August 25, 2022, the Tribunal de Defensa de la Libre Competencia approved the out-of-court agreement reached by LATAM and Delta Air Lines with the National Economic Prosecuting Authority.

5) LATAM Airlines Group S.A. received a resolution by the National Economic Prosecutor (FNE) on February 1, 2018 beginning Investigation 2484-18 on air cargo carriage. On August 25, 2022, LATAM sent a letter to the FNE accompanying information related to the LATAM Cargo website, complying with the request of the National Economic Prosecutor. The last activity in this investigation corresponds to an official letter from the FNE received on 10/24/2022 that must be answered on 11/08/2022.

6) LATAM Airlines Group S.A. received a resolution by the National Economic Prosecutor (FNE) on August 12, 2021 beginning Investigation N° 2669-21 on compliance with condition VII Res. N° 37/2011 H. TDLC related to restrictions as to certain codeshare agreements. The most recent activity in this investigation was an official letter received in June of this year, which was answered on July 21, 2022.

7) On September 16, 2021, the National Consumer Service of Chile (SERNAC) issued the Ordinary Resolution No. 721 which proposed to LATAM Airlines Group S.A. a collective voluntary mediation procedure regarding the execution of solutions offered by the Company to customers during the COVID-19 pandemic. The Company decided to voluntary participate in the mediation procedure, which resulted an agreement on April 20, 2022. Pursuant the agreement, an external auditor will review the fulfillment, by the Company, of the solutions offered to customers between July 17, 2020, and September 16, 2021. Additionally, the external auditor must report to SERNAC any measure aiming to enhance customer service and implemented by the Company between the July 17, 2020, and October 13, 2022, timeframe. The implementation of the agreement begun on May 13, 2022. The external auditors presented the preliminary report agreed upon with the National Consumer Service (SERNAC) on August 19, 2022. On December 27, 2022 SERNAC issued the resolution that concluded the procedures related to this agreement, terminating it.

8) On May 21, 2022, Agunsa filed a petition for a preliminary preparatory measure of exhibition of documents in respect of Aerosan, Depocargo, Sociedad Concesionaria Nuevo Pudahuel and Fast Air in which Agunsa claimed that it was impacted by alleged anti-competition practices on the import cargo warehousing market at the Arturo Merino Benitez International Airport. Fast Air was served on June 9, 2022 and on June 13, 2022, it lodged opposition against this petition, which was partially sustained by the Antitrust Court (TDLC) on July 19, 2022, in which the new exhibition date was set as August 22nd (the original date set by the court was July 1, 2022). On July 25, 2022, Fast Air requested a reconsideration of this latter court decision and petitioned that the temporary scope of the exhibition be reduced. Fast Air's petition was sustained and the scope of the documents to be revealed was limited even further. On August 12th, Fast Air petitioned that a new date and time be set for the exhibition hearing. The court granted this latter request on August 17th and set the exhibition date as August 31st. Fast Air appeared with 368 files and asked for confidentiality and/or secrecy of all of the information presented.

9) On October 27, 2021, LATAM Airlines Group S.A. received an official letter from the Office of Aviation Consumer Protection of the U.S. Department of Transportation (DOT) asking about the delay in making and/or refusal to make reimbursements to passengers potentially impacted by flight cancellations during the pandemic (March 20, 2020 to July 31, 2021), a potential violation of requirements under 14 CFR Part 259 and 49 U.S.C. § 41712. The most recent activity in this investigation is a response sent by LATAM Airlines Group on July 19, 2022 to a request by the DOT to explain related information provided by LATAM Airlines Group S.A. in December 2021 and March 2022.

NOTE 31 - COMMITMENTS

(a) Commitments arising from loans

In relation to certain contracts committed by the Company for the financing of the Boeing 777 aircraft, which are guaranteed by the Export – Import Bank of the United States of America, commencing on January 1, 2023, limits have been established for some financial indicators of LATAM Airlines Group S.A. on a consolidated basis. Under no circumstance does non-compliance with these limits generate loan acceleration.

The Company and its subsidiaries do not have credit agreements that impose limits on financial indicators of the Company or its subsidiaries, with the exception of those detailed below:

On October 12, 2022, LATAM Airlines Group S.A., acting through its subsidiary Professional Airline Services Inc, closed a new four-year revolving credit facility ("Exit RCF") of US$ 500 million with a consortium of five banks led by Goldman Sachs. As of December 31, 2022, this credit facility is undrawn and fully available. In addition, on October 18, 2022, LATAM Airlines Group S.A., together with Professional Airline Services, Inc., a Florida corporation and a wholly owned subsidiary of LATAM Airlines Group S.A., issued (i) a five-year term loan facility ("Term Loan B Facility") of US$ 1,100 million (US$1,100 million outstanding as of December 31, 2022), (ii) 13.375% senior secured notes due 2027 ("2027 Notes") for an aggregate principal amount of US$ 450 million and (iii) 13.375% senior secured notes due 2029 ("2029 Notes", together with the 2027 Notes, the "Notes") for and aggregate principal amount of US$ 700 million. The Exit RCF, the Term Loan B Facility and the Notes (together, the "Exit Financing") share the same intangible collateral composed mainly of the FFP (LATAM Pass loyalty program) business receivables, Cargo business receivables, certain slots, gates and routes and LATAM's intellectual property and brands. The Exit Financing contains certain covenants limiting us and our restricted subsidiaries' ability to, among other things, make certain types of restricted payments, incur debt or liens, merge or consolidate with others, dispose of assets, enter into certain transactions with affiliates, engage in certain business activities or make certain investments. In addition, the agreements include a minimum liquidity restriction, requiring us to maintain a minimum liquidity, measured at the consolidated Company (LATAM Airlines Group S.A.) level, of US$ 750 million.

On November 3, 2022, LATAM Airlines Group S.A., acting through its subsidiary Professional Airline Services Inc, amended and extended the 2016 revolving credit facility ("RCF") with a consortium of thirteen financial institutions led by Citibank, N.A., guaranteed by aircraft, engines and spare parts for a total committed amount of US$ 600 million. The RCF includes restrictions of minimum liquidity measured at the consolidated Company level (with a minimum level of US$ 750 million) and measured individually for LATAM Airlines Group S.A. and TAM Linhas Aéreas S.A. (with a minimum level of US$ 400 million). Compliance with these restrictions is a prerequisite for drawing under the line; if the line is used, compliance with said restrictions must be reported periodically, and non-compliance with these restrictions may trigger an acceleration of the loan. As of December 31, 2022, this line of credit is undrawn and fully available.

On November 3, 2022, LATAM Airlines Group S.A., acting through subsidiary its Professional Airline Services Inc, executed a five-year credit facility ("Spare Engine Facility") with, among others, Crédit Agricole Corporate and Investment Bank, acting through its New York branch, as facility agent and arranger and guaranteed by spare engines for a principal amount of US$ 275 million. As of December 31, 2022, the outstanding amount under the Spare Engine Facility is US$ 275 million. The facility includes restrictions of minimum liquidity measured at the consolidated Company level (with a minimum level of US$ 750 million) and measured individually for LATAM Airlines Group S.A. and TAM Linhas Aéreas S.A. (with a minimum level of US $ 400 million).

As of December 31, 2022, the Company complies with the aforementioned minimum liquidity covenants.

b) Other commitments

As of December 31, 2022, the Company maintains valid letters of credit, guarantee notes and guarantee insurance policies, according to the following detail:

Creditor Guarantee	Debtor	Type	Value ThUS$	Release Date
Superintendencia Nacional de Aduanasy de Administración Tributaria	LATAM Airlines Perú S.A.	Forty-four letters of credit	189,708	Jan 5, 2023
Lima Airport Partners S.R.L.	LATAM Airlines Perú S.A.	Two letters of credit	1,620	Nov 30, 2023
Servicio Nacional de Aduana del Ecuador	LATAM Airlines Ecuador S.A.	Four letters of credit	2,130	Aug 5, 2023
Aena Aeropuertos S.A.	LATAM Airlines Group S.A.	Three letters of credit	1,183	Nov 15, 2023
American Alternative Insurance Corporation	LATAM Airlines Group S.A.	Eighteen letters of credit	6,460	Mar 22, 2023
Comisión Europea	LATAM Airlines Group S.A.	One letter of credit	2,586	Mar 29, 2023
Metropolitan Dade County	LATAM Airlines Group S.A.	Five letters of credit	2,281	Mar 13, 2023
JFK International Air Terminal LLC.	LATAM Airlines Group S.A.	One letter of credit	2,300	Jan 27, 2023
Servicio Nacional de Aduanas	LATAM Airlines Group S.A.	Three letters of credit	1,287	Jul 28, 2023
Isoceles	LATAM Airlines Group S.A.	One letter of credit	41,000	Aug 6, 2023
BBVA	LATAM Airlines Group S.A.	One letter of credit	4,126	Jan 17, 2023
Sociedad Concesionaria Nuevo Pudahuel	LATAM Airlines Group S.A.	fifteen letters of credit	1,755	Dec 13, 2023
Procon	TAM Linhas Aéreas S.A.	Two insurance policy guarantee	2,340	Nov 17, 2025
União Federal	TAM Linhas Aéreas S.A.	Five insurance policy guarantee	9,731	Feb 4, 2025
Vara das Execuções Fiscais Estaduais Da Comarca De São Paulo.	TAM Linhas Aéreas S.A.	One insurance policy guarantee	1,485	Apr 24, 2025
Vara das Execuções Fiscais Estaduais Da Comarca De São Paulo.	TAM Linhas Aéreas S.A.	One insurance policy guarantee	1,681	Jul 5, 2023
Vara das Execuções Fiscais Estaduais Da Comarca De São Paulo.	TAM Linhas Aéreas S.A.	One insurance policy guarantee	1,337	Dec 31, 2023
Procon	TAM Linhas Aéreas S.A.	Six insurance policy guarantee	8,389	Jan 4, 2023
17a Vara Cível da Comarca da Capital de João Pessoa/PB.	TAM Linhas Aéreas S.A.	One insurance policy guarantee	2,355	Jun 25, 2023
14ª Vara Federal da Seção Judiciária de Distrito Federal	TAM Linhas Aéreas S.A.	One insurance policy guarantee	1,406	May 29, 2025
Vara Civel Campinas SP.	TAM Linhas Aéreas S.A.	One insurance policy guarantee	1,653	Jun 14, 2024
JFK International Air Terminal LLC.	TAM Linhas Aéreas S.A.	One insurance policy guarantee	1,300	Jan 25, 2023
7ª Turma do Tribunal Regional Federal da 1ª Região.	TAM Linhas Aéreas S.A.	One insurance policy guarantee	43,003	Apr 20, 2023
Bond Safeguard Insurance Company.	TAM Linhas Aéreas S.A.	One insurance policy guarantee	2,700	Jul 20, 2023
Fundacao de Protecao e Defesa do Consumidor Procon.	TAM Linhas Aéreas S.A.	Two insurance policy guarantee	4,276	Sep 20, 2023
Uniao Federal Fazenda Nacional.	TAM Linhas Aéreas S.A.	One insurance policy guarantee	31,860	Jul 30, 2024
Uniao Federal PGFN.	TAM Linhas Aéreas S.A.	Three insurance policy guarantee	18,469	Jan 4, 2024
1° Vara de Execuções Fiscais e de Crimes contra a Ordem Trib da Com de Fortaleza.	TAM Linhas Aéreas S.A.	One insurance policy guarantee	2,355	Dec 31, 2023
Fundacao de Protecao e Defesa do Consumidor Procon.	TAM Linhas Aéreas S.A.	One insurance policy guarantee	2,024	Feb 10, 2026
Fiança TAM Linhas Aéreas x Juiz Federal de uma das varas da Seção Judiciária de Brasília.	TAM Linhas Aéreas S.A.	One insurance policy guarantee	1,687	Dec 31, 2023
Juizo de Direito da Vara da Fazenda Publica Estadual da Comarca Da Capital do Estado do Rio de Janeiro.	TAM Linhas Aéreas S.A.	One insurance policy guarantee	1,127	Dec 31, 2023
Municipio Do Rio De Janeiro.	TAM Linhas Aéreas S.A.	One insurance policy guarantee	1,154	Dec 31, 2023
Vara das Execuções Fiscais Estaduais Da Comarca De São Paulo.	TAM Linhas Aéreas S.A.	One insurance policy guarantee	9,077	Apr 15, 2025
Fundacao de Protecao e Defesa do Consumidor Do Estado De São Paulo.	TAM Linhas Aéreas S.A.	One insurance policy guarantee	1,073	Dec 31, 2023
Tribunal de Justição de São Paulo.	TAM Linhas Aéreas S.A.	Two insurance policy guarantee	1,499	Dec 31, 2023
Uniao Federal Fazenda Nacional	Absa Linhas Aereas Brasileira S.A.	Three insurance policy guarantee	15,215	Feb 4, 2025
Uniao Federal PGFN	Absa Linhas Aereas Brasileira S.A.	Two insurance policy guarantee	20,681	Feb 22, 2025
Tribunal de Justição de São Paulo.	Absa Linhas Aereas Brasileira S.A.	Two insurance policy guarantee	5,836	Dec 31, 2023
3ªVara Federal da Subseção Judiciária de Campinas SP	Absa Linhas Aereas Brasileira S.A.	One insurance policy guarantee	1,734	Nov 30, 2025
7ª Turma do Tribunal Regional Federal da 1ª Região	Absa Linhas Aereas Brasileira S.A.	One insurance policy guarantee	1,677	May 7, 2023
			453,560	

Letters of credit related to right-of-use assets are included in Note 16 Property, plant and equipment letter (d) Additional information Property, plant and equipment, in numeral (i) Property, plant and equipment delivered as collateral.

NOTE 32 - TRANSACTIONS WITH RELATED PARTIES

(a) Details of transactions with related parties as follows:

Tax No.	Related party	Nature of relationship with related parties	Country of origin	Nature of related parties transactions	Currency	Transaction amount with related parties As of December 31, 2022	2021	2020
						ThUS$	ThUS$	ThUS$
96.810.370-9	Inversiones Costa Verde Ltda. y CPA.	Related director	Chile	Tickets sales	CLP	87	23	28
81.062.300-4	Costa Verde Aeronautica S.A.	Common shareholder	Chile	Loans received (*)	US$	(231,714)	(35,412)	(100,013)
				Interest received (*)	US$	(21,329)	(34,694)	(5,700)
				Capital contribution	US$	170,962	-	-
87.752.000-5	Granja Marina Tornagaleones S.A.	Common shareholder	Chile	Services provided	CLP	36	26	13
96.989.370-3	Rio Dulce S.A.	Related director	Chile	Tickets sales	CLP	2	9	5
Foreign	Patagonia Seafarms INC	Related director	U.S.A	Services provided of cargo transport	US$	-	15	40
Foreign	Inversora Aeronáutica Argentina S.A.	Related director	Argentina	Real estate leases received	ARS	(63)	-	-
					USD	-	-	-
Foreign	TAM Aviação Executiva e Taxi Aéreo S.A.	Common shareholder	Brazil	Services provided of passenger transport	BRL	4	12	13
Foreign	Qatar Airways	Indirect shareholder	Qatar	Interlineal received service	US$	(23,110)	(6,387)	(4,736)
				Services provided by aircraft lease	US$	-	-	22,215
				Interlineal provided service	US$	37,855	6,283	3,141
				Services provided of handling	US$	692	1,493	1,246
				Services received miles	US$	(4,974)	-	-
				Compensation for early return of aircraft	US$	-	-	9,240
				Services provided / received others	US$	(434)	(963)	1,160
Foreign	Delta Air Lines, Inc.	Shareholder	U.S.A	Interlineal received service	US$	(111,706)	(11,768)	(4,160)
				Interlineal provided service	US$	102,580	7,695	4,357
				Loans received (*)	US$	(233,008)	-	-
				Interest received (*)	US$	(10,374)	-	-
				Capital contribution	US$	163,979	-	-
				Services provided of handling	US$	(4,340)	-	-
				Engine sale	US$	19,405	-	-
				Services provided maintenance	US$	-	(59)	3,310
				Services provided / received others	US$	(1,893)	(318)	30
Foreign	QA Investments Ltd	Common shareholder	U.K.	Loans received (*)	US$	(240,440)	(44,266)	(125,016)
				Interest received (*)	US$	(26,153)	(43,367)	(7,125)
				Capital contribution	US$	163,979	-	-
Foreign	QA Investments 2 Ltd	Common shareholder	U.K.	Loans received (*)	US$	(7,414)	(44,266)	(125,016)
				Interest received (*)	US$	(15,780)	(43,367)	(7,125)
Foreign	Lozuy S.A.	Common shareholder	Uruguay	Loans received (*)	US$	(57,928)	(8,853)	(25,003)
				Interest received (*)	US$	(5,332)	(8,673)	(1,425)

(*) Operations corresponding to DIP loans tranche C.
The balances corresponding to Accounts receivable and accounts payable to related entities are disclosed in Note 9.
Transactions between related parties have been carried out under market conditions and duly informed.

(b) Compensation of key management

The Company has defined for these purposes that key management personnel are the executives who define the Company's policies and macro guidelines and who directly affect the results of the business, considering the levels of Vice-Presidents, Chief Executives and Senior Directors.

	For the year ended December 31,		
	2022	2021	2020
	ThUS$	ThUS$	ThUS$
Remuneration	10,651	9,981	8,395
Board compensation	1,109	1,016	257
Non-monetary benefits	565	501	1,719
Short-term benefits	11,814	16,639	13,624
Termination benefits (*)	1,157	513	4,539
Total	25,296	28,650	28,534

(*) Includes termination benefits ThUS $ 1,157 related to the reorganization within the framework of Chapter 11 and classified as expenses of restructuring activities, for the 12 months ended December 31, 2022. (Note 26 d).

NOTE 33 - SHARE-BASED PAYMENTS

LP3 compensation plans (2020-2023)

The Company implemented a program for a group of executives, which runs from October 2020 and lasts until March 2023, where the percentage that is collected is annual and cumulative. The methodology is based on the allocation of a quantity of units where the goal is the achievement of a specified share price.

The benefit is vested if the target of the share price defined in each year is met. In case the benefit accumulates up to the last year the total benefit is doubled (in case the share price is achieved).

This Compensation Plan has not yet been provisioned due to the fact that the share price required for collection is below the initial target.

NOTE 34 - STATEMENT OF CASH FLOWS

(a) The Company has carried out the following non-monetary transactions mainly related for:

a.1.) Proceeds from the issuance of shares:

Detail	THUS$
Issuance of shares	800,000
Issuance costs	(80,000)
DIP Junior offset	(170,962)
Total cash flow	549,038

From the total capital increase for ThUS$800,000, ThUS$549,038 were cash Inflows presented in Financing Activities. ThUS$170,962 were offset against a portion of the Junior DIP maintained with the shareholder Inversiones Costa Verde Ltda. y CPA Additionally, there were ThUS$80,000 deducted related to equity issuance cost, that are presented within Other sundry reserves of equity.

a.2.) Amount from the issuance of other equity instruments:

Detail	Convertible Notes H	Convertible Notes I	Total
	ThUS$	ThUS$	ThUS$
Fair Value (see note 24)	1,372,837	4,097,788	5,470,625
Use for settement of claim	-	(828,581)	(828,581)
Issuance costs	(24,812)	(705,467)	(730,279)
DIP Junior offset	(327,957)	(381,018)	(708,975)
Cash inflow	1,020,068	2,182,722	3,202,790

The payment of DIP Junior offset is related to payment of the Junior Dip through the issues of the Convertible Notes subscribed for the shareholders Delta Air Lines, Inc and QA Investment Ltd. ThUS$327,957 and of the other creditor for Th$381.018.

a.3.) As a result of the exit from Chapter 11, in relation to trade accounts payable and other accounts payable, the conversion into shares for Bonds G and I was carried out, for a total of ThUS$3,610,470 and a decrease in said item with effect in result which is included in Earning (Loss) from restructuring activities for ThUS$ 2,550,306 (see note 26d) and with effect in results in financial income for ThUS$ 420,436 (see note 26e).

a.4.) As a result of the exit from Chapter 11, the Other financial liabilities item decreased its balance by ThUS$ 2,673,256, which is detailed in letter, d). The break down of this decrease corresponds mainly to ThUS$ 491,326 (see note 26e), ThUS$ 354,249 (decrease with effect in Property, plant and equipment, mainly related to the effect of rate change), ThUS$ 381,018 related to the compensation of the debt with the effect of increasing Capital, ThUS$1,443,066 associated with the conversion of debt into shares and other minor effects of ThUS$3,596.

(b) Other inflows (outflows) of cash:

	For the year ended December 31,		
	2022	2021	2020
	ThUS$	ThUS$	ThUS$
Fuel hedge	35,857	14,269	(46,579)
Hedging margin guarantees	(40,207)	(4,900)	14,962
Tax paid on bank transactions	(2,134)	(2,530)	(1,261)
Fuel derivatives premiums	(23,372)	(17,077)	(3,949)
Bank commissions, taxes paid and other	(5,441)	(21,287)	(5,828)
Guarantees	(47,384)	(39,728)	(44,280)
Court deposits	(20,661)	(16,323)	38,528
Delta Air Lines Inc. Compensation	-	-	62,000
Funds delivered as restricted advances	(26,918)	-	-
Total Other inflows (outflows) Operation flow	(130,260)	(87,576)	13,593
Tax paid on bank transactions	-	(425)	(2,192)
Guarantee deposit received from the sale of aircraft	6,300	18,900	-
Total Other inflows (outflows) Investment flow	6,300	18,475	(2,192)
Settlement of derivative contracts	-	-	(107,788)
Funds delivered as restricted advances	(313,090)	-	-
Payments of claims associated with the debt	(21,924)	-	-
RCF guarantee placement	(7,500)	-	-
Debt-related legal advice	(87,993)	(11,034)	-
Debt Issuance Cost - Stamp Tax	(33,259)	-	-
Total Other inflows (outflows) Financing flow	(463,766)	(11,034)	(107,788)

(c) Dividends:

As of December 31, 2022 and 2021, there were no disbursements associated with this concept.

(d) Reconciliation of liabilities arising from financing activities:

	As of December 31, 2021	Cash flows: Obtainment	Cash flows: Payment			Non cash-Flow Movements: Extinguishment of debt under Chapter 11	Non cash-Flow Movements: Interest accrued and others	Non cash-Flow Movements: Reclassifications	As of December 31, 2022
		Capital (*)	Capital (**)	Interests	Transaction cost				
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Obligations with financial institutions									
Loans to exporters	159,161	-	-	-	-	(161,975)	2,814	-	-
Bank loans	521,838	982,425	(36,466)	(10,420)	-	(196,619)	128,077	(2,840)	1,385,995
Guaranteed obligations	510,535	-	(18,136)	(13,253)	(25)	-	13,882	(167,942)	325,061
Other guaranteed obligations	2,725,422	3,658,690	(5,408,540)	(391,639)	(91,247)	(381,018)	339,475	23,161	474,304
Obligation with the public	2,253,198	1,109,750	(1,501,739)	(17,499)	-	(843,950)	148,703	141,336	1,289,799
Financial leases	1,189,182	-	(270,734)	(34,201)	-	(37,630)	37,211	204,411	1,088,239
Other loans	76,508	1,467,035	(1,523,798)	(5,628)	3,281	(56,176)	40,806	-	2,028
Lease liability	2,960,638	-	(131,917)	(49,075)	(2)	(995,888)	492,592	(59,893)	2,216,454
Total Obligations with financial institutions	10,396,482	7,217,900	(8,891,330)	(521,715)	(87,993)	(2,673,256)	1,203,560	138,233	6,781,880

	As of December 31, 2020	Cash flows: Obtainment	Cash flows: Payment			Non cash-Flow Movements: Interest accrued and others	Non cash-Flow Movements: Reclassifications	As of December 31, 2021
		Capital (*)	Capital (**)	Interests	Transaction cost			
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Obligations with financial institutions								
Loans to exporters	151,701	-	-	-	-	7,460	-	159,161
Bank loans	525,273	-	-	(546)	-	(2,889)	-	521,838
Guaranteed obligations	1,318,856	-	(14,605)	(17,405)	-	(513,276)(***)	(263,035)	510,535
Other guaranteed obligations	1,939,116	661,609	(26,991)	(28,510)	-	135,405	44,793	2,725,422
Obligation with the public	2,183,407	-	-	-	-	69,791	-	2,253,198
Financial leases	1,614,501	-	(421,452)	(40,392)	-	(181,717)	218,242	1,189,182
Other loans	-	-	-	-	-	76,508	-	76,508
Lease liability	3,121,006	-	(103,366)	(17,768)	-	(39,234)	-	2,960,638
Total Obligations with financial institutions	10,853,860	661,609	(566,414)	(104,621)	-	(447,952)	-	10,396,482

	As of December 31, 2019	Cash flows: Obtainment	Cash flows: Payment			Non cash-Flow Movements: Interest accrued and others	Non cash-Flow Movements: Reclassifications	As of December 31, 2020
		Capital	Capital	Interests	Transaction cost			
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Obligations with financial institutions								
Loans to exporters	341,475	165,000	(359,000)	(4,140)	-	8,366	-	151,701
Bank loans	217,255	265,627	(4,870)	(2,397)	-	49,658	-	525,273
Guaranteed obligations	2,157,327	192,972	(48,576)	(21,163)	-	(823,984)(***)	(137,720)	1,318,856
Other guaranteed obligations	580,432	1,361,881	(42,721)	(27,744)	-	67,268	-	1,939,116
Obligation with the public	2,064,934	-	(774)	(55,613)	-	174,860	-	2,183,407
Financial leases	1,730,843	-	(236,744)	(52,155)	-	34,837	137,720	1,614,501
Other loans	101,261	-	(101,026)	(1,151)	-	916	-	-
Lease liability	3,172,157	-	(122,063)	(46,055)	-	116,967	-	3,121,006
Total Obligations with financial institutions	10,365,684	1,985,480	(915,774)	(210,418)	-	(371,112)	-	10,853,860

During 2022, at the time of the subscription of Note H, the fair value of the liability component amounted to ThUS$102,031. As of December 31, 2022, the liability component was converted into equity (see note 24(e.2)).

(*) As of December 31, 2022, the Company obtained ThUS$2,361,875 amounts from long-term loans and ThUS$4,856,025 (ThUS$661,609 in 2021) amounts from short-term loans, totaling ThUS$7,217,900.

(**) As of December 31, 2022, loan repayments ThUS$8,759,413 and payments of lease liabilities ThUS$131,917 disclosed in flows from financing activities and as of December 31, 2021, loan repayments ThUS$463,048 and liability payments for leases ThUS$103,366 disclosed in flows from financing activities.

(***)As of December 31, 2021, Accrued interest and others, includes ThUS$458,642 (ThUS$ 891,407 as of December 31, 2020), associated with the rejection of fleet contracts.

Below are the details obtained (payments) of flows related to financing:

	For the exercises of December 31					
	2022			2021		
	Capital	Payments		Capital	Payments	
Flow of	raising	Capital	Interest	raising	Capital	Interest
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Aircraft financing	-	(331,292)	(52,088)	-	(463,048)	(63,763)
Lease liability	-	(131,917)	(49,075)	-	(103,366)	(17,768)
Non-aircraft financing	7,217,900	(8,428,121)	(420,553)	661,609	-	(23,090)
Total obligations with Financial institutions	7,217,900	(8,891,330)	(521,716)	661,609	(566,414)	(104,621)

(e) Advances of aircraft

Corresponds to the cash flows associated with aircraft purchases, which are included in the statement of consolidated cash flows, within Purchases of property, plant and equipment.

	For the year ended December 31,		
	2022	2021	2020
	ThUS$	ThUS$	ThUS$
Increases (payments)	(23,118)	(9,858)	(31,803)
Recoveries	43,902	-	8,157
Total cash flows	20,784	(9,858)	(23,646)

The Company has revised its consolidated statement of cash flows for the year ended December 31, 2021 to correct the classification of cash flows related to property, plant and equipment additions. This correction resulted in an increase in net cash used in investing activities of ThUS$9,858 and a decrease in cash used in operating activities in the same amount.

(f) Additions of property, plant and equipment and Intangibles

	For the period ended At December 31,		
	2022	2021	2020
	ThUS$	ThUS$	ThUS$
Net cash flows from			
Purchases of property, plant and equiment	780,538	597,103	324,264
Additions associated with maintenance	486,231	302,858	173,740
Other additions	294,307	294,245	150,524
Purchases of intangible assets	50,116	88,518	75,433
Other additions	50,116	88,518	75,433

(g) The net effect of the application of hyperinflation in the consolidated cash flow statement corresponds to:

	For the period ended December 31,	
	2022	2021
	ThUS$	ThUS$
Net cash flows from (used in) operating activities	(36,701)	(65,901)
Net cash flows from (used in) investment activities	(146)	17,223
Net cash flows from (used in) financing activities	7,703	-
Effects of variation in the exchange rate on cash and cash equivalents	29,144	48,678
Net increase (decrease) in cash and cash equivalents	-	-

(h) Payments of leased maintenance

Payments to suppliers for the supply of goods and services include the value paid associated with leased maintenance capitalizations for ThUS$149,142 (ThUS$163,717 as of December 31, 2021 and ThUS$65,960 as of December 31, 2020).

(i) Payments of loans to related entities

	For the period ended December 31, 2022
	ThUS$
Delta Air Lines, Inc.	(78,947)
Qatar Airways	(78,947)
Costa Verde Aeronautica S.A.	(257,533)
Lozuy S.A.	(107,122)
QA Invesments Ltd	(242,967)
QA Invesments 2 Ltd	(242,967)
Payments of loans to related entities	(1,008,483)

NOTE 35 - EVENTS SUBSEQUENT TO THE DATE OF THE FINANCIAL STATEMENTS

A) On February 10, 2023, the airline Fast Colombia S.A.S. ("Viva Air Colombia") announced that it began in Colombia a business recovery process (PRE), an extrajudicial process regulated in Decreto 560 of 2020. Subsequently, on February 14, 2023, LATAM Airlines Colombia, a subsidiary of LATAM Airlines Group S.A., expressed its interest in initiating negotiations to acquire Viva Air Colombia. The transaction is subject to a financial analysis, an eventual agreement between the parties and the corresponding regulatory approvals. To date, LATAM has not submitted any purchase proposal to Viva Air Colombia or its controlling shareholders. On February 27, 2023, Viva Air Colombia announced the suspension of its operations with immediate effect.

B) On March 2, 2023, an agreement was signed to receive under operational lease 4 aircraft of the Boeing 787 family, whose deliveries will be during 2025.

C) After December 31, 2022, and until the date of issuance of these financial statements, there is no knowledge of other events of a financial or other nature, which significantly affect the balances or interpretation thereof.

D) The consolidated financial statements of LATAM Airlines Group S.A. and Subsidiaries as of December 31, 2022, have been approved in the Extraordinary Session of the Board of Directors on March 9, 2023.

NOTE 36 - PARENT COMPANY FINANCIAL INFORMATION

In accordance with the requirements of SEC Rule 12-04(a) and 5-04(c) of Regulation S-X, which require condensed financial information for the financial position, changes in financial position and results of operations and cash flows of a parent company as of the same dates and for the same periods for which audited consolidated financial statements have been presented when the restricted net assets of consolidated subsidiaries exceed 25 percent of consolidated net assets as of the end of the most recently completed fiscal year. As of December 31, 2021 due to Chapter 11 some subsidiaries are restricted to transfer dividends to the Parent Company.

The condensed financial information of the parent company has been prepared using the same accounting policies as set out in the accompanying consolidated financial statements and include the investment in subsidiaries accounted for using the equity method.

ASSETS

	As of December 31, 2022	As of December 31, 2021
		ThUS$
Cash and cash equivalents		
Cash and cash equivalents	632,826	549,766
Other financial assets	155,093	78,706
Other non-financial assets	59,828	38,557
Trade and other accounts receivable	380,204	400,540
Accounts receivable from related entities	3,090,910	933,853
Inventories	206,690	121,949
Current tax assets	357	4,846
Total current assets other than non-current assets (or disposal groups) classified as held for sale	4,525,908	2,128,217
Non-current assets (or disposal groups) classified as held for sale	61,979	161,347
Total current assets	4,587,887	2,289,564
Non-current assets		
Other financial assets	6,086	8,804
Investments accounted for using the equity method	8,041,156	8,065,391
Other non-financial assets	8,636	12,344
Accounts receivable	10,900	10,551
Accounts receivable from related entities	33,551	48,008
Intangible assets other than goodwill	228,940	213,822
Property, plant and equipment	7,176,141	7,980,150
Deferred tax assets	-	-
Total non-current assets	15,505,410	16,339,070
Total assets	20,093,297	18,628,634

LIABILITIES AND EQUITY

	As of December 31, 2022 ThUS$	As of December 31, 2021 ThUS$
LIABILITIES		
Current liabilities		
Other financial liabilities	465,310	3,777,465
Trade and other accounts payables	692,841	3,670,381
Accounts payable to related entities	411,898	1,650,246
Other provisions	883	99
Current tax liabilities	-	-
Other non-financial liabilities	1,651,621	1,487,629
Total current liabilities other than (or disposal groups) classified as held for sale	3,222,553	10,585,820
Liabilities included in disposal groups classified as held for sale	-	-
Total current liabilities	3,222,553	10,585,820
Non-current liabilities		
Other financial liabilities	5,720,415	4,041,347
Accounts payable	279,245	303,309
Accounts payable to related entities	177,779	177,779
Other provisions	10,175,678	10,045,195
Employee benefits	68,740	33,145
Other non-financial liabilities	418,166	508,943
Total non-current liabilities	16,840,023	15,109,718
Total liabilities	20,062,576	25,695,538
EQUITY		
Share capital	13,298,486	3,146,265
Retained earnings/(losses)	(7,501,896)	(8,841,106)
Treasury Shares	(178)	(178)
Other equity	39	-
Other reserves	(5,754,173)	(1,361,529)
Parent’s ownership interest	42,278	(7,056,548)
Non-controlling interest	(11,557)	(10,356)
Total equity	30,721	(7,066,904)
Total liabilities and equity	20,052,794	18,628,634

	For the year ended December 31,		
	2022	2021	2020
	ThUS$	ThUS$	ThUS$
Revenue	2,502,673	1,485,841	1,272,077
Cost of sales	(2,628,251)	(1,964,137)	(2,099,716)
Gross margin	(125,578)	(478,296)	(827,639)
Other income	1,013,438	712,997	948,160
Distribution costs	(126,539)	(134,366)	(125,563)
Administrative expenses	(274,358)	(199,409)	(225,557)
Other expenses	(257,558)	(197,737)	(154,582)
Restructuring activities expenses	1,581,372	(2,177,754)	(837,673)
Other gains/(losses)	(272,862)	39,471	(98,790)
Income from operation activities	1,537,915	(2,435,094)	(1,321,644)
Financial income	652,263	8,905	11,812
Financial costs	(743,704)	(579,304)	(410,153)
Share of profit of investments accounted for using the equity method	(115,985)	(1,168,898)	(3,537,259)
Foreign exchange gains/(losses)	11,377	72,888	(66,004)
Result of indexation units	(56)	(799)	-
Income (loss) before taxes	1,341,810	(4,102,302)	(5,323,248)
Income tax expense / benefit	(4,673)	(550,840)	767,713
NET INCOME (LOSS)	1,337,137	(4,653,142)	(4,555,535)

	For the year ended December 31,		
	2022	2021	2020
	ThUS$	ThUS$	ThUS$
Cash flows from operating activities			
Cash collection from operating activities			
Proceeds from sales of goods and services	4,110,719	2,046,751	2,240,961
Other cash receipts from operating activities	99,874	38,268	52,192
Payments for operating activities			
Payments to suppliers for goods and services	(4,127,400)	(2,075,236)	(1,713,223)
Payments to and on behalf of employees	(320,849)	(295,030)	(298,370)
Other payments for operating activities	(65,019)	(29,363)	(27,757)
Interest received	-	-	-
Income taxes (paid)	(647)	(898)	(2,764)
Other cash inflows (outflows)	(55,495)	(37,992)	61,532
Net cash flows from operating activities	(358,817)	(353,500)	312,571
Cash flows from investing activities			
Cash flows from losses of control of subsidiaries or other businesses	-	752	-
Cash flows used to obtain control of subsidiaries or other businesses	-	(12,375)	(349,125)
Other cash receipts from sales of equity or debt instruments of other entities	-	-	30,439
Other payments to acquire equity or debt instruments of other entities	-	-	(27,199)
Amounts raised from sale of property, plant and equipment	56,378	105,000	75,566
Purchases of property, plant and equipment	(705,993)	(584,289)	(163,022)
Purchases of intangible assets	(48,458)	(85,449)	(70,363)
Interest received	6,974	1,644	3,235
Other cash inflows (outflows)	6,300	18,900	-
Net cash flow (used in) investing activities	(684,799)	(555,817)	(500,469)
Cash flows from financing activities			
Proceeds from the issuance of shares	549,038	-	-
Payments for changes in ownership interests in subsidiaries that do not result in loss of control	-	-	(3,225)
Amounts from the issuance of other equity instruments	3,202,790	-	-
Amounts raised from long-term loans	2,361,875	1,665	1,361,807
Amounts raised from short-term loans	4,856,025	661,609	296,267
Loans from Related Entities	770,522	130,102	373,125
Loans repayments	(8,836,572)	(135,837)	(749,258)
Payments of loans to related entities	(1,008,483)	-	-
Payments of lease liabilities	(116,012)	(391,879)	(90,335)
Dividends paid	-	-	-
Interest paid	(501,539)	(90,585)	(135,859)
Other cash inflows (outflows)	(150,676)	(11,034)	(107,782)
Net cash flows (used in) financing activities	1,126,968	164,041	944,740
Net increase in cash and cash equivalents before effect of exchanges rate change	83,352	(745,276)	756,842
Effects of variation in the exchange rate on cash and cash equivalents	(292)	-	-
Net increase (decrease) in cash and cash equivalents	83,060	(745,276)	756,842
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	549,766	1,295,042	538,200
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	632,826	549,766	1,295,042

SIGNATURES

The registrant hereby certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorized the undersigned to sign this annual report on its behalf.

Date: March 9, 2023

LATAM AIRLINES GROUP S.A.

By: /s/ Ramiro Alfonsín Balza
Name: Ramiro Alfonsín Balza
Title: LATAM Airlines Group CFO

Exhibit 2(d)

	Description of Securities Disclosure	Incorporated by Reference From the Section of the 20-F for the year ended 2021 indicated below
1	Preemptive Rights	*Item 10.B-Preemptive Rights and Increases in Share Capital*
2	Type and Class of Securities	*Item 10.B-Capitalization*
3	Divisions and Distributions	*Item 10.B-Dividend and Liquidation Rights*
4	Other Rights	*Not Applicable*
5	Rights of Shares	*Item 10.B-General*
6	Requirements for amendments	*Item 10.B-Shareholder's Meetings and Voting Rights*
7	Limitations on the rights to own securities	*Item 10.B-Ownership Restrictions*
8	Disposition that may affect any change of control	*Item 10.B-Rights of Dissenting Shareholders to Tender Their Shares*
9	Ownership Threshold	*Item 10.B-Ownership Restrictions*
10	Differences between law of different jurisdictions	*Item 16.G-Corporate Governance*
11	Changes in the capital	*Item 10-B-Preemptive Rights and Increase in Share Capital*
12	Debt Securities	*Not Applicable*
13	Warrants and Rights	*Not Applicable*
14	Other Securities	*Not Applicable*
15	Name of the Depositary	*Item 12.D-American Depositary Shares*
16	American Depositary Shares	*Item 12.D-American Depositary Shares*

AMENDMENT NO. 7
DATED AS OF NOVEMBER 22, 2022
TO THE
PUREPOWER® PW1100G-JM ENGINE SUPPORT AND MAINTENANCE AGREEMENT, AS AMENDED
BY AND BETWEEN
INTERNATIONAL AERO ENGINES, LLC
AND
LATAM AIRLINES GROUP S.A.
DATED AS OF FEBRUARY 26, 2014

facsimile and electronic delivery of a counterpart of this Amendment No. 7, shall be deemed to be of the same force and effect as an original executed document. If executed or delivered by email, the Parties agree to provide original signature pages upon request.

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment No. 7 to be executed in duplicate as of the Effective Date.

LATAM AIRLINES GROUP S.A.

By: DocuSigned by: Andres Del Valle DD6A84F1314144C...

Typed Name: ANDRES DEL VALLE

Title: Senior Vice President Corporate Finance

LATAM AIRLINES GROUP S.A.

By: DocuSigned by: 083BFDB9CC3943C...

Typed Name: SEBASTIAN ACUTO

Title: Vice President Fleet and Projects

INTERNATIONAL AERO ENGINES, LLC

By: _____

Typed Name: Daniel Kirk

Title: Vice President, Americas

Execution Copy

Dated 16 February **2022**

SFI AIRCRAFT HOLDINGS IX DESIGNATED ACTIVITY COMPANY
as Lessor

and

LATAM AIRLINES GROUP S.A.
as Lessee

OPERATING LEASE AGREEMENT
ONE (1) AIRBUS A320 NEO AIRCRAFT ALLOCATED MANUFACTURER RANK NUMBER 10

NORTON ROSE FULBRIGHT

SIGNATURE PAGE – LEASE AGREEMENT – RANK No. 10

SIGNED by	)
duly authorised for and	)
on behalf of	)
SFI AIRCRAFT HOLDINGS IX DESIGNATED ACTIVITY COMPANY	)

Paul A. Cassidy

SIGNED by	)
duly authorised for and	)
on behalf of	)
LATAM AIRLINES GROUP S.A.	)

SIGNATURE PAGE – LEASE AGREEMENT – RANK No. 10

SIGNED by)
duly authorised for and)
on behalf of)
SFI AIRCRAFT HOLDINGS IX DESIGNATED ACTIVITY COMPANY)

SIGNED by)
duly authorised for and)
on behalf of)
LATAM AIRLINES GROUP S.A.)

Andrés Del Valle
Authorised Signatory

Execution Copy

Dated 16 February **2022**

SFI AIRCRAFT HOLDINGS IX DESIGNATED ACTIVITY COMPANY

as Lessor

and

LATAM AIRLINES GROUP S.A.

as Lessee

OPERATING LEASE AGREEMENT
ONE (1) AIRBUS A320 NEO AIRCRAFT ALLOCATED
MANUFACTURER RANK NUMBER 11

NORTON ROSE FULBRIGHT

SIGNATURE PAGE – LEASE AGREEMENT – RANK No. 11

SIGNED by)
duly authorised for and)
on behalf of)
SFI AIRCRAFT HOLDINGS IX DESIGNATED ACTIVITY COMPANY)

Director

SIGNED by)
duly authorised for and)
on behalf of)
LATAM AIRLINES GROUP S.A.)

SIGNATURE PAGE – LEASE AGREEMENT – RANK No. 11

SIGNED by)

duly authorised for and)

on behalf of)

SFI AIRCRAFT HOLDINGS IX DESIGNATED ACTIVITY COMPANY)

SIGNED by)

duly authorised for and)

on behalf of)

LATAM AIRLINES GROUP S.A.)

Andrés Del Valle
Authorised Signatory

Execution Copy

Dated 16 February **2022**

SFI AIRCRAFT HOLDINGS IX DESIGNATED ACTIVITY COMPANY

as Lessor

and

LATAM AIRLINES GROUP S.A.

as Lessee

OPERATING LEASE AGREEMENT
ONE (1) AIRBUS A320 NEO AIRCRAFT ALLOCATED
MANUFACTURER RANK NUMBER 14

NORTON ROSE FULBRIGHT

SIGNATURE PAGE – LEASE AGREEMENT – RANK No. 14

SIGNED by)
duly authorised for and)
on behalf of)
SFI AIRCRAFT HOLDINGS IX DESIGNATED ACTIVITY COMPANY)

Director

SIGNED by)
duly authorised for and)
on behalf of)
LATAM AIRLINES GROUP S.A.)

SIGNED by)
duly authorised for and)
on behalf of)
SFI AIRCRAFT HOLDINGS IX DESIGNATED ACTIVITY COMPANY)

SIGNED by)
duly authorised for and)
on behalf of)
LATAM AIRLINES GROUP S.A.)

Andrés Del Valle
Authorised Signatory

Execution Copy

Dated 16 February **2022**

SFI AIRCRAFT HOLDINGS IX DESIGNATED ACTIVITY COMPANY

as Lessor

and

LATAM AIRLINES GROUP S.A.

as Lessee

OPERATING LEASE AGREEMENT
ONE (1) AIRBUS A320 NEO AIRCRAFT ALLOCATED
MANUFACTURER RANK NUMBER 15

NORTON ROSE FULBRIGHT

SIGNATURE PAGE – LEASE AGREEMENT – RANK No. 15

SIGNED by)
duly authorised for and)
on behalf of)
SFI AIRCRAFT HOLDINGS IX DESIGNATED ACTIVITY COMPANY)

Director

SIGNED by)
duly authorised for and)
on behalf of)
LATAM AIRLINES GROUP S.A.)

SIGNED by)
duly authorised for and)
on behalf of)
SFI AIRCRAFT HOLDINGS IX DESIGNATED ACTIVITY COMPANY)

SIGNED by)
duly authorised for and)
on behalf of)
LATAM AIRLINES GROUP S.A.)

Andrés Del Valle
Authorised Signatory

Execution Copy

Dated 16 February **2022**

SFV AIRCRAFT HOLDINGS IRE 7 DAC
as Lessor

and

LATAM AIRLINES GROUP S.A.
as Lessee

OPERATING LEASE AGREEMENT
ONE (1) AIRBUS A320 NEO AIRCRAFT ALLOCATED
MANUFACTURER RANK NUMBER 17

NORTON ROSE FULBRIGHT

UK-#391611419-v1

SIGNATURE PAGE – LEASE AGREEMENT – RANK No. 17

SIGNED by)
duly authorised for and)
on behalf of)
SFV AIRCRAFT HOLDINGS IRE 7 DESIGNATED ACTIVITY COMPANY)

Director

SIGNED by)
duly authorised for and)
on behalf of)
LATAM AIRLINES GROUP S.A.)

SIGNATURE PAGE – LEASE AGREEMENT – RANK No. 17

SIGNED by)
duly authorised for and)
on behalf of)
SFV AIRCRAFT HOLDINGS IRE 7 DESIGNATED ACTIVITY COMPANY)

SIGNED by)
duly authorised for and)
on behalf of)

LATAM AIRLINES GROUP S.A.

Andrés Del Valle
Authorised Signatory

Execution Copy

Dated 16 February **2022**

SFV AIRCRAFT HOLDINGS IRE 7 DAC
as Lessor

and

LATAM AIRLINES GROUP S.A.
as Lessee

OPERATING LEASE AGREEMENT
ONE (1) AIRBUS A320 NEO AIRCRAFT ALLOCATED
MANUFACTURER RANK NUMBER 16

NORTON ROSE FULBRIGHT

UK-#391611140-v1

SIGNATURE PAGE – LEASE AGREEMENT – RANK No. 16

SIGNED by)
duly authorised for and)
on behalf of)
SFV AIRCRAFT HOLDINGS IRE 7 DESIGNATED ACTIVITY COMPANY)

Director

SIGNED by)
duly authorised for and)
on behalf of)
LATAM AIRLINES GROUP S.A.)

SIGNATURE PAGE – LEASE AGREEMENT – RANK No. 16

SIGNED by)

duly authorised for and)

on behalf of)

SFV AIRCRAFT HOLDINGS IRE 7 DESIGNATED ACTIVITY COMPANY)

SIGNED by)

duly authorised for and)

on behalf of)

LATAM AIRLINES GROUP S.A.

Andrés Del Valle
Authorised Signatory

Execution Copy

Dated 16 February **2022**

SFV AIRCRAFT HOLDINGS IRE 7 DAC
as Lessor

and

LATAM AIRLINES GROUP S.A.
as Lessee

OPERATING LEASE AGREEMENT
ONE (1) AIRBUS A320 NEO AIRCRAFT ALLOCATED
MANUFACTURER RANK NUMBER 23

NORTON ROSE FULBRIGHT

UK-#391611629-v1

SIGNATURE PAGE – LEASE AGREEMENT – RANK No. 23

SIGNED by)
duly authorised for and)
on behalf of)
SFV AIRCRAFT HOLDINGS IRE 7 DESIGNATED ACTIVITY COMPANY)

DIRECTOR

SIGNED by)
duly authorised for and)
on behalf of)
LATAM AIRLINES GROUP S.A.)

SIGNATURE PAGE – LEASE AGREEMENT – RANK No. 23

SIGNED by)
duly authorised for and)
on behalf of)
SFV AIRCRAFT HOLDINGS IRE 7 DESIGNATED ACTIVITY COMPANY)

SIGNED by)
duly authorised for and)
on behalf of)

LATAM AIRLINES GROUP S.A.)

Andrés Del Valle
Authorised Signatory

Execution Copy

Dated 16 February **2022**

SFV AIRCRAFT HOLDINGS IRE 8 DAC
as Lessor

and

LATAM AIRLINES GROUP S.A.
as Lessee

OPERATING LEASE AGREEMENT
ONE (1) AIRBUS A320 NEO AIRCRAFT ALLOCATED
MANUFACTURER RANK NUMBER 18

NORTON ROSE FULBRIGHT

UK-#391611534-v1

SIGNATURE PAGE – LEASE AGREEMENT – RANK No. 18

SIGNED by)
duly authorised for and)
on behalf of)
SFV AIRCRAFT HOLDINGS IRE 8 DESIGNATED ACTIVITY COMPANY)

Director

SIGNED by)
duly authorised for and)
on behalf of)
LATAM AIRLINES GROUP S.A.)

SIGNATURE PAGE – LEASE AGREEMENT – RANK No. 18

SIGNED by)
duly authorised for and)
on behalf of)
SFV AIRCRAFT HOLDINGS IRE 8 DESIGNATED ACTIVITY COMPANY)

SIGNED by)
duly authorised for and)
on behalf of)

LATAM AIRLINES GROUP S.A.

Andrés Del Valle
Authorised Signatory

Execution Copy

Dated 16 February **2022**

SFV AIRCRAFT HOLDINGS IRE 7 DAC
as Lessor

and

LATAM AIRLINES GROUP S.A.
as Lessee

OPERATING LEASE AGREEMENT
ONE (1) AIRBUS A320 NEO AIRCRAFT ALLOCATED
MANUFACTURER RANK NUMBER 22

NORTON ROSE FULBRIGHT

UK-#391611611-v1

SIGNATURE PAGE – LEASE AGREEMENT – RANK No. 22

SIGNED by)
duly authorised for and)
on behalf of)
SFV AIRCRAFT HOLDINGS IRE 7 DESIGNATED ACTIVITY COMPANY)

Director

SIGNED by)
duly authorised for and)
on behalf of)
LATAM AIRLINES GROUP S.A.)

SIGNATURE PAGE – LEASE AGREEMENT – RANK No. 22

SIGNED by)

duly authorised for and)

on behalf of)

SFV AIRCRAFT HOLDINGS IRE 7 DESIGNATED ACTIVITY COMPANY)

SIGNED by)

duly authorised for and)

on behalf of)

LATAM AIRLINES GROUP S.A.

Andrés Del Valle
Authorised Signatory

Execution Copy

Dated 16 February **2022**

SFV AIRCRAFT HOLDINGS IRE 8 DAC
as Lessor

and

LATAM AIRLINES GROUP S.A.
as Lessee

OPERATING LEASE AGREEMENT
ONE (1) AIRBUS A320 NEO AIRCRAFT ALLOCATED
MANUFACTURER RANK NUMBER 27

NORTON ROSE FULBRIGHT

UK-#391612498-v1

SIGNATURE PAGE – LEASE AGREEMENT – RANK No. 27

SIGNED by)
duly authorised for and)
on behalf of)
SFV AIRCRAFT HOLDINGS IRE 8 DESIGNATED ACTIVITY COMPANY)

Director

SIGNED by)
duly authorised for and)
on behalf of)
LATAM AIRLINES GROUP S.A.)

SIGNATURE PAGE – LEASE AGREEMENT – RANK No. 27

SIGNED by)
duly authorised for and)
on behalf of)
SFV AIRCRAFT HOLDINGS IRE 8 DESIGNATED ACTIVITY COMPANY)

SIGNED by)
duly authorised for and)
on behalf of)

LATAM AIRLINES GROUP S.A.

Andrés Del Valle
Authorised Signatory

Dated 6 October **2022**

UMB BANK, N.A., not in its individual capacity but solely

in its capacity as owner trustee of the MSN 38470 Trust

as Lessor

and

LATAM AIRLINES GROUP S.A.

as Lessee

OPERATING LEASE AGREEMENT

ONE (1) BOEING 787-9 AIRCRAFT WITH

MANUFACTURER SERIAL NUMBER 38470

SIGNATURE PAGE – OPERATING LEASE AGREEMENT – MSN 38470

SIGNED for and on behalf of

LATAM Airlines Group S.A.

By: DocuSigned by: 083BFDB9CC3943C...

Name: Sebastian Acuto

Title: VP Engineering & Maintenance

By: DocuSigned by: Andres Del Valle DD6A84F1314144C...

Name: Andres Del Valle

Title: Director Senior Finanzas Corporativa

SIGNATURE PAGE – OPERATING LEASE AGREEMENT – MSN 38470

SIGNED for and on behalf of

UMB Bank, N.A., in its capacity as owner trustee of the MSN 38470 Trust

By: 

Name: Dustin Green

Title: Vice President

Dated 6 October **2022**

UMB BANK, N.A., not in its individual capacity but solely

in its capacity as owner trustee of the MSN 38481 Trust

as Lessor

and

LATAM AIRLINES GROUP S.A.

as Lessee

OPERATING LEASE AGREEMENT

ONE (1) BOEING 787-9 AIRCRAFT WITH

MANUFACTURER SERIAL NUMBER 38481

SIGNATURE PAGE – OPERATING LEASE AGREEMENT – MSN 38481

SIGNED for and on behalf of

LATAM Airlines Group S.A.

By: DocuSigned by: 083BFDB9CC3943C...

Name: Sebastian Acuto

Title: VP Engineering & Maintenance

By: DocuSigned by: Andres Del Valle DD6A84F1314144C...

Name: Andres Del Valle

Title: Director Senior Finanzas Corporativa

SIGNATURE PAGE – OPERATING LEASE AGREEMENT – MSN 38481

SIGNED for and on behalf of

UMB Bank, N.A., in its capacity as owner trustee of the MSN 38481 Trust

By: 

Name: Dustin Green

Title: Vice President

Dated July 6 **2022**

OPERATING LEASE AGREEMENT

relating to one (1) Airbus A321-271NX Aircraft
delivering in October 2023 (Aircraft 1)

between

UMB Bank, National Association, not in its individual capacity but solely as owner trustee

as Lessor

and

LATAM AIRLINES GROUP S.A.
as Lessee

EXECUTION PAGE

SIGNED by	)	
duly authorised for and	)	
on behalf of	)	Dain W. Brown / Senior Vice President
UMB BANK, NATIONAL ASSOCIATION, not in its individual capacity but solely as owner trustee	)	

SIGNED by	)
duly authorised for and	)
on behalf of	)
LATAM AIRLINES GROUP S.A.	)

EXECUTION PAGE

SIGNED by	)
duly authorised for and	)
on behalf of	)
UMB BANK, NATIONAL ASSOCIATION, not in its individual capacity but solely as owner trustee	)

SIGNED by	)
duly authorised for and	)
on behalf of	)
LATAM AIRLINES GROUP S.A.	)

DocuSigned by:
Andrés Del Valle
DD6AB4F1314144C...

Dated July 6 **2022**

OPERATING LEASE AGREEMENT

relating to one (1) Airbus A321-271NX Aircraft
delivering in December 2023 (Aircraft 2)

between

UMB Bank, National Association, not in its individual capacity but solely as owner trustee

as Lessor

and

LATAM AIRLINES GROUP S.A.
as Lessee

EXECUTION PAGE

SIGNED by	)	
duly authorised for and	)	
on behalf of	)	Dain W. Brown / Senior Vice President
UMB BANK, NATIONAL ASSOCIATION, not in its individual capacity but solely as owner trustee	)	

SIGNED by	)
duly authorised for and	)
on behalf of	)
LATAM AIRLINES GROUP S.A.	)

EXECUTION PAGE

SIGNED by)
duly authorised for and)
on behalf of)
UMB BANK, NATIONAL ASSOCIATION, not in its individual capacity but solely as owner trustee)

SIGNED by)
duly authorised for and)
on behalf of)
LATAM AIRLINES GROUP S.A.)

DocuSigned by:
Andrés Del Valle
DD8A84F1314144C...

EXECUTION VERSION

AIRCRAFT LEASE AGREEMENT

Dated February 1, 2021

between

VERMILLION AVIATION (NINE) LIMITED

as Lessor

and

LATAM AIRLINES GROUP S.A.

as Lessee

Lease of one Airbus A320-214 Aircraft

Manufacturer's Serial No: 4827

Make and Model of Engines: CFM International, Inc. Model CFM56-5B4/3 engines

Serial Numbers of Engines: 643616 and 643568

IN WITNESS WHEREOF, the parties hereto have caused their duly authorised officers to execute this Agreement as a deed and deliver it on the date first above written.

EXECUTED as a Deed
for and on behalf of **VERMILLION AVIATION (NINE) LIMITED**
by its lawfully appointed attorney

in the presence of:

Paul Sheridan
Attorney

Mitsuhiro Umino
Attorney

Signature of Witness

ANP, Legal
Occupation of Witness

28-29 St John Rogerson's Quay

Address of Witness Dublin 2, Ireland

Signature Page
Aircraft Lease Agreement
MSN 4827

EXECUTED as a Deed
for and on behalf of **LATAM AIRLINES GROUP S.A.**
a company organised and existing under
the laws of Chile
by its lawfully appointed attorney

DocuSigned by:
Andrés del Valle
F7767BA1BD524B6...

ANDRES DEL VALLE
Attorney

in the presence of:

DocuSigned by:
083BFDB9CC3943C...

SEBASTIAN ACUTO
Attorney

DocuSigned by:
Eduardo Tomas Damian Vega
E562D6C21B79442...

EDUARDO DAMIAN
Signature of Witness

Attorney-in-fact
Occupation of Witness

Avenida Presidente Riesco 5711, Piso 19, Las Condes, Santiago, Chile
Address of Witness

EXECUTION VERSION

AIRCRAFT LEASE AGREEMENT

Dated February 1 2021

between

VERMILLION AVIATION (NINE) LIMITED

as Lessor

and

LATAM AIRLINES GROUP S.A.

as Lessee

Lease of one Airbus A320-214 Aircraft

Manufacturer's Serial No: 4860

Make and Model of Engines: CFM International, Inc. Model CFM56-5B4/3 engines

Serial Numbers of Engines: 643566 and 643614

IN WITNESS WHEREOF, the parties hereto have caused their duly authorised officers to execute this Agreement as a deed and deliver it on the date first above written.

EXECUTED as a Deed
for and on behalf of **VERMILLION AVIATION (NINE) LIMITED**
by its lawfully appointed attorney

in the presence of:

Paul Shierdan
Attorney

Mitsuhiro Umino
Attorney

Signature of Witness

Occupation of Witness

28-29 Sir John Rogerson's Quay

Address of Witness Dublin 2, Ireland

EXECUTED as a Deed
for and on behalf of **LATAM AIRLINES GROUP S.A.**
a company organised and existing under
the laws of Chile
by its lawfully appointed attorney

DocuSigned by:
Andrés del Valle
F7767BA1BD524B6...

ANDRES DEL VALLE
Attorney

in the presence of:

DocuSigned by:
083BFD89CC3943C...

SEBASTIAN ACUTO
Attorney

DocuSigned by:
Eduardo Tomas Damian Vega
E562D6C21B79442...

EDUARDO DAMIAN
Signature of Witness

Attorney-in-fact
Occupation of Witness

Avenida Presidente Riesco 5711, Piso 19, Las Condes, Santiago, Chile
Address of Witness

Execution Version

DEED IN RESPECT OF

AIRCRAFT LEASE AGREEMENT

Dated February 25, 2022,

BETWEEN

LATAM AIRLINES GROUP S.A.

as LESSEE

and

BANK OF UTAH,
not in its individual capacity but solely as owner trustee
for Aircraft 32A-012168X (Utah) Trust

as LESSOR

Aircraft Make and Model:	Airbus A321-271NX
Aircraft Manufacturer's Serial Number:	TBD
Model of Engines:	PW1100G

STATE OF UTAH

OFFICE OF THE LIEUTENANT GOVERNOR

Apostille

(Convention de La Haye du 5 octobre 1961)

1. Country: United States of America

2. This public document has been signed by CHRISTINA CRAVEN

3. Acting in the capacity of NOTARY PUBLIC, STATE OF UTAH

4. Bears the seal/stamp of CHRISTINA CRAVEN, NOTARY PUBLIC, STATE OF UTAH

Certified

5. at Salt Lake City, Utah, U.S.A.

6. the 24th day of February, 2022

7. by Deidre M. Henderson, Lieutenant Governor, State of Utah, U.S.A.

8. Number: 421310

9. Seal/Stamp:

10. Signature

Deidre M. Henderson

Lieutenant Governor

This certification attests only to the authenticity of the signature of the official who signed the affixed document, the capacity in which that official acted, and where appropriate the identity of the seal or stamp which the document bears. This certification is not intended to imply that the contents of the document are correct, nor that they have the approval of the State of Utah.

IN WITNESS WHEREOF, LESSEE and LESSOR have executed and delivered this Lease as a deed, both on the date shown at the beginning of this Lease.

LATAM AIRLINES GROUP S.A.,	)	_____
	)	Authorised Signatory
in the presence of:	)	
Signature of Witness:	)	_____
Name of Witness:	)	Elvira Vial
Address of Witness:	)	_____
	)	Avda. Pdte. Riesco 5711,
Occupation of Witness:	)	20th floor, Las Condes, Santiago Chile

BANK OF UTAH,
not in its individual capacity, but solely as owner trustee
for Aircraft 32A-012168X (Utah) Trust)

	)	_____
	)	Authorised Signatory
in the presence of:	)	
Signature of Witness:	)	_____
Name of Witness:	)	_____
Address of Witness:	)	_____
	)	_____
Occupation of Witness:	)	_____

IN WITNESS WHEREOF, LESSEE and LESSOR have executed and delivered this Lease as a deed, both on the date shown at the beginning of this Lease.

LATAM AIRLINES GROUP S.A.,	)	_____
	)	Authorised Signatory
in the presence of:	)	
Signature of Witness:	)	_____
Name of Witness:	)	_____
Address of Witness:	)	_____
	)	_____
Occupation of Witness:	)	_____
BANK OF UTAH, not in its individual capacity, but solely as owner trustee for Aircraft 32A-012168X (Utah) Trust)		
	)	Authorised Signatory
	)	Jon Croasmun,
	)	Senior Vice President
in the presence of:	)	
Signature of Witness:	)	
Name of Witness:	)	Mattie Robinson
Address of Witness:	)	50 S. 200 E. Ste. 110
	)	Salt Lake City, UT 84111
Occupation of Witness:	)	Legal Assistant

STATE OF UTAH)
) ss:
COUNTY OF SALT LAKE)

On this 24th day of February, 2022 before me **Christina Craven** a notary public, personally appeared **Jon Croasmun** proved on the basis of satisfactory evidence to be the person whose name is subscribed to in this document, and acknowledged he executed the same.

Notary Public

Christina Craven
Notary Public
State Of Utah
My Commission Expires 07/08/2025
719124

Execution Version

DEED IN RESPECT OF

AIRCRAFT LEASE AGREEMENT

Dated February 25, 2022,

BETWEEN

LATAM AIRLINES GROUP S.A.

as LESSEE

and

BANK OF UTAH,
not in its individual capacity but solely as owner trustee
for Aircraft 32A-012169X (Utah) Trust

as LESSOR

Aircraft Make and Model:	Airbus A321-271NX
Aircraft Manufacturer's Serial Number:	TBD
Model of Engines:	PW1100G

STATE OF UTAH

OFFICE OF THE LIEUTENANT GOVERNOR

Apostille

(Convention de La Haye du 5 octobre 1961)

1. Country: United States of America

2. This public document has been signed by CHRISTINA CRAVEN

3. Acting in the capacity of NOTARY PUBLIC, STATE OF UTAH

4. Bears the seal/stamp of CHRISTINA CRAVEN, NOTARY PUBLIC, STATE OF UTAH

Certified

5. at Salt Lake City, Utah, U.S.A.

6. the 24th day of February, 2022

7. by Deidre M. Henderson, Lieutenant Governor, State of Utah, U.S.A.

8. Number: 421312

9. Seal/Stamp:

10. Signature

Deidre M. Henderson

Lieutenant Governor

This certification attests only to the authenticity of the signature of the official who signed the affixed document, the capacity in which that official acted, and where appropriate the identity of the seal or stamp which the document bears. This certification is not intended to imply that the contents of the document are correct, nor that they have the approval of the State of Utah.

IN WITNESS WHEREOF, LESSEE and LESSOR have executed and delivered this Lease as a deed, both on the date shown at the beginning of this Lease.

LATAM AIRLINES GROUP S.A.,	)	_____
	)	Authorised Signatory
in the presence of:	)	
Signature of Witness:	)	Elvira Vial
Name of Witness:	)	Elvira Vial
Address of Witness:	)	_____
	)	Avda Rdte Bisco 5711, 20th Floor,
Occupation of Witness:	)	Las Condes, Santiago, Chile
BANK OF UTAH, not in its individual capacity, but solely as owner trustee for Aircraft 32A-012169X (Utah) Trust)	)	_____
	)	Authorised Signatory
in the presence of:	)	
Signature of Witness:	)	_____
Name of Witness:	)	_____
Address of Witness:	)	_____
	)	_____
Occupation of Witness:	)	_____

IN WITNESS WHEREOF, LESSEE and LESSOR have executed and delivered this Lease as a deed, both on the date shown at the beginning of this Lease.

LATAM AIRLINES GROUP S.A.,	)	_____
	)	Authorised Signatory
in the presence of:	)	
Signature of Witness:	)	_____
Name of Witness:	)	_____
Address of Witness:	)	_____
	)	_____
Occupation of Witness:	)	_____
BANK OF UTAH, not in its individual capacity, but solely as owner trustee for Aircraft 32A-012169X (Utah) Trust)		_____
	)	Authorised Signatory
	)	Jon Croasmun,
	)	Senior Vice President
in the presence of:	)	
Signature of Witness:	)	_____
Name of Witness:	)	Mattie Robinson
Address of Witness:	)	50 S. 200 E. Ste. 110
	)	Salt Lake City, UT 84111
Occupation of Witness:	)	Legal Assistant

STATE OF UTAH)
) ss:
COUNTY OF SALT LAKE)

On this 24th day of February, 2022 before me **Christina Craven** a notary public, personally appeared **Jon Croasmun** proved on the basis of satisfactory evidence to be the person whose name is subscribed to in this document, and acknowledged he executed the same.

Notary Public

Christina Craven
Notary Public
State Of Utah
My Commission Expires 07/08/2025
719124

Execution Version

DEED IN RESPECT OF

AIRCRAFT LEASE AGREEMENT

Dated February 25, 2022,

BETWEEN

LATAM AIRLINES GROUP S.A.

as LESSEE

and

BANK OF UTAH,
not in its individual capacity but solely as owner trustee
for Aircraft 32A-012169X (Utah) Trust

as LESSOR

Aircraft Make and Model:	Airbus A321-271NX
Aircraft Manufacturer's Serial Number:	TBD
Model of Engines:	PW1100G

STATE OF UTAH

OFFICE OF THE LIEUTENANT GOVERNOR

Apostille

(Convention de La Haye du 5 octobre 1961)

1. Country: United States of America

2. This public document has been signed by CHRISTINA CRAVEN

3. Acting in the capacity of NOTARY PUBLIC, STATE OF UTAH

4. Bears the seal/stamp of CHRISTINA CRAVEN, NOTARY PUBLIC, STATE OF UTAH

Certified

5. at Salt Lake City, Utah, U.S.A.

6. the 24th day of February, 2022

7. by Deidre M. Henderson, Lieutenant Governor, State of Utah, U.S.A.

8. Number: 421312

9. Seal/Stamp:

10. Signature

Deidre M. Henderson

Lieutenant Governor

This certification attests only to the authenticity of the signature of the official who signed the affixed document, the capacity in which that official acted, and where appropriate the identity of the seal or stamp which the document bears. This certification is not intended to imply that the contents of the document are correct, nor that they have the approval of the State of Utah.

IN WITNESS WHEREOF, LESSEE and LESSOR have executed and delivered this Lease as a deed, both on the date shown at the beginning of this Lease.

LATAM AIRLINES GROUP S.A.,	)	_____
	)	Authorised Signatory
in the presence of:	)	
Signature of Witness:	)	Elvira Vial
Name of Witness:	)	Elvira Vial
Address of Witness:	)	_____
	)	Avda Rdte Bisco 5711, 20th Floor,
Occupation of Witness:	)	Las Condes, Santiago, Chile
BANK OF UTAH, not in its individual capacity, but solely as owner trustee for Aircraft 32A-012169X (Utah) Trust)	)	_____
	)	Authorised Signatory
in the presence of:	)	
Signature of Witness:	)	_____
Name of Witness:	)	_____
Address of Witness:	)	_____
	)	_____
Occupation of Witness:	)	_____

IN WITNESS WHEREOF, LESSEE and LESSOR have executed and delivered this Lease as a deed, both on the date shown at the beginning of this Lease.

LATAM AIRLINES GROUP S.A.,	)	_____
	)	Authorised Signatory
in the presence of:	)	
Signature of Witness:	)	_____
Name of Witness:	)	_____
Address of Witness:	)	_____
	)	_____
Occupation of Witness:	)	_____
BANK OF UTAH, not in its individual capacity, but solely as owner trustee for Aircraft 32A-012169X (Utah) Trust)		_____
	)	Authorised Signatory
	)	Jon Croasmun,
	)	Senior Vice President
in the presence of:	)	
Signature of Witness:	)	_____
Name of Witness:	)	Mattie Robinson
Address of Witness:	)	50 S. 200 E. Ste. 110
	)	Salt Lake City, UT 84111
Occupation of Witness:	)	Legal Assistant

STATE OF UTAH)
) ss:
COUNTY OF SALT LAKE)

On this 24th day of February, 2022 before me **Christina Craven** a notary public, personally appeared **Jon Croasmun** proved on the basis of satisfactory evidence to be the person whose name is subscribed to in this document, and acknowledged he executed the same.

Notary Public

Christina Craven
Notary Public
State Of Utah
My Commission Expires 07/08/2025
719124

Execution Version

DEED IN RESPECT OF

AIRCRAFT LEASE AGREEMENT

Dated February 25, 2022,

BETWEEN

LATAM AIRLINES GROUP S.A.

as LESSEE

and

BANK OF UTAH,
not in its individual capacity but solely as owner trustee
for Aircraft 32A-012171X (Utah) Trust

as LESSOR

Aircraft Make and Model:	Airbus A321-271NX
Aircraft Manufacturer's Serial Number:	TBD
Model of Engines:	PW1100G

STATE OF UTAH

OFFICE OF THE LIEUTENANT GOVERNOR

Apostille

(Convention de La Haye du 5 octobre 1961)

1. Country: United States of America

2. This public document has been signed by CHRISTINA CRAVEN

3. Acting in the capacity of NOTARY PUBLIC, STATE OF UTAH

4. Bears the seal/stamp of CHRISTINA CRAVEN, NOTARY PUBLIC, STATE OF UTAH

Certified

5. at Salt Lake City, Utah, U.S.A.

6. the 24th day of February, 2022

7. by Deidre M. Henderson, Lieutenant Governor, State of Utah, U.S.A.

8. Number: 421316

9. Seal/Stamp:

10. Signature

Deidre M. Henderson

Lieutenant Governor

This certification attests only to the authenticity of the signature of the official who signed the affixed document, the capacity in which that official acted, and where appropriate the identity of the seal or stamp which the document bears. This certification is not intended to imply that the contents of the document are correct, nor that they have the approval of the State of Utah.

IN WITNESS WHEREOF, LESSEE and LESSOR have executed and delivered this Lease as a deed, both on the date shown at the beginning of this Lease.

LATAM AIRLINES GROUP S.A.,)
) _____
) Authorised Signatory

in the presence of:)
Signature of Witness:) _____
Name of Witness:) _____
Address of Witness:) _____
) _____
Occupation of Witness:) _____

BANK OF UTAH,
not in its individual capacity, but solely as owner trustee
for Aircraft 32A-012171X (Utah) Trust)
) _____
) Authorised Signatory

in the presence of:)
Signature of Witness:) _____
Name of Witness:) _____
Address of Witness:) _____
) _____
Occupation of Witness:) _____

IN WITNESS WHEREOF, LESSEE and LESSOR have executed and delivered this Lease as a deed, both on the date shown at the beginning of this Lease.

LATAM AIRLINES GROUP S.A.,	)	_____
	)	Authorised Signatory
in the presence of:	)	
Signature of Witness:	)	_____
Name of Witness:	)	_____
Address of Witness:	)	_____
	)	_____
Occupation of Witness:	)	_____
BANK OF UTAH, not in its individual capacity, but solely as owner trustee for Aircraft 32A-012171X (Utah) Trust)		
	)	_____
	)	Authorised Signatory
	)	Jon Croasmun,
	)	Senior Vice President
in the presence of:	)	
Signature of Witness:	)	_____
Name of Witness:	)	Mattie Robinson
Address of Witness:	)	50 S. 200 E. Ste. 110
	)	Salt Lake City, UT 84111
Occupation of Witness:	)	Legal Assistant

STATE OF UTAH)
) ss:
COUNTY OF SALT LAKE)

On this 24th day of February, 2022 before me **Christina Craven** a notary public, personally appeared **Jon Croasmun** proved on the basis of satisfactory evidence to be the person whose name is subscribed to in this document, and acknowledged he executed the same.

Notary Public

Christina Craven
Notary Public
State Of Utah
My Commission Expires 07/08/2025
719124

Execution Version

DEED IN RESPECT OF

AIRCRAFT LEASE AGREEMENT

Dated February 25, 2022,

BETWEEN

LATAM AIRLINES GROUP S.A.

as LESSEE

and

BANK OF UTAH,
not in its individual capacity but solely as owner trustee
for Aircraft 32A-012172X (Utah) Trust

as LESSOR

Aircraft Make and Model:	Airbus A321-271NX
Aircraft Manufacturer's Serial Number:	TBD
Model of Engines:	PW1100G

STATE OF UTAH

OFFICE OF THE LIEUTENANT GOVERNOR

Apostille

(Convention de La Haye du 5 octobre 1961)

1. Country: United States of America

2. This public document has been signed by CHRISTINA CRAVEN

3. Acting in the capacity of NOTARY PUBLIC, STATE OF UTAH

4. Bears the seal/stamp of CHRISTINA CRAVEN, NOTARY PUBLIC, STATE OF UTAH

Certified

5. at Salt Lake City, Utah, U.S.A.

6. the 24th day of February, 2022

7. by Deidre M. Henderson, Lieutenant Governor, State of Utah, U.S.A.

8. Number: 421318

9. Seal/Stamp:

10. Signature

Deidre M. Henderson

Lieutenant Governor

This certification attests only to the authenticity of the signature of the official who signed the affixed document, the capacity in which that official acted, and where appropriate the identity of the seal or stamp which the document bears. This certification is not intended to imply that the contents of the document are correct, nor that they have the approval of the State of Utah.

IN WITNESS WHEREOF, LESSEE and LESSOR have executed and delivered this Lease as a deed, both on the date shown at the beginning of this Lease.

LATAM AIRLINES GROUP S.A.,	)	_____
	)	Authorised Signatory
in the presence of:	)	
Signature of Witness:	)	_____
Name of Witness:	)	_____
Address of Witness:	)	_____
	)	_____
Occupation of Witness:	)	_____

BANK OF UTAH, not in its individual capacity, but solely as owner trustee for Aircraft 32A-012172X,(Utah) Trust)	)	_____
	)	Authorised Signatory
in the presence of:	)	
Signature of Witness:	)	_____
Name of Witness:	)	_____
Address of Witness:	)	_____
	)	_____
Occupation of Witness:	)	_____

IN WITNESS WHEREOF, LESSEE and LESSOR have executed and delivered this Lease as a deed, both on the date shown at the beginning of this Lease.

LATAM AIRLINES GROUP S.A.,	)	_____
	)	Authorised Signatory
in the presence of:	)	
Signature of Witness:	)	_____
Name of Witness:	)	_____
Address of Witness:	)	_____
	)	_____
Occupation of Witness:	)	_____
BANK OF UTAH, not in its individual capacity, but solely as owner trustee for Aircraft 32A-012172X (Utah) Trust)		
	)	Authorised Signatory
	)	Jon Croasmun,
	)	Senior Vice President
in the presence of:	)	
Signature of Witness:	)	_____
Name of Witness:	)	Mattie Robinson
Address of Witness:	)	50 S. 200 E. Ste. 110
	)	Salt Lake City, UT 84111
Occupation of Witness:	)	Legal Assistant

STATE OF UTAH)
) ss:
COUNTY OF SALT LAKE)

On this 24th day of February, 2022 before me **Christina Craven** a notary public, personally appeared **Jon Croasmun** proved on the basis of satisfactory evidence to be the person whose name is subscribed to in this document, and acknowledged he executed the same.

Notary Public

Christina Craven
Notary Public
State Of Utah
My Commission Expires 07/08/2025
719124

Execution Version

DEED IN RESPECT OF

AIRCRAFT LEASE AGREEMENT

Dated February 25, 2022,

BETWEEN

LATAM AIRLINES GROUP S.A.

as LESSEE

and

BANK OF UTAH,
not in its individual capacity but solely as owner trustee
for Aircraft 32A-012173X (Utah) Trust

as LESSOR

Aircraft Make and Model:	Airbus A321-271NX
Aircraft Manufacturer's Serial Number:	TBD
Model of Engines:	PW1100G

STATE OF UTAH

OFFICE OF THE LIEUTENANT GOVERNOR

Apostille

(Convention de La Haye du 5 octobre 1961)

1. Country: United States of America

2. This public document has been signed by CHRISTINA CRAVEN

3. Acting in the capacity of NOTARY PUBLIC, STATE OF UTAH

4. Bears the seal/stamp of CHRISTINA CRAVEN, NOTARY PUBLIC, STATE OF UTAH

Certified

5. at Salt Lake City, Utah, U.S.A.

6. the 24th day of February, 2022

7. by Deidre M. Henderson, Lieutenant Governor, State of Utah, U.S.A.

8. Number: 421319

9. Seal/Stamp:

10. Signature

Deidre M. Henderson

Lieutenant Governor

This certification attests only to the authenticity of the signature of the official who signed the affixed document, the capacity in which that official acted, and where appropriate the identity of the seal or stamp which the document bears. This certification is not intended to imply that the contents of the document are correct, nor that they have the approval of the State of Utah.

IN WITNESS WHEREOF, LESSEE and LESSOR have executed and delivered this Lease as a deed, both on the date shown at the beginning of this Lease.

LATAM AIRLINES GROUP S.A.,	)	_____
	)	Authorised Signatory
in the presence of:	)	
Signature of Witness:	)	_____
Name of Witness:	)	ELVIRA VIAL
Address of Witness:	)	_____
	)	Avda Apoquindo 3721, 20th floor,
Occupation of Witness:	)	Las Condes, Santiago, Chile

BANK OF UTAH, not in its individual capacity, but solely as owner trustee for Aircraft 32A-012173X (Utah) Trust)		_____
	)	Authorised Signatory
in the presence of:	)	
Signature of Witness:	)	_____
Name of Witness:	)	_____
Address of Witness:	)	_____
	)	_____
Occupation of Witness:	)	_____

IN WITNESS WHEREOF, LESSEE and LESSOR have executed and delivered this Lease as a deed, both on the date shown at the beginning of this Lease.

LATAM AIRLINES GROUP S.A.,	)	_____
	)	Authorised Signatory
in the presence of:	)	
Signature of Witness:	)	_____
Name of Witness:	)	_____
Address of Witness:	)	_____
	)	_____
Occupation of Witness:	)	_____
BANK OF UTAH, not in its individual capacity, but solely as owner trustee for Aircraft 32A-012173X (Utah) Trust)	)	_____
	)	Authorised Signatory
	)	Jon Croasmun,
	)	Senior Vice President
in the presence of:	)	
Signature of Witness:	)	_____
Name of Witness:	)	Mattie Robinson
Address of Witness:	)	50 S. 200 E. Ste. 110
	)	Salt Lake City, UT 84111
Occupation of Witness:	)	Legal Assistant

STATE OF UTAH)
) ss:
COUNTY OF SALT LAKE)

On this 24th day of February, 2022 before me **Christina Craven** a notary public, personally appeared **Jon Croasmun** proved on the basis of satisfactory evidence to be the person whose name is subscribed to in this document, and acknowledged he executed the same.

Notary Public

Christina Craven
Notary Public
State Of Utah
My Commission Expires 07/08/2025
719124

Execution Version

DEED IN RESPECT OF

AIRCRAFT LEASE AGREEMENT

Dated March 31, 2022,

BETWEEN

LATAM AIRLINES GROUP S.A.

as LESSEE

and

BANK OF UTAH,
not in its individual capacity but solely as owner trustee
for Aircraft 32A-012249X (Utah) Trust

as LESSOR

Aircraft Make and Model:	Airbus A321-271NX
Aircraft Manufacturer's Serial Number:	TBD
Model of Engines:	PW1100G

IN WITNESS WHEREOF, LESSEE and LESSOR have executed and delivered this Lease as a deed, both on the date shown at the beginning of this Lease.

LATAM AIRLINES GROUP S.A.,)
)
in the presence of:)
Signature of Witness:)
Name of Witness:)
Address of Witness:)
)
Occupation of Witness:)

Authorised Signatory

Elvira Vial
Elvira Vial
Avda Presidente Riesco 5711, piso 20, Las Condes, Santiago, Chile
In-house Legal Counsel

BANK OF UTAH,
not in its individual capacity, but solely as owner trustee for Aircraft 32A-012249X (Utah) Trust)

)
in the presence of:)
Signature of Witness:)
Name of Witness:)
Address of Witness:)
)
Occupation of Witness:)

Authorised Signatory

IN WITNESS WHEREOF, LESSEE and LESSOR have executed and delivered this Lease as a deed, both on the date shown at the beginning of this Lease.

LATAM AIRLINES GROUP S.A.,	)	_____
	)	Authorised Signatory
in the presence of:	)	
Signature of Witness:	)	_____
Name of Witness:	)	_____
Address of Witness:	)	_____
	)	_____
Occupation of Witness:	)	_____
BANK OF UTAH, not in its individual capacity, but solely as owner trustee for Aircraft 32A-012249X (Utah) Trust)		
	)	Jon Croasmun, SVP
	)	Authorised Signatory
in the presence of:	)	
Signature of Witness:	)	
Name of Witness:	)	Mattie Robinson
Address of Witness:	)	50 S. 200 E. Ste. 110
	)	Salt Lake City, UT 84111
Occupation of Witness:	)	Legal Assistant

STATE OF UTAH

OFFICE OF THE LIEUTENANT GOVERNOR

Apostille

(Convention de La Haye du 5 octobre 1961)

1. Country: United States of America

2. This public document has been signed by CRISTINA CRAVEN

3. Acting in the capacity of NOTARY PUBLIC, STATE OF UTAH

4. Bears the seal/stamp of CRISTINA CRAVEN, NOTARY PUBLIC, STATE OF UTAH

Certified

5. at Salt Lake City, Utah, U.S.A.

6. the 25th day of March, 2022

7. by Deidre M. Henderson, Lieutenant Governor, State of Utah, U.S.A.

8. Number: 423673

9. Seal/Stamp:

10. Signature

Deidre M. Henderson

Lieutenant Governor

This certification attests only to the authenticity of the signature of the official who signed the affixed document, the capacity in which that official acted, and where appropriate the identity of the seal or stamp which the document bears. This certification is not intended to imply that the contents of the document are correct, nor that they have the approval of the State of Utah.

STATE OF UTAH)
) ss:
COUNTY OF SALT LAKE)

On this 25th day of March, 2022 before me **Christina Craven** a notary public, personally appeared **Jon Croasmun** proved on the basis of satisfactory evidence to be the person whose name is subscribed to in this document, and acknowledged he executed the same.

Notary Public

Christina Craven
Notary Public
State Of Utah
My Commission Expires 07/08/2025
719124

Execution Version

DEED IN RESPECT OF

AIRCRAFT LEASE AGREEMENT

Dated March 31, 2022,

BETWEEN

LATAM AIRLINES GROUP S.A.

as LESSEE

and

BANK OF UTAH,
not in its individual capacity but solely as owner trustee
for Aircraft 32A-012250X (Utah) Trust

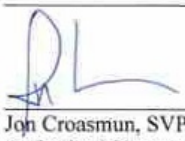
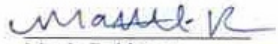
as LESSOR

Aircraft Make and Model:	Airbus A321-271NX
Aircraft Manufacturer's Serial Number:	TBD
Model of Engines:	PW1100G

IN WITNESS WHEREOF, LESSEE and LESSOR have executed and delivered this Lease as a deed, both on the date shown at the beginning of this Lease.

LATAM AIRLINES GROUP S.A.,	)	_____
	)	Authorised Signatory
in the presence of:	)	
Signature of Witness:	)	Elvira Vial
Name of Witness:	)	ELVIRA VIAL
Address of Witness:	)	Avda Presidente Riesco 5711,
	)	piso 20, Las Condes, Santiago, Chile
Occupation of Witness:	)	In-house Legal Counsel
BANK OF UTAH, not in its individual capacity, but solely as owner trustee for Aircraft 32A-012250X (Utah) Trust)		
	)	_____
	)	Authorised Signatory
in the presence of:	)	
Signature of Witness:	)	_____
Name of Witness:	)	_____
Address of Witness:	)	_____
	)	_____
Occupation of Witness:	)	_____

IN WITNESS WHEREOF, LESSEE and LESSOR have executed and delivered this Lease as a deed, both on the date shown at the beginning of this Lease.

LATAM AIRLINES GROUP S.A.,	)	_____
	)	Authorised Signatory
in the presence of:	)	
Signature of Witness:	)	_____
Name of Witness:	)	_____
Address of Witness:	)	_____
	)	_____
Occupation of Witness:	)	_____
BANK OF UTAH, not in its individual capacity, but solely as owner trustee for Aircraft 32A-012250X (Utah) Trust)		
	)	Jon Croasmun, SVP
	)	Authorised Signatory
in the presence of:	)	
Signature of Witness:	)	
Name of Witness:	)	Mattie Robinson
Address of Witness:	)	50 S. 200 E. Ste. 110
	)	Salt Lake City, UT 84111
Occupation of Witness:	)	Legal Assistant

STATE OF UTAH

OFFICE OF THE LIEUTENANT GOVERNOR

Apostille

(Convention de La Haye du 5 octobre 1961)

1. Country: United States of America

2. This public document has been signed by CRISTINA CRAVEN

3. Acting in the capacity of NOTARY PUBLIC, STATE OF UTAH

4. Bears the seal/stamp of CRISTINA CRAVEN, NOTARY PUBLIC, STATE OF UTAH

Certified

5. at Salt Lake City, Utah, U.S.A.

6. the 25th day of March, 2022

7. by Deidre M. Henderson, Lieutenant Governor, State of Utah, U.S.A.

8. Number: 423667

9. Seal/Stamp:

10. Signature

Deidre M. Henderson

Lieutenant Governor

This certification attests only to the authenticity of the signature of the official who signed the affixed document, the capacity in which that official acted, and where appropriate the identity of the seal or stamp which the document bears. This certification is not intended to imply that the contents of the document are correct, nor that they have the approval of the State of Utah.

STATE OF UTAH)
) ss:
COUNTY OF SALT LAKE)

On this 25th day of March, 2022 before me **Christina Craven** a notary public, personally appeared **Jon Croasmun** proved on the basis of satisfactory evidence to be the person whose name is subscribed to in this document, and acknowledged he executed the same.

Notary Public

Exhibit 4.43

[Certain confidential portions of this exhibit have been redacted pursuant to 4(a) of the Instructions as to Exhibits of Form 20-F. The omitted information (i) is not material and (ii) is the type of information the Company treats as private or confidential. In addition, schedules and similar attachments to this exhibit have been omitted pursuant to the Instructions as to Exhibits of Form 20-F.]

AMENDED AND RESTATED REGISTRATION RIGHTS AGREEMENT

THIS AMENDED AND RESTATED REGISTRATION RIGHTS AGREEMENT (this "**Agreement**") is made and entered into as of November 10, 2022 and effective as of November 3, 2022, by and among LATAM Airlines Group S.A., a company organized under the laws of Chile (the "**Company**") and the Holders. Each of the Company and the Holders may be referred to in this Agreement as a "**Party**" and, collectively, as the "**Parties**." This Agreement amends and restates in its entirety that certain Registration Rights Agreement of the Company, dated as of November 3, 2022 (the "**Original Registration Rights Agreement**"). Capitalized terms used but not otherwise defined herein have the meanings assigned such terms in Section 12 of this Agreement. The term "Holder" and "Party" shall also include any Joining Party to whom rights and obligations hereunder are assigned in compliance with Section 13(e).

A. The Company and certain of its direct and indirect subsidiaries filed chapter 11 cases under Title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (as it may be amended from time to time).

B. In connection with the Plan, on January 12, 2022, the Company and certain of its subsidiaries entered into (i) that certain backstop commitment agreement (as amended, restated, supplemented and otherwise modified from time to time, the "**Backstop Creditors Backstop Agreement**") with the backstop parties listed in Schedule 1 hereto under the heading "Creditor Backstop Parties" (together with their affiliates listed under such heading, the "**Creditor Backstop Parties**"), pursuant to which the Company, subject to the terms and conditions therein, agreed to (x) on the Closing Date (a) deliver to the Creditor Backstop Parties New Convertible Notes Class A and New Convertible Notes Class C, and upon exercise of the conversion option (in accordance with its terms) by the relevant holders under such New Convertible Notes Class A and New Convertible Notes Class C, the Company has agreed to deliver new Ordinary Shares and (b) deliver to the Creditor Backstop Parties new Ordinary Shares pursuant to the Plan and the Backstop Creditors Backstop Agreement, and (y) certain resale registration terms and conditions to be negotiated in good faith between the Company and the Creditor Backstop Parties, and in consultation with the Shareholder Backstop Parties; and (ii) that certain backstop commitment agreement (as amended, restated, supplemented and otherwise modified from time to time, the "**Backstop Shareholders Backstop Agreement**", and together with the Backstop Creditors Backstop Agreement, the "**Backstop Commitment Agreements**") with the backstop parties listed in Schedule 1 hereto under the heading "Shareholder Backstop Parties" (together with their affiliates listed under such heading, the "**Shareholder Backstop Parties**" and together with the Creditor Backstop Parties, the "**Backstop Parties**"), pursuant to which the Company, subject to the terms and conditions therein, agreed to, on the Closing Date (as defined in the Backstop Shareholders Backstop Agreement), deliver to the Shareholder Backstop Parties certain new Ordinary Shares and New Convertible Notes Class B, in each case, that are properly subscribed and purchased by the Shareholder Backstop Parties pursuant to the Plan and the Backstop Shareholders Backstop Agreement, and upon exercise of the conversion option (in accordance with its terms) by the Shareholder Backstop Parties under such New Convertible Notes Class B, the Company has agreed to deliver new Ordinary Shares.

C. As provided in the Backstop Creditors Backstop Agreement, on the Effective Date, the Parties entered into the Original Registration Rights Agreement in order to grant to the Holders certain registration rights relating to the Registrable Securities.

D. The undersigned Parties wish hereby to amend and restate the terms of the Original Registration Rights Agreement in the form of this Agreement in accordance with the terms of Section 13(d) of the Original Registration Rights Agreement.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company and each Holder hereby agree as follows:

1. Registration.

(a) Shelf Registration.

(i) Filing and Effectiveness of Shelf Registration Statement. On August 12, 2022, the Company filed with the SEC a Registration Statement on Form F-1 covering the resale of all Registrable Securities beneficially owned from time to time by the Holders on a delayed or continuous basis (as amended by Amendment No. 1 thereto filed with the SEC on October 26, 2022, the "**Form F-1 Shelf**"). As soon as reasonably practicable after the Company becomes eligible to use Form F-3, the Company shall use commercially reasonable efforts to convert the Form F-1 Shelf to a Registration Statement on Form F-3 (or other appropriate short form registration statement then permitted by the SEC's rules and regulations) (the "**Form F-3 Shelf**" and together with the Form F-1 Shelf, the "**Shelf Registration Statement**") covering the resale of all applicable Registrable Securities beneficially owned from time to time by the Holders from time to time (which shall be an Automatic Shelf Registration Statement if the Company is a WKSI).

(ii) Subject to the terms of this Agreement, including any applicable Blackout Period, the Company shall use commercially reasonable efforts to cause the Shelf Registration Statement to be declared effective under the Securities Act at such time as is requested by the Necessary Backstop Parties or as promptly as practicable thereafter, *provided* that, (x) to the extent necessary or desirable, the Company shall amend or refile the Shelf Registration Statement so as to become effective at such time, (y) the Company shall not file or seek the effectiveness of any other registration statement (other than the Shelf Registration Statement) under the Securities Act for the offer and sale of Ordinary Shares or ADS in the public securities markets prior to the effectiveness of the Shelf Registration Statement, and (z) the Company shall, at any time prior to the effectiveness of the Shelf Registration Statement, suspend and halt its efforts to have the Shelf Registration Statement declared effective upon the request of the Necessary Backstop Parties, until such time as the Necessary Backstop Parties shall request that the Company resume its efforts to have the Shelf Registration Statement declared effective. From and after the effectiveness of the Shelf Registration Statement, the Company shall use commercially reasonable efforts to keep the Shelf Registration Statement continuously effective under the Securities Act (and, if the Shelf Registration Statement ceases to be effective for any reason, as promptly as practicable, use commercially reasonable efforts to take all actions, including to make all required filings with the SEC, so as to resume the effectiveness of the Shelf Registration Statement) until the date that all Registrable Securities covered by such Registration Statement are no longer Registrable Securities, including, to the extent a Form F-1 Shelf is converted to a Form F-3 Shelf and the Company thereafter becomes ineligible to use Form F-3, by using commercially reasonable efforts to file a Form F-1 Shelf or other appropriate form specified by the SEC's rules and regulations as promptly as reasonably practicable after the date of such ineligibility and using its commercially reasonable efforts to have such Shelf Registration Statement declared effective as promptly as reasonably practicable after the filing thereof (the period during which the Company is required to keep the Shelf Registration Statement continuously effective under the Securities Act in accordance with this Section 1(a)(ii), the "**Shelf Period**").

(iii) The Company shall, within one (1) Business Day after the effectiveness of a Shelf Registration Statement, notify the Holders named in the Shelf Registration Statement via e-mail to the addresses set forth on Schedule I hereof of the effectiveness of the Shelf Registration Statement. The Company shall file a final Prospectus in respect of such Shelf Registration Statement with the SEC to the extent required by Rule 424 under the Securities Act. The "Plan of Distribution" section of such Shelf Registration Statement shall include and permit all methods of distribution permitted by applicable law, including underwritten offerings, at-the market transactions, brokerage transactions (including on an exchange or over-the-counter), private transactions, Bought Deals (as defined below), block trades, through options, short sales, forward sales, puts, agented transactions, stock lending transactions and hedging and other derivative transactions, including the means of distribution described in the form set forth in Exhibit C hereto (which may be amended from time to time to the extent necessary to permit additional lawful means of distribution); *provided* that (x) all distributions must be preceded by a Distribution Request, and (y) such distribution shall not include ordinary way sales on an exchange or in the over-the-counter market or in private transactions that are not block trades occurring prior to the six (6) month anniversary of the Effective Date, and after the six (6) month anniversary of the Effective Date such sales may only be made pursuant to the Shelf Registration Statement by Holders that are unable to sell without limitation as to volume or manner of sale under Rule 144; and *provided further* that no prospectus or prospectus supplement issued pursuant to the Shelf Registration Statement shall contain any plan of distribution that conflicts with the preceding clauses (x) and (y). For the avoidance of doubt, the limitations on underwritten offerings shall be as provided below in Section 1(a)(vi), and otherwise there shall be no limits (other than for cooling-off periods as provided in Section 1(a)(ix), or Blackout Periods as provided in Section 1(e)). Each of the foregoing methods of distribution (other than underwritten offerings) is referred to in this Agreement as an "**Alternative Transaction**." The term "**Distribution Request**" means in the case of an Underwritten Offering, an Underwritten Offering Request, and, in the case of an Alternative Transaction, notice of such Alternative Transaction delivered to the Company not later than one (1) Business Day prior to the initiation thereof.

(iv) Holder Information. Each Holder seeking to include any of its Registrable Securities in any Registration Statement pursuant to this Agreement must deliver (which, for the avoidance of doubt, may be by email) to the Company a fully completed notice and questionnaire in substantially the form attached hereto as Exhibit A (the "**Questionnaire**") and such other information in writing as the Company may reasonably request in writing for use in connection with the Registration Statement or Prospectus included therein and in any application to be filed with or under state securities laws (which such request shall be made at least ten (10) Business Days prior to the date of effectiveness of a Registration Statement) in accordance with Section 13(n). In order to be named as a selling securityholder in the Shelf Registration Statement at the time it is first made available for use, a Holder must furnish the completed Questionnaire and such other information that the Company may reasonably request in writing, if any, to the Company in writing no later than the fifth (5^{th}) Business Day prior to the targeted date of effectiveness of the Shelf Registration Statement; *provided* that any Holder providing a completed Questionnaire within that time period may provide updated information regarding such Holder's beneficial ownership and the number of Registrable Securities requested to be included up to the second (2^{nd}) Business Day prior to the effective date of the Shelf Registration Statement. Each Holder as to which any Registration is being effected agrees to furnish to the Company all information with respect to such Holder necessary to make the information previously furnished to the Company by such Holder not materially misleading.

(v) Supplements. From and after the effective date of the Shelf Registration Statement, upon receipt of a completed Questionnaire and such other information that the Company may reasonably request in writing, if any, the Company will use its commercially reasonable efforts to file as promptly as reasonably practicable, but in any event on or prior to the tenth (10^{th}) Business Day after receipt of such information (or, if a Blackout Period is then in effect or initiated within ten (10) Business Days following the date of receipt of such information, the tenth (10^{th}) Business Day following the end of such Blackout Period) either (i) if then permitted by the Securities Act or the rules and regulations thereunder (or then-current SEC interpretations thereof), a supplement to the Prospectus contained in the Shelf Registration Statement naming such Holder as a selling shareholder and containing such other information as necessary to permit such Holder to deliver the Prospectus to purchasers of the Holder's Registrable Securities, or (ii) if it is not then permitted under the Securities Act or the rules and regulations thereunder (or then-current SEC interpretations thereof) to name such Holder as a selling shareholder in a supplement to the Prospectus, a post-effective amendment to the Shelf Registration Statement or an additional Shelf Registration Statement as necessary for such Holder to be named as a selling shareholder in the Prospectus contained therein to permit such Holder to deliver the Prospectus to purchasers of the Holder's Registrable Securities (subject, in the case of either clause (i) or clause (ii), to the Company's right to delay filing or suspend the use of the Shelf Registration Statement as described in Section 1(e) hereof). If the Company is not a WKSI or is not otherwise eligible to add additional selling shareholders by means of a prospectus supplement, notwithstanding the foregoing, the Company shall not be required to file more than one (1) post-effective amendment or additional Shelf Registration Statements in any fiscal quarter for all Holders pursuant to this Section 1(a)(v); *provided* that the foregoing limitation shall not apply if the Registrable Securities to be added represent beneficial ownership of more than $15 million of the Ordinary Shares (based on the closing price of the Ordinary Shares on the Business Day prior to the filing of such post-effective amendment or additional Shelf Registration Statement, to the extent the Ordinary Shares are then listed on the Trading Market, or as determined in good faith by the Company to the extent the Ordinary Shares are not then listed on the Trading Market (the "**Filing Value**")). If the Company is a WKSI or is otherwise eligible to add additional selling shareholders by means of a prospectus supplement, notwithstanding the foregoing, the Company shall not be required to file more than two (2) prospectus supplements for all Holders pursuant to this Section 1(a)(v) in any fiscal quarter; *provided* that the foregoing limitation shall not apply if the Registrable Securities to be added represent beneficial ownership of more than $15 million of the Ordinary Shares (based on the Filing Value).

(vi) Underwritten Offerings. At any time during the Shelf Period (subject to any Blackout Period), any one or more Backstop Parties who, together with their Affiliates, beneficially own in the aggregate at least five percent (5%) of the Ordinary Shares issued and outstanding on the Effective Date (such Backstop Parties, the "**Threshold Backstop Parties**") may request to sell all or any portion of the Registrable Securities beneficially owned by such Threshold Backstop Parties in an underwritten Public Offering (including a "bought deal" or "overnight transaction," (each, a "**Bought Deal**") that is registered pursuant to the Shelf Registration Statement (each, an "**Underwritten Offering**"); *provided,* that (x) the first Underwritten Offering pursuant to the Shelf Registration Statement (the "**Re-IPO**") may only be initiated by the Necessary Backstop Parties, and (y) the Company shall not be obligated to effect: (A) more than four (4) Underwritten Offerings pursuant to this Section 1(a)(vi) in any consecutive 12-month period; or (B) any Underwritten Offering pursuant to this Section 1(a)(vi) if the aggregate proceeds expected to be received from the sale of the Registrable Securities requested to be sold in such Underwritten Offering, in the good faith judgment of the managing underwriter(s) therefor, is less than (A) in the case of the Re-IPO, $200 million, and (B) in the case of any subsequent Underwritten Offering, $100 million, as of the date the Company receives an Underwritten Offering Request, *provided further*, that the Shareholder Backstop Parties shall not initiate any Underwritten Offerings pursuant to this Section 1(a)(vi) until the expiration of the four year period referenced in the Section entitled "*Conversion Mechanics and Conversion Ratio*" of the New Convertible Notes Class B Term Sheet attached to the Restructuring Support Agreement (the "**Class B Restriction Period**") and thereafter may initiate one (1) in any consecutive 12-month period, and *provided further*, that (A) a Bought Deal shall not constitute an Underwritten Offering for purposes of the limitation set forth in the preceding clauses (x) and (y), and (B) a block trade or other Alternative Transaction shall not constitute an Underwritten Offering.

(vii) Notice of Underwritten Offering. All requests for Underwritten Offerings pursuant to Section 1(a)(vi) shall be made by giving written notice to the Company (each, an "**Underwritten Offering Request**", and the Holder(s) initiating such request, the "**Requesting Holders**"). Each Underwritten Offering Request shall specify the approximate number of Ordinary Shares to be sold in the Underwritten Offering and the expected aggregate proceeds of such Underwritten Offering. Subject to Section 1(e) below, after receipt of any Underwritten Offering Request, the Company shall give written notice (the "**Underwritten Offering Notice**") of such requested Underwritten Offering (which notice shall state the material terms of such proposed Underwritten Offering, to the extent known) to all other Holders that have Registrable Securities registered for sale under the Shelf Registration Statement ("**Shelf Registrable Securities**"). Such Underwritten Offering Notice shall be given at least three (3) Business Days prior to the expected date of commencement of marketing efforts for such Underwritten Offering. Subject to Section 1(c)(ii), the Company shall include in such Underwritten Offering all Shelf Registrable Securities with respect to which the Company has received written requests for inclusion therein as promptly as practicable after the giving of the Underwritten Offering Notice.

(viii) Priority of Registrable Securities. If the managing underwriters for an Underwritten Offering pursuant to Section 1(a)(vi) advise the Company and the holders of Shelf Registrable Securities proposed to be included in such Underwritten Offering that in their reasonable view the number of Shelf Registrable Securities proposed to be included in such Underwritten Offering exceeds the number of Shelf Registrable Securities which can be sold in an orderly manner in such offering within a price range acceptable to the Requesting Holders (the "**Maximum Offering Size**"), then the Company shall promptly give written notice to all holders of Shelf Registrable Securities proposed to be included in such Underwritten Offering of such Maximum Offering Size, and shall include in such Underwritten Offering the number of Shelf Registrable Securities which can be so sold in the following order of priority, up to the Maximum Offering Size: (x) in the case of a Re-IPO, (A) first, the Shelf Registrable Securities requested to be included in such Underwritten Offering by all Holders, allocated, if necessary for the offering not to exceed the Maximum Offering Size, pro rata among such Holders on the basis of the number of Shelf Registrable Securities requested to be included therein by each such Holder (*provided*, that each such Holder shall have executed a Lock-Up Agreement, if requested by the managing underwriters), and (B) second, any securities proposed to be offered by the Company or third party holders, and (y) in the case of any subsequent Underwritten Offerings, (A) first, the Shelf Registrable Securities requested to be included in such Underwritten Offering by the Requesting Holders, allocated, if necessary for the offering not to exceed the Maximum Offering Size, pro rata among such Holders on the basis of the number of Shelf Registrable Securities requested to be included therein by each such Holder, (B) second, the Shelf Registrable Securities requested to be included in such Underwritten Offering by all other Holders, allocated, if necessary for the offering not to exceed the Maximum Offering Size, pro rata among such Holders on the basis of the number of Shelf Registrable Securities requested to be included therein by each such Holder, and (C) third, any securities proposed to be offered by the Company or third party holders.

(ix) Restrictions on Timing of Underwritten Offerings Pursuant to Section 1(a)(vi). The Company shall not be obligated to effect an Underwritten Offering pursuant to Section 1(a)(vi) within sixty (60) days after the initiation of a previous Underwritten Offering pursuant to Section 1(a)(vi), *provided* that for an Underwritten Offering pursuant to Section 1(a)(vi) that is a Bought Deal, the Company shall not be obligated to effect an Underwritten Offering pursuant to Section 1(a)(vi) within thirty (30) days after the initiation of a previous Underwritten Offering pursuant to Section 1(a)(vi).

(x) Selection of Bankers and Counsel. The Requesting Holders shall have the right to: (A) select the investment banker(s) and manager(s) to administer an Underwritten Offering pursuant to Section 1(a)(vi) (which shall consist of one (1) or more reputable nationally recognized investment banks, subject to the Company's approval (which shall not be unreasonably withheld, conditioned or delayed) and one (1) firm of legal counsel to represent all of the Holders (along with one (1) local counsel per jurisdiction, to the extent reasonably necessary, for any applicable jurisdiction), in connection with such Underwritten Offering, and, subject to Section 2(z), (B) determine the price, underwriting discount and other financial terms of the related underwriting agreement for the Registrable Securities included in such Underwritten Offering.

(xi) Withdrawal from Registration. Any Holder whose Registrable Securities were to be included in any such registration pursuant to Section 1(a) may elect to withdraw any or all of its Registrable Securities therefrom, without liability to any of the other Holders and without prejudice to the rights of any such Holder or Holders to include Registrable Securities in any future registration (or registrations), by written notice to the Company delivered at any time on or prior to the Business Day prior to the effective date of the relevant Registration Statement or the execution of the underwriting agreement entered into in connection therewith, as applicable. For the avoidance of doubt, if there is any withdrawal of Registrable Securities pursuant to this Section 1(a)(xi) that reduces the amount of Shelf Registrable Securities proposed to be included in an Underwritten Offering to an amount below the thresholds required for an Underwritten Offering pursuant to Section 1(a)(iv), then such Underwritten Offering does not apply against the limitations on the number of Underwritten Offerings set forth in Section 1(a)(vi).

(b) Demand Registration.

(i) If the Shelf Registration Statement is not declared effective or, following its effectiveness, ceases to be effective or is otherwise unavailable for any reason (other than as a result of a Blackout Period), upon written notice to the Company (a "**Demand Request**") delivered by the Threshold Backstop Parties, requesting that the Company effect the registration (a "**Demand Registration**") under the Securities Act of any or all of the Registrable Securities beneficially owned by such Holder(s), the Company shall give a notice of the receipt of such Demand Request (a "**Demand Notice**") to all other Holders of Registrable Securities (which notice shall state the material terms of such proposed Demand Registration, to the extent known). Such Demand Notice shall be given not more than ten (10) Business Days and not less than five (5) Business Days, in each case prior to the expected date of the public filing of the registration statement (the "**Demand Registration Statement**") for such Demand Registration. Subject to the provisions of Section 1(b)(iii) below, the Company shall file the Demand Registration Statement and use its commercially reasonable efforts to effect, as soon as reasonably practicable, the registration under the Securities Act and under the applicable state securities laws and include in such Demand Registration Statement all Registrable Securities with respect to which the Company has received written requests for inclusion therein within five (5) Business Days after the later of (x) the Company delivering the Demand Notice to Holders of Registrable Securities and (y) five (5) Business Days prior to the actual public filing of the Demand Registration Statement. Nothing in this Section 1(b) shall relieve the Company of its obligations under Section 1(a) above. For the avoidance of doubt, the "Plan of Distribution" section of the requested Demand Registration Statement shall comply with the provisions specified for the Shelf Registration Statement pursuant to Section 1(a)(iii). Anything to the contrary in this Section 1(b)(i) notwithstanding, however, unless a Re-IPO has earlier occurred or at the time there are no Necessary Backstop Parties without giving effect to clause (iii) of the definition thereof, a Demand Request may only be delivered by the Necessary Backstop Parties, in which case the applicable Demand Registration, if consummated, shall be deemed a "**Demand Re-IPO**", and such Demand Request shall comply with the provisions therefor set forth in Section 1(a)(vi).

(ii) Demand Registration Using Form F-3. The Company shall effect any requested Demand Registration using a Registration Statement on Form F-3 whenever the Company is a Seasoned Issuer or a WKSI, and shall use an Automatic Shelf Registration Statement if it is a WKSI.

(iii) Limitations on Demand Registrations. The Company shall not be obligated to effect (x) more than four (4) Underwritten Demands (together with any Underwritten Offerings pursuant to Section 1(a)(vi)) in any consecutive 12-month period; or (y) any Underwritten Demand if the aggregate gross proceeds expected to be received from the sale of the Registrable Securities requested to be sold in such Underwritten Demand, in the good faith judgment of the managing underwriter(s) therefor, is less than $100 million as of the date the Company receives a Demand Request, *provided*, that the Shareholder Backstop Parties shall not initiate any Underwritten Demands until the expiration of the Class B Restriction Period and thereafter may initiate one (1) in any consecutive 12-month period; and *provided further* that a Bought Deal or block trade or other Alternative Transaction shall not constitute an Underwritten Demand for purposes of the limitation set forth in the preceding clauses (x) and (y). The Company shall not be obligated to effect a Demand Registration within sixty (60) days after the consummation of a previous sale of all or any portion of its Registrable Securities in an Underwritten Offering or Demand Registration. For the avoidance of doubt, if an Underwritten Offering or an Underwritten Demand is commenced but not consummated due to a suspension of sales by the Company pursuant to a Blackout Period, the restriction in the foregoing sentence shall not apply.

(iv) Effectiveness of Demand Registration Statement. The Company shall use its commercially reasonable efforts to have the Demand Registration Statement declared effective by the SEC as promptly as practicable after filing and keep the Demand Registration Statement continuously effective under the Securities Act for the period of time necessary for the underwriters or Holders to sell all the Registrable Securities covered by such Demand Registration Statement or such shorter period which will terminate when all Registrable Securities covered by such Demand Registration Statement have been sold pursuant thereto (including, if necessary, by filing with the SEC a post-effective amendment or a supplement to the Demand Registration Statement or the related prospectus or any document incorporated therein by reference or by filing any other required document or otherwise supplementing or amending the Demand Registration Statement, if required by the rules, regulations or instructions applicable to the registration form used by the Company for such Demand Registration Statement or by the Securities Act, any state securities or "blue sky" laws, or any other rules and regulations thereunder) (the "**Effectiveness Period**"). A Demand Registration shall not be deemed to have occurred (A) if the Demand Registration Statement is withdrawn without becoming effective, (B) if the Demand Registration Statement does not remain effective in compliance with the provisions of the Securities Act and the laws of any state or other jurisdiction applicable to the disposition of the Registrable Securities covered by such Registration Statement for the Effectiveness Period, (C) if, after it has become effective, such Demand Registration Statement is subject to any stop order, injunction or other order or requirement of the SEC or other governmental or regulatory agency or court for any reason other than a violation of applicable law solely by any selling Holder and has not thereafter become effective, (D) in the event of a Demand Registration conducted as an underwritten Public Offering (an "**Underwritten Demand**"), if the conditions to closing specified in the underwriting agreement entered into in connection with such registration are not satisfied or waived other than solely by reason of some act or omission by a Holder, or (E) if the number of Registrable Securities included on the applicable Registration Statement is reduced in accordance with Section 1(b)(v) such that less than seventy five percent (75%) of the Registrable Securities of the Holders of Registrable Securities who sought to be included in such registration are so included in such Registration Statement.

(v) Priority of Registration. Notwithstanding any other provision of this Section 1(b), if (A) a Demand Registration is an Underwritten Demand and (B) the managing underwriters advise the Company that in their reasonable judgment, the number of Registrable Securities proposed to be included in such offering (including Registrable Securities requested by Holders to be included in such Public Offering and any securities that the Company or any other Person proposes to be included that are not Registrable Securities) exceeds the Maximum Offering Size, then the Company shall so advise the Holders with Registrable Securities proposed to be included in such Underwritten Demand, and shall include in such offering the number of Registrable Securities which can be so sold in the following order of priority, up to the Maximum Offering Size: (x) in the case of a Demand Re-IPO, (A) first, the Registrable Securities requested to be included in such Underwritten Demand by all Holders, allocated, if necessary for the offering not to exceed the Maximum Offering Size, pro rata among such Holders on the basis of the number of Registrable Securities requested to be included therein by each such Holder (*provided*, that each such Holder shall have executed a Lock-Up Agreement, if requested by the managing underwriters), and (B) second, any securities proposed to be offering by the Company, and (y) in the case of any subsequent Underwritten Demand, (A) first, in connection with an Underwritten Demand, the Registrable Securities requested to be included in such Underwritten Demand by those Holders initially delivering such Demand Request, allocated, if necessary for the offering not to exceed the Maximum Offering Size, pro rata among such Holders on the basis of the number of Registrable Securities requested to be included therein by each such Holders; (B) second, in connection with an Underwritten Demand, the Registrable Securities requested to be included in such Underwritten Demand by all Holders of such Registrable Securities not described in the foregoing clause (A), allocated, if necessary for the offering not to exceed the Maximum Offering Size, pro rata among such Holders on the basis of the number of Registrable Securities requested to be included therein by each such Holders, and (C) third, any securities proposed to be offered by the Company.

(vi) Underwritten Demand. The determination of whether any Public Offering of Registrable Securities pursuant to a Demand Registration will be an Underwritten Demand shall be made in the sole discretion of the Holders making the Demand Request for such Demand Registration and, subject to Section 2(z), such Holders shall (A) have the right to determine the plan of distribution, the price at which the Registrable Securities are to be sold and the underwriting commissions, discounts and fees and other financial terms and (B) select the investment banker(s) and manager(s) to administer the offering, including the lead managing underwriter(s) (which shall consist of one (1) or more reputable nationally recognized investment banks, subject to the Company's approval (which shall not be unreasonably withheld, conditioned or delayed)) and one (1) firm of legal counsel to represent all of the Holders (along with one (1) local counsel per jurisdiction, to the extent reasonably necessary, for any applicable jurisdiction), in connection with such Demand Registration.

(vii) Withdrawal of Registrable Securities. Any Holder whose Registrable Securities were to be included in any such registration pursuant to Section 1(b) may elect to withdraw any or all of its Registrable Securities therefrom, without liability to any of the other Holders and without prejudice to the rights of any such Holder to include Registrable Securities in any future registration (or registrations), by written notice to the Company and the underwriters (if any) delivered at any time on or prior to the Business Day prior to the effective date of the relevant Demand Registration Statement. For the avoidance of doubt, if there is any withdrawal of Registrable Securities pursuant to this Section 1(b)(vii) that reduces the amount of Registrable Securities proposed to be included in a Demand Registration to an amount below the thresholds required for a Demand Registration pursuant to Section 1(b)(iii), then such Demand Registration does not apply against the limitations on the number of Demand Registration set forth in Section 1(b)(iii).

(c) Piggyback Registration.

(i) Registration Statement on behalf of the Company. If at any time the Company proposes to (A) file a Registration Statement for the purpose of conducting an underwritten Public Offering or (B) conduct an underwritten Public Offering constituting a "takedown" (including a Bought Deal) of Ordinary Shares (a "**Piggyback Takedown**") under a shelf registration statement (other than a Shelf Registration Statement pursuant to Section 1(a) or a Demand Registration pursuant to Section 1(b)) filed by the Company (as the case may be, a "**Piggyback Offering**"), and the registration form to be used may be used for the registration of Registrable Securities, the Company shall give prompt written notice (the "**Piggyback Notice**") to all Holders (collectively, the "**Piggyback Eligible Holders**") of the Company's intention to conduct such underwritten Public Offering. The Piggyback Notice shall be given, (i) in the case of a Piggyback Offering that is a Piggyback Takedown, not earlier than ten (10) Business Days and not less than five (5) Business Days, in each case under this clause (i), prior to the expected date of commencement of marketing efforts for such Piggyback Takedown; or (ii) in the case of any other Piggyback Registration, not less than five (5) Business Days prior to the expected date of commencement of marketing efforts for such Piggyback Takedown. The Piggyback Notice shall offer the Piggyback Eligible Holders the opportunity to include in such Piggyback Offering the number of Registrable Securities of the same class and series as those proposed to be, as applicable, registered and/or offered pursuant to a Piggyback Takedown, as they may request, subject to Section 1(c)(ii) (a "**Piggyback Registration**"). Subject to Section 1(c)(ii), the Company shall include in each such Piggyback Offering such Registrable Securities for which the Company has received written requests (each, a "**Piggyback Request**") for inclusion therein from Piggyback Eligible Holders within (x) in the case of a Bought Deal, two (2) Business Days, (y) in the case of any other Piggyback Takedown, three (3) Business Days; or (z) otherwise, five (5) Business Days, in each case after the date of the Company's notice; *provided* that the Company may not commence marketing efforts for such Public Offering until such periods have elapsed and the inclusion of all such securities so requested, subject to Section 1(c)(ii). If a Piggyback Eligible Holder decides not to include all of its Registrable Securities in any Piggyback Offering thereafter filed by the Company, such Piggyback Eligible Holder shall nevertheless continue to have the right to include any Registrable Securities in any subsequent Piggyback Offerings or Registration Statements as may be filed by the Company with respect to offerings of Registrable Securities, all upon the terms and conditions set forth herein. The Company shall use its commercially reasonable efforts to, as applicable, effect the registration under the Securities Act of all Registrable Securities which the Company has been so requested to register pursuant to the Piggyback Requests, or otherwise take all steps necessary, including by effecting a takedown under the Shelf Registration Statement, to include such Registrable Securities in the Piggyback Offering, to the extent required to permit the disposition of the Registrable Securities so requested to be registered. There is no limitation on the number of Piggyback Registrations pursuant to this paragraph that the Company is required to effect.

(ii) Priority of Registration. If the managing underwriters of such Piggyback Offering made on behalf of the Company advise the Company and the Piggyback Eligible Holders in writing that, in their reasonable view the amount of securities requested to be included in such registration (including Registrable Securities requested by the Piggyback Eligible Holders to be included in such offering and if applicable Other Registrable Securities) exceeds the Maximum Offering Size (which for the purposes of a Piggyback Registration shall be within a price range acceptable to the Company), then the Company shall so advise all Piggyback Eligible Holders with Registrable Securities proposed to be included in such Piggyback Registration, and shall include in such offering the number which can be so sold in the following order of priority, up to the Maximum Offering Size: (A) first, (x) if the Piggyback Registration is with respect to a primary offering of the Company's Capital Stock initiated by the Company, such securities that the Company proposes to sell up to the Maximum Offering Size, or (y) if the Piggyback Registration is an offering at the demand of the holders of Other Registrable Securities, the securities that such holders propose to sell and thereafter any securities proposed to be offered by the Company, in each case up to the Maximum Offering Size, (B) second, the Registrable Securities requested to be included in such Piggyback Registration by each Piggyback Eligible Holder, allocated, if necessary for the offering not to exceed the Maximum Offering Size, pro rata on the basis of the amount of Ordinary Shares or other Capital Stock constituting Registrable Securities requested in aggregate to be included therein and (C) third, the Other Registrable Securities (if any) requested to be included in such Piggyback Registration by any holder of Other Registrable Securities with rights to participate in such offering, allocated, if necessary, in accordance with the registration rights agreement governing the Other Registrable Securities. All Piggyback Eligible Holders requesting to be included in the Piggyback Registration must sell their Registrable Securities to the underwriters selected as provided in Section 1(c)(iv) on the same terms and conditions as apply to the Company.

(iii) Withdrawal from Registration. The Company shall have the right to terminate or withdraw any registration initiated by it under this Section 1(c), whether or not any Piggyback Eligible Holder has elected to include Registrable Securities in such Shelf Registration Statement, without prejudice, however, to the right of the Holder immediately to request that such registration be effected as a registration under Section 1(b) to the extent permitted thereunder and subject to the terms set forth therein. Any Holder that has elected to include Registrable Securities in a Piggyback Offering may elect to withdraw such Holder's Registrable Securities by written notice to the Company and the underwriters (if any) delivered at any time on or prior to the Business Day prior to the effective date of the relevant Registration Statement or the execution of the underwriting agreement entered into in connection therewith, as applicable. Notwithstanding anything to the contrary in this Agreement, the Company shall be responsible for the Registration Expenses incurred in connection with the Piggyback Registration prior to its withdrawal under this Section 1(c)(iii).

(iv) Selection of Bankers and Counsel. If a Piggyback Registration pursuant to this Section 1(c) involves an underwritten Public Offering initiated by the Company, the Company shall have the right to (A) determine the plan of distribution, including the price at which the Registrable Securities are to be sold and the underwriting commissions, discounts and fees and (B) select the investment banker(s) and manager(s) to administer the Public Offering, including the lead managing underwriter(s) (each of which shall be reputable nationally recognized investment banks) (or, if such Piggyback Registration involves an underwritten Public Offering initiated by a third party, the determination of the plan of distribution and selection of investment bankers for such offering shall be in accordance with the applicable registration rights agreement between such third party and the Company). Holders of a Majority of Included Registrable Securities included in such underwritten Public Offering shall have the right to select one (1) firm of legal counsel to represent all of the Holders (along with any reasonably necessary local counsel), in connection with such Piggyback Registration.

(v) Effect of Piggyback Registration. No registration effected under this Section 1(c) shall relieve the Company of its obligations to effect any registration of the offer and sale of Registrable Securities upon request under Section 1(a) or Section 1(b) hereof and no registration effected pursuant to this Section 1(c) shall be deemed to have been effected pursuant to Section 1(a) or Section 1(b) hereof.

(d) Notice Requirements. Any Demand Request, Piggyback Request or Underwritten Offering Request shall (i) specify the maximum number or class or series of Registrable Securities intended to be offered and sold by the Holder making the request, (ii) express such Holder's bona fide intent to offer up to such maximum number of Registrable Securities for distribution, (iii) describe the nature or method of the proposed offer and sale of Registrable Securities (to the extent applicable), and (iv) contain the undertaking of such Holder to provide all such information and materials and take all action as may reasonably be required in order to permit the Company to comply with all applicable requirements in connection with the registration of such Registrable Securities.

(e) Blackout Period. Notwithstanding any other provision of this Section 1, the Company shall have the right but not the obligation to defer the filing of (but not the preparation of), or suspend the use by the Holders of, any Demand Registration or Shelf Registration, including in connection with the Re-IPO or Demand Re-IPO, as applicable, (whether prior to or after receipt by the Company of an Underwritten Offering Request or Demand Request) if the Company's Board of Directors determines in its reasonable good faith judgment (with the advice of competent counsel expert in such matters) (i) that any such registration or offering would require the disclosure, under applicable securities laws and/or other laws, of material nonpublic information that would not otherwise be required to be disclosed at that time and the Company believes in good faith that such disclosures at that time would be materially adverse to the Company; *provided* that the exception in clause (i) shall continue to apply only during the time in which such material nonpublic information has not been disclosed and remains material; or (ii) that the offer or sale of Registrable Securities would, or would reasonably be expected to, materially impede, delay or interfere with any significant financing, significant acquisition, corporate reorganization or other significant transaction then pending or proposed to be taken by the Company or any of its subsidiaries (or any negotiations, discussions or pending proposals pending thereto); *provided* that, the period of any delay or suspension under exceptions (i) and/or (ii) shall not exceed a period of forty-five (45) days each, extendable by the Company's Board of Directors up to a total of ninety (90) days, and any such delays or extensions shall not in aggregate exceed (x) two (2) in number or ninety (90) days, in each case in any consecutive twelve (12) month period (any such period, a "**Blackout Period**", and any event triggering any such delay or suspension, a "**Blackout Event**"); *provided*, *however*, that in such event, the majority of requesting Holders will be entitled to withdraw any request for a Demand Registration or an Underwritten Offering and, if such request is withdrawn, such Demand Registration or Underwritten Offering will not count as a Demand Registration or an Underwritten Offering and the Company will pay all Registration Expenses in connection with such registration, regardless of whether such registration is effected. The Company shall promptly give written notice to the Holders of Registrable Securities registered under or pursuant to any Shelf Registration Statement or any Demand Registration with respect to its declaration of a Blackout Period and of the expiration of the relevant Blackout Period (a "**Blackout Notice**"). If the filing of any Demand Registration is suspended or an Underwritten Offering is delayed pursuant to this Section 1(e), once the Blackout Period ends, the Threshold Backstop Parties may request a new Demand Registration or a new Underwritten Offering (and such request shall not be counted as an additional Underwritten Offering or Demand Registration for purposes of either Section 1(a)(vi) or Section 1(b)(i)). The Company shall not include any material non-public information in the Blackout Notice and/or otherwise provide such information to a Holder unless specifically requested by a Holder in writing. A Holder shall not effect any sales of the Registrable Securities pursuant to a Registration Statement at any time after it has received a Blackout Notice and prior to receipt of an End of Blackout Notice. Holders may recommence effecting sales of the Registrable Securities pursuant to a Registration Statement following further written notice from the Company to such effect (an "**End of Blackout Notice**"), which End of Blackout Notice shall be given by the Company to the Holders with Registrable Securities included on any suspended Registration Statement and counsel to the Holders, if any, promptly (but in no event later than two (2) Business Days) following the conclusion of any Blackout Event. Notwithstanding any provision herein to the contrary, if the Company gives a Blackout Notice with respect to any Registration Statement pursuant to this Section 1(e), the Company agrees that it shall (i) extend the period which such Registration Statement shall be maintained effective pursuant to this Agreement by the number of days during the period from the date of receipt by the Holders of the Blackout Notice to and including the date of receipt by the Holders of the End of Blackout Notice; and (ii) promptly provide copies of any supplemented or amended prospectus necessary to resume sales, if requested by any Holder; *provided* that such period of time shall not be extended beyond the date that there are no longer Registrable Securities covered by such Registration Statement.

(f) Required Information. The Company may require each Holder of Registrable Securities as to which any Registration Statement is being filed or sale is being effected to furnish to the Company such information regarding the distribution of such securities and such other information relating to such Holder and its ownership of Registrable Securities as the Company may from time to time reasonably request in writing (*provided* that such information shall be used only in connection with such registration), and the Company may exclude from such registration or sale the Registrable Securities of any such Holder who fails to furnish such information within a reasonable time after receiving such request or who does not consent to the inclusion in a Registration Statement or Prospectus related to such registration or sale of such information related to such Holder that is required by the rules and regulations of the SEC. Each Holder agrees to furnish such information to the Company and to cooperate with the Company as reasonably necessary to enable the Company to comply with the provisions of this Agreement.

(g) Other Registration Rights Agreements. The Company represents and warrants to each Holder that, as of the date of this Agreement, it has not entered into any agreement with respect to any of its securities granting any registration rights to any Person with respect to the Registrable Securities, other than as contemplated by the Plan. The Company will not enter into on or after the date of this Agreement, unless this Agreement is modified or waived as provided in Section 13(c) and/or Section 13(d), any agreement (x) that is inconsistent with the rights granted to the Holders with respect to Registrable Securities in this Agreement or otherwise conflicts with the provisions hereof in any material respect, or (y) the terms of which (i) are more favorable taken as a whole than the registration rights granted hereunder, or (ii) do not provide that in the event of a Piggyback Offering, Registrable Securities proposed to be offered by Holders pursuant to a Piggyback Request shall have priority over securities proposed to be offered by any other Person exercising piggyback rights.

2. Registration Procedures. If and whenever registration of Registrable Securities is required pursuant to this Agreement, subject to the express terms and conditions set forth in this Agreement, the procedures to be followed by the Company and each participating Holder to register the sale of Registrable Securities pursuant to a Registration Statement, and the respective rights and obligations of the Company and such Holders with respect to the preparation, filing and effectiveness of such Registration Statement, including in each case the offering of Registrable Securities on a delayed or continuous basis pursuant to a Shelf Registration Statement (and including in connection with a Piggyback Offering), are as follows:

(a) The Company shall (i) prepare and file a Registration Statement or a prospectus supplement, as applicable, with the SEC (within the time periods specified herein, which Registration Statement (A) shall, unless otherwise specified herein, be on a form selected by the Company for which the Company qualifies, (B) shall be available for the sale of the Registrable Securities in accordance with the intended method or methods of distribution, and (C) shall comply as to form in all material respects with the requirements of the applicable form and include and/or incorporate by reference all financial statements required by the SEC to be filed therewith, and (ii) use its commercially reasonable efforts to cause such Registration Statement to become effective and remain effective for the periods provided hereunder. The Company will (I) at least five (5) Business Days (or such shorter period as shall be reasonably practicable or necessary under the circumstances, including in order to timely complete an Underwritten Offering or Alternative Transaction) prior to the anticipated filing of any Shelf Registration Statement, Demand Registration Statement or any related Prospectus or any amendment or supplement thereto, or before using any "issuer free writing prospectus" (as defined in Rule 433 under the Securities Act), furnish to any Holder named as a selling shareholder (or selling shareholders) therein, the Backstop Party Counsel, and the managing underwriter or underwriters (selected as provided herein) of an underwritten Public Offering of Registrable Securities, if applicable, copies of all such documents proposed to be filed (subject in each case to such foregoing Persons entering into a customary confidentiality agreement with respect thereto if requested by the Company), (II) use its commercially reasonable efforts to address in each such document prior to being so filed with the SEC such comments as any of the foregoing Persons reasonably shall propose and (III) not include in any Registration Statement or any related Prospectus or any amendment or supplement thereto information regarding a participating Holder to which a participating Holder reasonably objects; *provided*, *however*, the Company shall not be required to provide copies of any amendment or supplement filed solely to incorporate in any Form F-1 (or other form not providing for incorporation by reference) any filing by the Company under the Exchange Act or any amendment or supplement filed for the purpose of adding additional selling shareholders thereunder.

(b) The Company shall (A) provide the Backstop Party Counsel copies of all substantive correspondence from the SEC received in connection with a Registration Statement as promptly as reasonably practicable following receipt, (B) respond to written comments received from the SEC upon a review of a Registration Statement in a timely manner, (C) prepare in good faith and promptly file any response letter to the SEC and any amendment necessary to respond to such written comments and (D) prior to such filing, furnish to the Backstop Party Counsel (and, upon request and subject to customary confidentiality provisions, the Backstop Parties) a draft of such letter and amendment at least two (2) Business Days prior to such filing, which letter and amendment shall be subject to the reasonable review and comment of such counsel, and the Company shall consider all reasonable comments of the Backstop Party Counsel received at least one (1) Business Day prior to such filing in good faith. Subject to Section 2(dd) below, the Company shall not be obligated to, and will not, share with Holders draft exhibits to any filings, and will omit from the draft filings shared with such Holders, disclosure regarding arrangements subject to confidentiality provisions, including any contracts between the Company and Delta Air Lines, Inc. or its Affiliates that has not been previously publicly disclosed (the "**Confidential Arrangements**"), prior to receiving written consent from the relevant counterparty for such disclosure to Holders, and the Company agrees to use commercially reasonable efforts to apply for and obtain confidential treatment from the SEC in respect of such exhibits, it being understood that (1) a filing or furnishing of such arrangements or contracts with the SEC shall be permitted by this provision, at such times and in such manner as deemed reasonably necessary by the Company in good faith in connection with the registration process for such Registration Statement pursuant to this Agreement, and (2) neither the application for confidential treatment or the process of obtaining written consent from the relevant counterparty shall extend, waive or delay the filing date or any obligation of the Company under this Agreement to obtain effectiveness of any Registration Statement hereunder.

(c) The Company will as promptly as reasonably practicable (i) prepare and file with the SEC such amendments, including post-effective amendments, and supplements to each Registration Statement and the prospectus used in connection therewith as (A) may be reasonably requested by any Holder of Registrable Securities covered by such Registration Statement necessary to permit such Holder to sell in accordance with its intended method of distribution, to the extent such intended method of distribution is consistent with Exhibit C hereto, or (B) may be necessary under applicable law to keep such Registration Statement continuously effective with respect to the disposition of all Registrable Securities covered thereby for the periods provided herein, in accordance with the intended method of distribution.

(d) The Company will make all required filing fee payments in respect of any Registration Statement or prospectus used under this Agreement (and any Public Offering covered thereby) within the deadlines specified by the Securities Act.

(e) The Company will notify each Holder of Registrable Securities named as a selling shareholder in any Registration Statement and the managing underwriter or underwriters of an underwritten Public Offering of Registrable Securities, if applicable, (i) as promptly as reasonably practicable when any Registration Statement or post-effective amendment thereto has been declared effective; (ii) of the issuance or threatened issuance by the SEC or any other governmental or regulatory authority of any stop order, injunction or other order or requirement suspending the effectiveness of a Registration Statement covering any or all of the Registrable Securities or the initiation or threatening of any proceedings for that purpose; (iii) of the receipt by the Company of any notification with respect to the suspension of the qualification or exemption from qualification of any of the Registrable Securities for sale in any jurisdiction, or the initiation or threatening of any proceeding for such purpose; or (iv) of the discovery that, or upon the happening of any event the result of which, such Registration Statement or prospectus or issuer free writing prospectus relating thereto or any document incorporated or deemed to be incorporated therein by reference contains an untrue statement in any material respect or omits any material fact necessary to make the statements in the Registration Statement or the prospectus or issuer free writing prospectus relating thereto (in the case of a prospectus or issuer free writing prospectus, in light of the circumstances under which they were made) not misleading, or when any issuer free writing prospectus includes information that may conflict with the information contained in the Registration Statement or prospectus, or if, for any other reason, it shall be necessary during such time period to amend or supplement such Registration Statement or Prospectus in order to comply with the Securities Act, correct such misstatement or omission or effect such compliance.

(f) Upon the occurrence of any event contemplated by Section 2(e)(iv), as promptly as reasonably practicable, the Company will (x) prepare a supplement or amendment, including a post-effective amendment, if required by applicable law, to the affected Registration Statement or a supplement to the related prospectus or any document incorporated or deemed to be incorporated therein by reference or to the applicable issuer free writing prospectus, (y) furnish, if requested, a reasonable number of copies of such supplement or amendment to the selling Holders, their counsel and the managing underwriter or underwriters of an underwritten Public Offering of Registrable Securities, if applicable, and (z) file such supplement, amendment and any other required document with the SEC so that, as thereafter delivered to the purchasers of any Registrable Securities, such Registration Statement, such prospectus or issuer free writing prospectus shall not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein (in the case of a prospectus or issuer free writing prospectus, in light of the circumstances under which they were made) not misleading, and such issuer free writing prospectus shall not include information that conflicts with information contained in the Registration Statement or prospectus, in each case such that each selling Holder can resume disposition of such Registrable Securities covered by such Registration Statement or prospectus. Following receipt of notice of any event contemplated by clauses 2(e)(ii)-(iv), a Holder shall suspend sales of the Registrable Securities pursuant to such Registration Statement and shall not resume sales until such time as it has received written notice from the Company to such effect. The Company shall provide any supplemented or amended prospectus necessary to resume sales, if requested in writing by any Holder.

(g) The Company will use its commercially reasonable efforts to avoid the issuance of, or, if issued, obtain the withdrawal of (i) any stop order or other order suspending the effectiveness of a Registration Statement or the use of any prospectus filed pursuant to this Agreement, or (ii) any suspension of the qualification (or exemption from qualification) of any of the Registrable Securities for sale in any jurisdiction, as promptly as practicable, or if any such order or suspension is made effective during any Blackout Period, as promptly as practicable after the Blackout Period is over.

(h) The Company shall promptly furnish to the Holders such number of copies of such Shelf Registration Statement, each amendment and supplement thereto, the prospectus included in such Shelf Registration Statement and such other documents as the Holders may request in writing;

(i) The Company will promptly deliver to each selling Holder and the managing underwriter or underwriters of an underwritten Public Offering of Registrable Securities, if applicable, without charge, as many copies of the applicable Registration Statement, each amendment and supplement thereto, the Prospectus included in such Registration Statement (including each preliminary Prospectus, final Prospectus, and any other Prospectus (including any Prospectus filed under Rule 424, Rule 430A or Rule 430B promulgated under the Securities Act and any issuer free writing prospectus)), all exhibits and other documents filed therewith and such other documents as such selling Holder or underwriter may reasonably request in writing in order to facilitate the disposition of the Registrable Securities by such selling Holder or underwriter, and upon request, a copy of any and all transmittal letters or other correspondence to or received from the SEC or any other governmental authority relating to such offer. Subject to Section 1(e) hereof, the Company consents to the use of such Prospectus and each amendment or supplement thereto by each of the selling Holders and any applicable underwriter in connection with the offering and sale of the Registrable Securities covered by such Prospectus and any amendment or supplement thereto.

(j) The Company will (i) register or qualify the Registrable Securities covered by a Registration Statement, no later than the time such Registration Statement is declared effective by the SEC, under all applicable securities laws (including the "blue sky" laws) of such jurisdictions each underwriter, if any, or any selling Holder shall reasonably request in writing; (ii) keep each such registration or qualification effective during the period such Registration Statement is required to be kept effective under the terms of this Agreement; and (iii) do any and all other acts and things which may be reasonably necessary or advisable to enable such underwriter, if any, and each selling Holder to consummate the disposition in each such jurisdiction of the Registrable Securities covered by such Registration Statement; *provided*, *however,* that the Company will not be required to (x) qualify generally to do business in any jurisdiction where it would not otherwise be required to qualify but for this subparagraph, (y) subject itself to taxation in any such jurisdiction, or (z) consent to general service of process (other than service of process in connection with such registration or qualification or any sale of Registrable Securities in connection therewith) in any such jurisdiction.

(k) The Company will cooperate with the Holders and the underwriter or managing underwriter of an underwritten Public Offering of Registrable Securities, if any, to facilitate the timely preparation and delivery of certificates or book-entry statements representing Registrable Securities to be delivered to a transferee pursuant to a Registration Statement, which certificates or book-entry statements shall be free of all restrictive legends, indicating that the Registrable Securities are unregistered or unqualified for resale under the Securities Act, Exchange Act or other applicable securities laws, and to enable such Registrable Securities to be in such denominations and registered in such names as any such Holders or the underwriter or managing underwriter of an underwritten Public Offering, as applicable, may reasonably request in writing and instruct any transfer agent and registrar of Registrable Securities, if any, to do the same. In connection therewith, if required by the Company's transfer agent, the Company will promptly, after the effective date of the Registration Statement, cause an opinion of counsel as to the effectiveness of the Registration Statement to be delivered to and maintained with such transfer agent, together with any other authorizations, certificates and directions required by the transfer agent which authorize and direct the transfer agent to issue such Registrable Securities without any such legend upon the sale by any Holder or the underwriter or managing underwriter of an underwritten Public Offering of Registrable Securities, if any, of such Registrable Securities under the Registration Statement and to release any stop transfer orders in respect thereof. At the written request of any Holder or the managing underwriter, if any, the Company will promptly deliver or cause to be delivered an opinion or instructions to the transfer agent in order to allow the Registrable Securities to be sold from time to time free of all restrictive legends.

(l) The right of any Holder to include such Holder's Registrable Securities in an underwritten offering shall be conditioned upon (x) such Holder's participation in such underwriting and the inclusion of such Holder's Registrable Securities in the underwriting to the extent provided herein, (y) such Holder entering into customary agreements, including an underwriting agreement in customary form, and offering to sell such Holder's Registrable Securities on the basis provided in any underwriting arrangements approved by the Holders entitled to select the managing underwriter or managing underwriters hereunder (*provided* that (I) any such Holder shall not be required to make any representations or warranties to the Company or the underwriters (other than (A) representations and warranties regarding (1) such Holder's ownership of its Registrable Securities to be sold or transferred, (2) such Holder's power and authority to effect such transfer, (3) such matters pertaining to compliance by such Holder with securities laws as may be reasonably requested by the Company or the underwriters, (4) the accuracy of information concerning such Holder as provided by or on behalf of such Holder, and (5) any other representations required to be made by the Holder under applicable law, and (B) such other representations, warranties and other provisions relating to such Holder's participation in such Public Offering as may be reasonably requested by the underwriters and mutually agreed on by the underwriters and such Holder) or to undertake any indemnification obligations to the Company with respect thereto, except as otherwise provided in Section 6(b) hereof, or to the underwriters with respect thereto, except to the extent of the indemnification being given to the underwriters and their controlling Persons in Section 6(b) hereof and (II) and the aggregate amount of the liability of such Holder in connection with such offering shall not exceed such Holder's net proceeds from the disposition of such Holder's Registrable Securities in such offering) and (z) such Holder completing and executing all questionnaires, powers of attorney, custody agreements and other documents reasonably required under the terms of such underwriting arrangements or by the Company in connection with such underwritten Public Offering.

(m) The Company agrees with each Holder that, in connection with any underwritten Public Offering (including an Underwritten Offering), the Company shall: (i) enter into and perform under such customary agreements (including underwriting agreements in customary form, including customary representations and warranties and provisions with respect to indemnification and contribution) and take all such other actions as the Holders of a Majority of Included Registrable Securities being sold, or the underwriters, reasonably request in writing in order to expedite or facilitate the disposition of such Registrable Securities and provide reasonable cooperation, including causing appropriate officers to attend and participate in "road shows" and analyst or investor presentations and such other selling or other informational meetings organized by the underwriters, if any (taking into account the needs of the Company's businesses and the responsibilities of such officers with respect thereto). The Company and its management shall not be required to participate in any marketing effort that lasts longer than five (5) Business Days for any single underwritten Public Offering.

(n) The Company will use commercially reasonable efforts to obtain for delivery to the underwriter or underwriters of an underwritten Public Offering of Registrable Securities (i) a signed counterpart of one or more comfort letters from independent public accountants of the Company in customary form and covering such matters of the type customarily covered by comfort letters and (ii) an opinion or opinions (including a negative assurance letter) from counsel for the Company (including any local counsel reasonably requested by the underwriters) dated the date of the closing under the underwriting agreement, in customary form, scope and substance, covering the matters customarily covered in opinions requested in sales of securities in an underwritten Public Offering, which opinions shall be reasonably satisfactory to such underwriters and their counsel.

(o) The Company will (i) provide and cause to be maintained a transfer agent and registrar for all Registrable Securities covered by the applicable Registration Statement from and after a date not later than the effective date of such Registration Statement and provide and enter into any reasonable agreements with a custodian for the Registrable Securities and (ii) no later than the effective date of the applicable Registration Statement, provide a CUSIP and ISIN number for all Registrable Securities (including, for the avoidance of doubt, for ADS). In addition, (i) Plan Securities shall be issued and held through Depósito Central de Valores S.A., Depósito de Valores and DCV Registros S.A., as applicable, and (ii) such CUSIP and ISIN numbers shall distinguish the different securities issued under the Plan with respect to which different treatment is required under the Registration and Listing Terms or otherwise under the Plan.

(p) The Company shall negotiate in good faith such customary agreements and use its commercially reasonable efforts to take such other actions as the Holders reasonably request in order to expedite or facilitate the disposition of Registrable Securities.

(q) The Company will cooperate with each Holder of Registrable Securities and each underwriter or agent, if any, participating in the disposition of Registrable Securities and their respective counsel in connection with any filings required to be made with FINRA.

(r) The Company will, upon reasonable notice and at reasonable times during normal business hours, make available for inspection by a representative appointed by the Holders of a Majority of Included Registrable Securities, counsel selected by such Holders in accordance with this agreement, any underwriter participating in any disposition pursuant to such registration, as applicable, and any other attorney or accountant retained by such underwriter, all financial and other records and pertinent corporate documents of the Company, and cause the Company's officers, directors, employees and independent accountants to supply all information reasonably requested by any such Holder, underwriter, attorney or accountant in connection with such Registration Statement (including in connection with an Underwritten Offering), as applicable, and make themselves available at mutually convenient times to discuss the business of the Company and other matters reasonably requested by any such Holders, sellers, underwriter or agent thereof in connection with such Registration Statement as shall be necessary to enable them to exercise their due diligence responsibility, as applicable (any information provided under this Section 2(r), "**Due Diligence Information**"), subject in each case to the foregoing persons entering into customary confidentiality and non-use agreements with respect to any confidential information of the Company; *provided* that, subject to Section 2(dd) below, the Confidential Arrangements shall not constitute Due Diligence Information. The Company shall not provide any Due Diligence Information to a Holder unless such Holder explicitly requests such Due Diligence Information in writing.

(s) The Company will comply with all applicable rules and regulations of the SEC, the Trading Market, FINRA and any state securities authority, and make generally available to its security holders, as soon as reasonably practicable, an earnings statement covering the period of at least twelve (12) months beginning with the first day of the Company's first full calendar quarter after the effective date of the Shelf Registration Statement, which earnings statement shall satisfy the provisions of Section 11(a) of the Securities Act and Rule 158 thereunder.

(t) The Company will ensure that any issuer free writing prospectus utilized in connection with any prospectus complies in all material respects with the Securities Act, is filed in accordance with the Securities Act to the extent required thereby, and is retained in accordance with the Securities Act to the extent required thereby.

(u) Following the ADS Listing, the Company will use commercially reasonable efforts to cause the Registrable Securities of the same class, to the extent any further action is required, to be similarly listed and to maintain such listing until such time as the securities cease to constitute Registrable Securities.

(v) The Company shall hold in confidence and not use or make any disclosure of information concerning a Holder provided to the Company without such Holder's consent, unless the Company reasonably determines (i) disclosure of such information is necessary to comply with federal or state securities laws, (ii) the disclosure of such information is necessary to avoid or correct a misstatement or omission in any Registration Statement, (iii) the release of such information is ordered pursuant to a subpoena or other final, non-appealable order from a court or governmental body of competent jurisdiction, or (iv) such information has been made generally available to the public other than by disclosure in violation of this Agreement or any other agreement known to the Company. The Company agrees that it shall, upon learning that disclosure of such information concerning a Holder is sought in or by a court or governmental body of competent jurisdiction or through other means or otherwise determining that any such disclosure is required under the foregoing clauses (i) through (iii), to the extent permitted by applicable law, give prompt written notice to such Holder and cooperate with such Holder, at the Holder's expense, to undertake appropriate action to prevent disclosure of, or to obtain a protective order for, such information.

(w) The Company agrees that nothing in this Agreement shall prohibit the Holders, at any time and from time to time, from selling or otherwise transferring Registrable Securities pursuant to a private placement or other transaction which is not registered pursuant to the Securities Act.

(x) The Company shall cooperate with the transfer of Registrable Securities in accordance with applicable law and contractual restrictions, including with respect to de-legending and the provision of customary legal opinions and other customary assistance.

(y) The Company shall cooperate with respect to the Holders' disposition of Registrable Securities in U.S. and Chilean markets, which may include any method of disposition permitted by applicable Law (including underwritten offerings; Bought Deals; and Alternative Transactions), including by conducting roadshows in connection with any underwritten offering, conducting marketing days in connection with any Bought Deals or Alternative Transactions, entering into customary agreements with counterparties and cooperation with respect to due diligence, the provision of customary certificates, opinions and comfort letters.

(z) In the case of an Underwritten Demand or Underwritten Offering requested by the Holders pursuant to this Agreement, the price, underwriting discount and other financial terms of the related underwriting agreement for the Registrable Securities shall be determined by the Holders of a Majority of Included Registrable Securities to be included in such underwritten Public Offering.

(aa) Notwithstanding anything to the contrary in this Agreement, any Holder may make a written election (an "**Opt-Out Election**") to no longer receive from the Company any Demand Notice, Underwritten Offering Notice or Piggyback Notice (each, a "**Covered Notice**"), and, following receipt of such Opt-Out Election, the Company shall not be required to, and shall not, deliver any such Covered Notice to such Holder from the date of receipt of such Opt-Out Election and such Holder shall have no right to participate in any Registration Statement or Public Offering as to which such Covered Notices pertain. An Opt-Out Election shall remain in effect until it has been revoked in writing and received by the Company. A Holder who previously has given the Company an Opt-Out Election may revoke such election at any time in writing, and there shall be no limit on the ability of a Holder to issue and revoke subsequent Opt-Out Elections.

(bb) Each Holder shall promptly notify the Company of the happening of any event actually known to such Holder as a result of which any information set forth in a Registration Statement furnished by such Holder contains an untrue statement of a material fact or omits any fact necessary to make the statements therein not misleading.

(cc) Without limiting the provisions of Section 2(y), to the extent reasonably required to complete an Alternative Transaction covered by a Registration Statement, the Company shall, with respect to such Alternative Transaction, (A) use commercially reasonable efforts to cooperate with the Holders and other relevant parties to such Alternative Transaction to effectuate such Alternative Transaction as promptly as practicable and (B) without limiting the generality of the foregoing clause (A), comply with the procedures and requirements contained in this Section 2 that are applicable to an "underwritten Public Offering," "Underwritten Demand" or "Underwritten Offering," as if such Alternative Transaction were an "underwritten Public Offering," Underwritten Demand" or "Underwritten Offering", to the extent customary for such Alternative Transaction, with references to "underwriters" being read to include the counterparties to such Alternative Transaction (whether or not they would be deemed underwriters for purposes of the securities laws).

(dd) If there are Confidential Arrangements, the Company will promptly take such action with respect to such Confidential Arrangements as may be reasonably requested by any person that may be deemed to be an underwriter under Section 11(a) of the Securities Act in order to establish that such person has conducted a reasonable investigation under Section 11(b)(3) of the Securities Act, for purposes of establishing a defense to liability under Section 11 of the Securities Act. Such action may include providing professional representatives of such person access to such Confidential Arrangements, *provided* that such professional representatives agree to maintain such Confidential Arrangements in confidence, not to disclose such Confidential Arrangements to any Holder or any other person and not to use such Confidential Arrangements for any purpose other than for establishing the reasonable investigation defense under Section 11(b)(3) of the Securities Act.

3. **Registration Expenses**. Except as otherwise contained herein, the Company shall bear all reasonable Registration Expenses incident to the Parties' performance of or compliance with this Agreement or otherwise in connection with any Demand Registration, Shelf Registration, Underwritten Offering Request or Piggyback Registration (excluding any Selling Expenses), whether or not any Registrable Securities are sold pursuant to a registration statement. In addition, notwithstanding anything to the contrary herein, but without duplication of the immediately preceding sentence, the Company shall pay the reasonable and documented fees and disbursements of one counsel (along with one local counsel, to the extent reasonably necessary, for any applicable jurisdiction) representing all Holders participating in the Demand Registration, Shelf Registration, Underwritten Offering Request or Piggyback Registration, as the case may be, selected by the participating Backstop Parties.

"**Registration Expenses**" shall include, without limitation, (i) all registration, qualification and filing fees and expenses (including fees and expenses (A) of the SEC or FINRA, (B) incurred in connection with the listing of the Registrable Securities (in the form of ADSs or, if a proposal pursuant to Section 9(f) is legally possible and accepted in writing by the Company, in the form of Ordinary Shares) on an Acceptable Securities Exchange, and (C) in compliance with applicable state securities or "blue sky" laws (including reasonable fees and disbursements of counsel for the underwriters in connection with blue sky qualifications of the Registrable Securities as may be set forth in any underwriting agreement)); (ii) expenses in connection with the preparation, printing, mailing and delivery of any registration statements, prospectuses and other documents in connection therewith and any amendments or supplements thereto (including expenses of printing certificates for the Registrable Securities and printing prospectuses); (iii) analyst or investor presentation or road show expenses of the Company; (iv) messenger, telephone and delivery expenses; (v) reasonable fees and disbursements of counsel (including any local counsel), auditors and accountants for the Company (including the expenses incurred in connection with "comfort letters" required by or incident to such performance and compliance); (vi) all fees and disbursements of underwriters to the extent customarily paid by issuers or sellers of securities (including, if applicable, the fees and expenses of any "qualified independent underwriter" (and its counsel)) that is required to be retained in accordance with the rules and regulations of FINRA and the other reasonable fees and disbursements of underwriters (including reasonable fees and disbursements of counsel for the underwriters) in connection with any FINRA qualification; (vii) fees and expenses of any special experts retained by the Company; (viii) Securities Act liability insurance, if the Company so desires such insurance; (ix) fees and expenses payable in connection with any ratings of the Registrable Securities, including expenses relating to any presentations to rating agencies; (x) internal expenses of the Company (including all salaries and expenses of its officers and employees performing legal or accounting duties); (xi) transfer agents' and registrars' fees and expenses and the fees and expenses of any other agent or trustee appointed in connection with such offering. In addition, the Company shall be responsible for all of its expenses incurred in connection with the consummation of the transactions contemplated by this Agreement (including expenses payable to third parties and including all salaries and expenses of the Company's officers and employees performing legal or accounting duties), the expense of any annual audit and any underwriting fees, discounts, selling commissions and stock transfer taxes and related legal and other fees applicable to securities sold by the Company and in respect of which proceeds are received by the Company. Each Holder shall pay any Selling Expenses applicable to the offer, sale or disposition of such Holder's Registrable Securities pursuant to any Demand Registration Statement or Piggyback Offering, or pursuant to any Shelf Registration Statement under which such selling Holder's Registrable Securities were sold, and in any other fees and expenses not constituting Registration Expenses in proportion to the amount of such selling Holder's shares of Registrable Securities sold in any offering under such Demand Registration Statement, Piggyback Offering or Shelf Registration Statement.

"**Selling Expenses**" shall mean, collectively, any selling commissions, discounts or brokerage fees relating to the sale by a Holder of Registrable Securities pursuant to the Shelf Registration Statement, a Demand Registration Statement or a Piggyback Registration.

4. Lock-Up.

(a) Holder Lock-Up. In connection with any underwritten Public Offering, if requested by the managing underwriters of such Public Offering, each Holder participating in such Public Offering, that, together with its Affiliates, beneficially owns more than one percent (1%) of the then-outstanding Ordinary Shares and ADS (on an Ordinary Share-equivalent basis), and, if requested by the managing underwriters of such Public Offering, each other Holder that together with its Affiliates beneficially owns more than one percent (1%) of the then-outstanding Ordinary Shares and ADS (on an Ordinary Share-equivalent basis) ("**Non-Participating Holders**") shall enter into a customary lock-up agreement with the managing underwriters of such Public Offering to not make any sale or other disposition of any of the Company's Capital Stock owned by such Holder (a "**Lock-Up Agreement**"); *provided* that (i) all executive officers and directors of the Company are bound by and have entered into substantially similar Lock-Up Agreements on no more favorable terms; (ii) such Lock-Up Agreements shall provide for customary exceptions, including that such Lock-Up Agreements shall not restrict the ability of such Non-Participating Holders to pledge Ordinary Shares and ADS as collateral pursuant to any financing arrangements, including margin loans, but excluding financings where the principal purpose is to dispose of the Ordinary Shares or ADS; (iii) in order to participate in the Re-IPO or Demand Re-IPO, as applicable, a Holder must sign a Lock-Up Agreement if requested, even if such Holder beneficially owns less than one percent (1%) of the outstanding Ordinary Shares and ADS (on an Ordinary Share-equivalent basis); (iv) nothing herein shall prevent any Holder from making a distribution of Registrable Securities to any of its partners, members or stockholders thereof or a transfer of Registrable Securities to an Affiliate that is otherwise in compliance with the applicable securities laws, so long as such distributees or transferees, as applicable, agree to be bound by the restrictions set forth in this Section 4; and (v) the foregoing provisions shall only be applicable to the Holders if all shareholders, officers and directors are treated similarly with respect to any release prior to the termination of the lock-up period such that if any such persons are released, then all Holders shall also be released to the same extent on a pro rata basis. The Company may impose stop-transfer instructions with respect to the shares of Capital Stock subject to the restrictions set forth in this Section 4(a) until the end of the applicable period of the Lock-Up Agreement. The provisions of this Section 4(a) shall cease to apply to such Holder once such Holder no longer beneficially owns any Registrable Securities.

(b) Lock-Up Agreements. Except as otherwise set forth herein, including in Section 4(a) the Lock-Up Agreement shall provide that, unless the underwriters managing such underwritten Public Offering otherwise agree in writing, and *provided* that the Company and all executive officers and directors of the Company are bound by and have entered into substantially similar Lock-Up Agreements, on no more favorable terms, such Holder shall not (A) offer, sell, contract to sell, pledge or otherwise dispose of (including sales pursuant to Rule 144), directly or indirectly, any Capital Stock of the Company (including Capital Stock of the Company that may be deemed to be owned beneficially by such Holder in accordance with the rules and regulations of the SEC) (collectively, "**Equity Securities**"), (B) enter into a transaction which would have the same effect as described in clause (A) above, (C) enter into any swap, hedge or other arrangement that transfers, in whole or in part, any of the economic consequences or ownership of any Equity Securities, whether such transaction is to be settled by delivery of such Equity Securities, in cash or otherwise, in each case commencing on the date requested by the managing underwriters (which shall be no earlier than seven (7) days prior to the anticipated "pricing" date for such Public Offering) and continuing to the date that is reasonably requested by the managing underwriters and is not later than ninety (90) days (30 days in the case of a Bought Deal) following the date of the final prospectus for such Public Offering (or such shorter period as may be acceptable to the managing underwriters) (a "**Holdback Period**").

(c) Company Lock-Up. In connection with any underwritten Public Offering, and upon the reasonable request of the managing underwriters, the Company shall: (i) agree to customary lock-up provisions applicable to the Company in an underwriting agreement as reasonably requested by the managing underwriters during any Holdback Period; and (ii) cause each of its executive officers and directors to enter into Lock-Up Agreements, in each case, in customary form and substance, and with exceptions that are customary, for an underwritten Public Offering of such type and size, *provided,* that the lock-up provisions applicable to the Company shall not be on any more favorable terms than the lock-up provisions applicable to Holders pursuant to their Lock-Up Agreements.

5. Holders' Obligations.

(a) Each Holder covenants and agrees that, in the event the Company informs such Holder in writing that it does not satisfy the conditions specified in Rule 172 under the Securities Act and, as a result thereof, such Holder is required to deliver a prospectus in connection with any disposition of Registrable Securities, it will comply with the prospectus delivery requirements of the Securities Act as applicable to it (unless an exemption therefrom is available) in connection with sales of Registrable Securities pursuant to the Shelf Registration Statement, and shall sell the Registrable Securities only in accordance with a method of distribution described in the Shelf Registration Statement.

(b) Each Holder shall provide written notice to the Company as soon as practicable, and in any case within five (5) Business Days, once it ceases to own any Registrable Securities because of one or more transfers or other dispositions pursuant to clause (i) or (ii) of the definition of Registrable Securities. The Company shall not disclose any information regarding the Holders' holdings of Registrable Securities communicated to the Company in accordance with this Section 5(b) to any other Persons, other than its counsel.

(c) Each Holder agrees that it will not prepare or have prepared on its behalf or used or refer to, any issuer free writing prospectus without the prior written consent of the Company and, in connection with any underwritten Public Offering, the underwriters.

6. Indemnification.

(a) The Company agrees to indemnify, defend and hold harmless each Holder, its partners, shareholders, equity holders, managers, members, investment managers, investment advisors, and Affiliates, and each of their respective officers and directors and each Person who controls such Holder (within the meaning of Section 15 the Securities Act or Section 20 of the Exchange Act) and any agent, employee, attorney or representative thereof (collectively, "**Holder Indemnified Persons**"), and any underwriter or any Person that would be deemed to be an underwriter under Section 11 of the Securities Act in connection with an Alternative Transaction that facilitates the sale of the Registrable Securities and any Person who controls (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act) such underwriter or other such Person (collectively, "**Underwriter Indemnified Persons**"), to the fullest extent permitted by applicable law, from and against any and all losses, claims, damages, liabilities, joint or several, costs (including reasonable costs of preparation and investigation and reasonable attorneys', accountants' and experts' fees, whether or not the Indemnified Person is a party to any proceeding), and expenses, judgments, fines, penalties, interest, settlements or other amounts arising from any and all proceedings, whether civil, criminal, administrative or investigative, in which any Indemnified Person may be involved, or is threatened to be involved, as a party or otherwise, under the Securities Act, the Exchange Act, applicable Chilean Securities laws, any other law, including any state securities law, or any rule or regulation thereunder relating to the offer or sale of the Registrable Securities pursuant to the Registration Statement (collectively, "**Losses**"), insofar as such Losses (or actions in respect thereof) incurred, arising out of, based upon, resulting from or relating to (i) any untrue or alleged untrue statement of material fact contained in any Registration Statement under which any Registrable Securities were registered, any free writing prospectus prepared by or on behalf of the Company, prospectus, or any amendment thereof or supplement thereto or any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein not misleading, or (ii) any violation or alleged violation by the Company or any of its Subsidiaries of any federal, state or common law rule or regulation, or applicable Chilean Securities laws, relating to action or inaction in connection with any Company-provided information in such registration, disclosure document or related document or report, and the Company will reimburse such Indemnified Person for any legal or other expenses reasonably incurred by it in connection with investigating or defending any such proceeding; *provided, however,* that the Company shall not be liable to any such Indemnified Person in any such case to the extent that such claim arises out of or is based upon any untrue statement or alleged untrue statement of a material fact contained in a Registration Statement, any free writing prospectus prepared by or on behalf of the Company, prospectus, or any amendment thereof or supplement thereto, or road shows, summary or final prospectuses, or any documents incorporated by reference into such, or any omission or alleged omission of a material fact in reliance upon and in conformity with the Selling Shareholder Information furnished to the Company by or on behalf of such Holder expressly for use therein.

(b) In connection with any Registration Statement filed by the Company pursuant to Section 1 hereof in which a Holder has registered for sale its Registrable Securities, each such Holder agrees, severally and not jointly, to indemnify and hold harmless the Company, its officers, directors, partners, managers, members, investment managers, employees, agents and representatives and each Person who controls the Company (within the meaning of Section 15 the Securities Act and Section 20 of the Exchange Act) (such persons together with Holder Indemnified Persons and the Underwriter Indemnified Persons, collectively "**Indemnified Persons**"), to the fullest extent permitted by applicable law, from and against Losses, insofar as such Losses, arise out of or are based upon any untrue or alleged untrue statement of material fact contained in the Shelf Registration Statement, any free writing prospectus prepared by or on behalf of the Company, prospectus, or any amendment thereof or supplement thereto, or road shows, summary or final prospectuses, or any documents incorporated by reference into such or any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein not misleading, but only to the extent that such untrue statement or omission was made in reliance upon and in conformity with any Selling Shareholder Information provided by such Holder or a representative of such Holder; *provided* that (i) each Holder shall be liable for only up to the amount of net proceeds actually received by such Holder (after deducting Selling Expenses) as a result of the sale of Registrable Securities pursuant to the Registration Statement giving rise to such indemnification obligation; *provided further* that (ii) no Holder shall be liable to any such Indemnified Person in any such case to the extent that such claim is related to (A) Selling Shareholder Information after such Selling Shareholder provided an update to such Selling Shareholder Information to the Company (1) up to one (1) Business Day prior to the date on which the Company requested that the Registration Statement be declared effective by the SEC and the Company did not revise the Registration Statement with such updated Selling Shareholder Information through filing a pre-effective amendment with the SEC or otherwise correcting such information in the Registration Statement before it was declared effective, or (2) after the Registration Statement became effective and the Company did not use commercially reasonable efforts to file an amendment or other supplement to the Registration Statement with the SEC that would incorporate such updated Selling Shareholder Information; (B) Selling Shareholder Information after the Selling Shareholder provided the notice contemplated by Section 2(bb); and (C) the use by the Company of an outdated or defective prospectus to sell the Registrable Securities. No Holder shall be liable for indemnification or contribution with respect to any information provided by an underwriter or counterparty to an Alternative Transaction for inclusion in the Registration Statement.

(c) Any Person entitled to indemnification hereunder shall (i) give prompt written notice to the Person from whom indemnity is sought (the "**Indemnifying Party**") of any claim with respect to which it seeks indemnification *(provided* that the failure to give prompt notice shall not impair any Person's right to indemnification hereunder to the extent such failure has not prejudiced the Indemnifying Party) and (ii) unless, in the Indemnified Person's reasonable judgment, a conflict of interest between such indemnified and indemnifying parties may exist with respect to such claim, permit such Indemnifying Party to assume the defense of such claim with counsel reasonably satisfactory to the Indemnified Person. After written notice from the Indemnifying Party to the Indemnified Person of its election to assume the defense of such claim, the Indemnifying Party shall not be subject to any liability for any settlement subsequently made by the Indemnified Person without its consent (but such consent shall not be unreasonably withheld, conditioned or delayed). With respect to any such claim, any Indemnified Person shall have the right to retain its own counsel and participate in the defense of such claim, but the fees and expenses of such counsel shall be at the expense of such Indemnified Person unless (1) the Indemnifying Party and the Indemnified Person shall have mutually agreed to the retention of such counsel and the payment of fees by the Indemnifying Party or (2) in the reasonable judgment of such Indemnified Person (A) representation of both parties by the same counsel would be inappropriate due to actual or potential differing interests between them or (B) there would be rights or defenses that would be available to such Indemnified Person that are not available to the Indemnifying Party, in which case of (1) or (2), the Indemnifying Party shall be obligated to pay the fees and expenses of such separate counsel; *provided* that the Indemnifying Party shall not be obligated to pay the fees and expenses of more than one counsel (in addition to one local legal counsel) for all Indemnified Persons by such Indemnifying Party with respect to such claim, unless in the reasonable judgment of an Indemnified Person, a conflict of interest may exist between such Indemnified Person and any other of such Indemnified Persons with respect to such claim, in which case the Indemnifying Party shall be liable for the fees and expenses of one additional counsel (in addition to one local legal counsel in each applicable jurisdiction) with respect to each Indemnified Person having such conflict of interest. The Indemnifying Party shall keep the Indemnified Persons reasonably apprised at all times as to the status of the defense or any settlement negotiations with respect to such claim. No Indemnifying Party shall, without the prior written consent of an Indemnified Person, consent to entry of any judgment or enter into any settlement or other compromise which does not include as an unconditional term thereof the giving by the claimant or plaintiff to such Indemnified Person of a full and unconditional release from all liability with respect to such claim and does not include any statements as to or any findings of fault, culpability or failure to act by or on behalf of any such Indemnified Person.

(d) The indemnification provided for under this Agreement shall remain in full force and effect regardless of any investigation made by or on behalf of an Indemnified Person or any officer, director, partner, manager, member, investment manager, employee, agent, representative or controlling Person of such Indemnified Person and shall survive the transfer of Registrable Securities. The indemnity agreements contained herein shall be in addition to (i) any cause of action or similar right of the Indemnified Person against the Indemnifying Party or others, and (ii) any liabilities to which the Indemnifying Party may be subject pursuant to the law.

(e) If the indemnification provided for in this Section 6 is unavailable to or is insufficient to hold harmless an Indemnified Person under the provisions above in respect to any losses, claims, damages or liabilities referred to therein, then each applicable Indemnifying Party agrees to contribute to the aggregate losses, claims, damages and liabilities (including legal or other expenses reasonably incurred in connection with investigating or defending same) to which such Indemnifying Party may be subject in such proportion as is appropriate to reflect the relative fault of the Indemnifying Party, on the one hand, and the Indemnified Person, on the other hand, in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities (or actions in respect thereof), as well as any other relevant equitable considerations. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Indemnifying Party, on the one hand, or the Indemnified Person, on the other hand, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The parties agree that it would not be just and equitable if contribution pursuant to this Section 6(e) were determined by *pro rata* allocation (even if the Holders holding Registrable Securities or any agents or underwriters or all of them were treated as a single entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to above in this Section 6(e). The amount paid or payable by an Indemnified Person as a result of the losses, claims, damages or liabilities (or actions in respect thereof) referred to above in this Section 6(e) shall be deemed to include any reasonable legal or other expenses reasonably incurred by such Indemnified Person in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this Section 6(e), (i) no Person involved in the sale of Registrable Securities which Person is guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) in connection with such sale shall be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation, and (ii) contribution by each Holder shall be limited in amount to the net amount of proceeds actually received by such Holder from the sale of Registrable Securities pursuant to the applicable Shelf Registration Statement, less the amount of any damages that such Holder has otherwise been required to pay in connection with such sale pursuant to this Agreement. For purposes of Section 6(e), each Person who controls any Holder, agent or underwriter (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act), and each director, officer, employee and agent of any such Holder, agent or underwriter, shall have the same rights to contribution as such Holder, agent or underwriter, and each Person who controls the Company (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act) and each officer and director of the Company shall have the same rights to contribution as the Company subject in each case to the applicable terms and conditions of this Section 6(e).

(f) The provisions of this Section 6 will remain in full force and effect, regardless of any investigation made by or on behalf of any Holder or the Company or any of the officers, directors or controlling Persons referred to in this Section 6 hereof, and will survive the transfer of Registrable Securities.

(g) The remedies provided for in this Section 6 are not exclusive and shall not limit any rights or remedies which may otherwise be available to any Indemnified Person at law or in equity.

7. Reporting Requirements.

(a) With a view to making available to the Holders the benefits of Rule 144 under the Securities Act or any other similar rule or regulation of the SEC that may at any time permit a Holder to sell securities of the Company to the public without registration ("**Rule 144**"), at all times during which there are Registrable Securities outstanding the Company agrees to:

(i) whether or not required by the rules and regulations of the SEC and notwithstanding anything to the contrary herein, make and keep "current public information" (within the meaning of Rule 144(c)(1)) available;

(ii) furnish to the Holders so long as the Holders own Registrable Securities, promptly upon request, a written statement by the Company that it has complied with all conditions set forth in Rule 144(c)(1), including that (i) it has filed all reports required under section 13 or 15(d) of the Exchange Act, as applicable, during the preceding 12 months and has been subject to such filing requirements for the past 90 days, and (ii) it has submitted electronically every Interactive Data File (as defined in Regulation S-T) required to be submitted pursuant to Regulation S-T Rule 405 during the preceding 12 months; and

(iii) in the event that the Company is neither subject to section 13 or 15(d) of the Exchange Act nor exempt from reporting pursuant to Rule 12g3-2(b) under the Exchange Act, furnish to the Holders the information set forth under Section 4(d)(3) of the Securities Act.

(b) The Company shall comply with customary English-language reporting requirements under the Exchange Act (including reporting as required pursuant to Form 6-K and annual reporting on Form 20-F) and shall file a Form 6-K within one (1) Business Day of the earlier of (A) the date on which any vote of Company shareholders is announced in Chile and (B) the date materials are distributed in respect of any such vote, announcing such vote and/or making available such materials, as applicable.

(c) The Company shall publish customary quarterly and annual earnings releases in English and conduct customary quarterly and annual earnings calls in English within five (5) Business Days of the date on which quarterly or annual results are first reported in an earnings release.

8. ADS Program.

(a) Until the later of (x) the seventh (7^{th}) anniversary of the Effective Date and (y) the time that the ADS represent five percent (5%) or less of the outstanding Ordinary Shares (on an Ordinary Share-equivalent basis) for a period of 180 consecutive days at any time after the ADS Listing (but in any event no later than twelve (12) years after the Effective Date), and except as agreed otherwise by a Vote of ADS Holders, the Company shall at all times:

(i) maintain a sponsored ADS program (the "**Unrestricted ADS Program**") on the same terms as those reflected in the Third Amended and Restated Deposit Agreement dated as of September 21, 2017, as amended by Amendment No. 1 thereto, dated as of March 12, 2021 by and among the Company and JPMorgan Chase Bank, N.A. (in its role as depositary under the ADS Program, the "**Depositary**"), and the other parties thereto (as it may be further amended consistent with the terms hereof, the "**Unrestricted Deposit Agreement**"), and make any necessary amendments to the Unrestricted Deposit Agreement in form and substance acceptable to the Necessary Backstop Parties, to provide for (a) full flexibility (subject to applicable fees and procedures contained in the Unrestricted Deposit Agreement) to deposit and withdraw, at the election of the respective holders of ADS, any Ordinary Shares from time to time held by the Backstop Parties or their transferees into or out of the ADS Program; (b) participation in dividends and distributions subject to the procedures of the Depositary as set forth in the Unrestricted Deposit Agreement and subject to compliance with applicable law (including, without limitation, Chilean law); (c) participation in voting at the instruction of the respective holders of ADS, subject to the procedures of the Depositary as set forth in the Unrestricted Deposit Agreement and subject to compliance with applicable law (including, without limitation, Chilean law); and (d) participation in preemptive rights offerings in the form of additional ADS subject to compliance with applicable law (including, without limitation, Chilean law) and the procedures of the Depositary set forth in the Unrestricted Deposit Agreement; *provided* that such offerings are for Ordinary Shares constituting at least two percent (2%) of the outstanding Ordinary Shares (excluding any Ordinary Shares subject to lock-up);

(ii) maintain a sponsored restricted ADS program (the "**Restricted ADS Program**" and, together with the Unrestricted ADS Program, the "**ADS Program**"), pursuant to the Restricted ADS Program Agreement (as defined below) providing for the issuance of restricted ADS and allowing for the conversion of restricted ADS into unrestricted ADS, in form and substance acceptable to the Necessary Backstop Parties;

(iii) subject to clause 8(a)(i) and (ii) of this Agreement, not make any amendments to the ADS Program having an adverse effect to (a) voting rights, (b) rights related to distributions or dividends, (c) exercise of preemptive rights, (d) transfer rights, and (e) rights to receive shareholder information delivered by the Company, or that are otherwise materially adverse to holders of ADS, including terminating the ADS Program or, other than as required by law, permitting the removal by the Company of individual holders from the ADS program, in each case without a Vote of ADS Holders;

(iv) use its commercially reasonable efforts in good faith to cause the Depositary to maintain a registration statement on Form F-6 (the "**Form F-6**") effective with respect to the ADS under the ADS Program, in form and substance acceptable to the Necessary Backstop Parties, in compliance with the provisions of the Securities Act and with a number of available ADS sufficient to permit the Backstop Parties (and their transferees) to have the Ordinary Shares they hold (from time to time) represented by ADS; *provided* that, if there shall be any Necessary Backstop Parties without giving effect to clause (iii) of the definition thereof, the Form F-6 shall be filed at such time as requested by the Necessary Backstop Parties or as promptly as practicable thereafter; and

(v) from the time of the ADS Listing, take all actions to maintain the continued listing of the ADS on the applicable Acceptable Securities Exchange;

(b) The Company will enter into an amendment ("**Unrestricted ADS Program Amendment**") to the Unrestricted Deposit Agreement with respect to its unrestricted ADS program providing for such changes as agreed by the Depositary, the Company and the Necessary Backstop Parties, at such time as requested by the Necessary Backstop Parties, or as promptly as practicable thereafter, with the form of such amendment as proposed by the Depositary being attached hereto as Exhibit E.

(c) The Company will enter into an agreement (the "**Restricted ADS Program Agreement**", and, together with the Unrestricted Deposit Agreement, the "**Deposit Agreements**") providing for a restricted ADS program on substantially similar terms, *mutatis mutandis*, of the Unrestricted ADS Program, as amended, with such differences as agreed by the Depositary, the Company and the Necessary Backstop Parties, at such time as requested by the Necessary Backstop Parties, or as promptly as practicable thereafter.

(d) The Company shall (x) use commercially reasonable efforts to provide that all ADS in the Unrestricted ADS Program shall be eligible to be held and serviced by the Depository Trust Company, to the maximum extent possible, and (y) distribute or cause the distribution (including, without limitation, by submitting a written request to the Depositary to arrange for such distribution, at the Company's expense) to holders of ADS an English language translation of any materials distributed to holders of Ordinary Shares in Chile as promptly as practicable after such distribution to holders of Ordinary Shares in Chile;

(e) Except as otherwise contained herein, the Company shall bear all costs and expenses related to or arising out of the ADS Program, other than costs customarily payable by holders of the ADS. The Company and the Necessary Backstop Parties shall work together to negotiate the fees and expenses of the Depositary; *provided* that, if the Company, the Necessary Backstop Parties and the Depositary are unable to agree on such fees and expenses, then, at the request of the Necessary Backstop Parties, the Company shall solicit requests for proposals from other financial institutions that serve as depositaries under ADS or similar programs to serve as depositary under the ADS Program, and, if reasonably requested by the Necessary Backstop Parties, after having reached agreement on fees and expenses with any such other financial institution as aforesaid, to appoint such financial institution as the depositary under the ADS Program.

(f) Until the ADS Listing, the Company shall maintain a ratio in the ADS Program of one ADS for each Ordinary Share. From and after the ADS Listing, the Company shall cause the ADS Program to have an ADS ratio sufficient to create a per-ADS price acceptable to the Necessary Backstop Parties that meets the listing standards of the Acceptable Securities Exchange.

(g) For so long as the Company is required to maintain the ADS Program pursuant to Section 8(a), and notwithstanding anything to the contrary in the Deposit Agreements, the Company shall take (or refrain from taking, as the case may be), all actions set forth on Exhibit D hereto.

9. Certain Listing and Registration Matters.

(a) As of the date hereof the Company has taken, or otherwise shall take, all actions to cause all Ordinary Shares to be listed on the Santiago Stock Exchange, including for the avoidance of doubt, any New Convertible Notes Back-up Shares, and the Company shall not delist the Ordinary Shares from the Santiago Stock Exchange or any other Chilean stock exchange (or subsequently relist the Ordinary Shares on such stock exchange) without the consent of the Necessary Backstop Parties, to the maximum extent permitted by applicable law.

(b) At such time as is requested by the Necessary Backstop Parties or as promptly as practicable thereafter, the Company shall take all actions to list the ADS on an Acceptable Securities Exchange (the "**ADS Listing**"), *provided* that the Company shall not list the ADS on any U.S. national securities exchange until so requested by the Necessary Backstop Parties, *provided further* that the Company shall, at any time prior to the ADS Listing, suspend and halt its efforts to list the ADS upon the request of the Necessary Backstop Parties (and shall cause the ADS to retain a ratio of one ADS for each Ordinary Share for the duration of such suspension), until such time as the Necessary Backstop Parties shall request that the Company resume its efforts to list the ADS; *provided further* that, notwithstanding anything herein to the contrary, at any time after the thirty-six (36) month anniversary of the Effective Date, or if at any time there are no Necessary Backstop Parties without giving effect to clause (iii) of the definition thereof, the Board of Directors of the Company may determine to list the ADS on any U.S. national securities exchange without the approval or acceptance of any Creditor Backstop Parties.

(c) In the event that the Registrable Securities are not listed on the New York Stock Exchange, NASDAQ Global Market or Alternative Securities Exchange, in each case, in the form of ADS, or such other event occurs such that the federal preemption of state "blue sky" or other U.S. state securities laws is not available in the reasonable opinion of the Holders, use its commercially reasonable efforts to register or qualify the Registrable Securities covered by such Registration Statement under such other U.S. "blue sky" or other U.S. state securities laws of such jurisdictions as the Holders shall reasonably request and do any and all other acts and things which may be reasonably necessary or advisable to enable the Holders to consummate the disposition in such U.S. jurisdictions of the Registrable Securities owned by the Holders *(provided* that the Company shall not be required to (A) qualify generally to do business in any jurisdiction where it would not otherwise be required to qualify but for this subparagraph, (B) subject itself to taxation in any such jurisdiction or (C) consent to general service of process in any such jurisdiction).

(d) From the Effective Date until the tenth (10^{th}) anniversary of the Effective Date, the Company shall use commercially reasonable efforts in good faith to maintain at all times the registration of all Plan Securities with the CMF and the continued listing of the New Shares (including for the avoidance of doubt, any New Convertible Notes Back-up Shares (other than the New Convertible Notes (unless otherwise required by applicable law)) on the Santiago Stock Exchange such that holders of such Plan Securities shall be able to freely transfer and dispose of such Plan Securities (subject to applicable insider trading regulations) by any method and to the extent permitted by applicable law (subject to, in the case of the shares issued upon conversion of the New Convertible Notes Class B, the Class B Restriction Period), except as agreed otherwise by holders of shares representing two-thirds ($2/3^{rds}$) of the then-outstanding Ordinary Shares;

(e) The Company shall comply with all reporting requirements and other disclosure obligations imposed by the CMF or Santiago Stock Exchange.

(f) The Company shall consider in good faith proposals for listing of Ordinary Shares in lieu of ADS made by (i) prior to the ADS Listing, the Necessary Backstop Parties, and (ii) following the ADS Listing, a Holder or group of Holders of (x) a majority of the ADS then outstanding or (y) ADS representing 10% of the total number of Ordinary Shares (on an Ordinary Share-equivalent basis), to respond to changes in Law or formal interpretation of Law that affect ADS or the trading of shares in the United States, taking into account the restrictions set forth under applicable law, the interests of all shareholders and the regulatory and operational context in which the Company operates.

10. **Non-Deal Road Shows**. (A) following the Effective Date, the Company shall cause its executive officers to conduct a non-deal roadshow in the United States, at such time as is requested by the Threshold Backstop Parties and shall cooperate with such Threshold Backstop Parties so that the length, content and scope of such roadshow is satisfactory to such Threshold Backstop Parties and (B) from time to time following the Effective Date, the Company shall participate in non-deal roadshows upon request of holders of twenty percent (20%) of the Ordinary Shares (including ADS on an Ordinary Share-equivalent basis) then outstanding, to the extent permitted at the time of the request by applicable law, *provided* that in each case of clauses (A) and (B) no roadshow shall be conducted less than sixty (60) days following a prior roadshow pursuant to this Section 10.

11. **Preservation of Rights**. Unless this Agreement is modified or waived as provided in Section 13(c) and/or Section 13(d), the Company shall not, on or after the date of this Agreement, enter into any agreement, take any action, or permit any change to occur, with respect to its securities that is inconsistent with or violates or subordinates the rights expressly granted to the Holders in this Agreement, such as (a) adversely affecting the ability of the Holders to include the Registrable Securities in a registration undertaken or underwritten offering pursuant to this Agreement, or (b) affecting the marketability of such Registrable Securities in any such registration (including effecting a stock split or a combination of shares).

12. **Other defined terms**.

"**ADS**" means the American depositary shares representing the Ordinary Shares pursuant to the ADS Program.

"**Affiliate**" means, with respect to any Person, any Affiliated Funds of such Person and any other Person directly or indirectly controlling, controlled by, or under common control with, such Person as of the date on which, or at any time during the period for which the determination of affiliation is being made; *provided* that in the case of a Backstop Party or other Holder that is an Affiliate of the Company, references herein to "Affiliates" of such Backstop Party or other Holder shall not, except as used in the definition of "Registrable Securities", include the Company. For purposes of this definition, the term "control" (including the correlative meanings of the terms "controlled by" and "under common control with"), as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person (whether through the ownership of voting securities, by contract, or otherwise).

"**Affiliated Fund**" means, with respect to any Person, (a) any investment funds, managed accounts or other entities who are advised by such Person or the same investment advisor or manager or by investment advisors which are Affiliates of such Person or (b) any investment advisor with respect to an investment fund, managed account or entity it advises.

"**Acceptable Securities Exchange**" means the New York Stock Exchange or NASDAQ Global Select Market or, if listing on such exchanges is not possible, then such other U.S. national securities exchange that provides comparable liquidity to the New York Stock Exchange or NASDAQ Global Select Market, which is acceptable to the Necessary Backstop Parties.

"**Automatic Shelf Registration Statement**" means an "automatic shelf registration statement" as defined in Rule 405 under the Securities Act.

"**Backstop Party Counsel**" means Kramer Levin Naftalis & Frankel LLP, Davis Polk & Wardwell LLP, Wachtell Lipton, Rosen & Katz, and Alston & Bird LLP.

"**Business Day**" means any day on which the principal offices of the SEC in Washington, DC are open to accept filings and is not a day on which banking institutions in the State of New York and in the city of Santiago, Chile generally are authorized or required by law or other governmental actions to close.

"**Capital Stock**" means with respect to a corporation, any and all shares, interests or equivalents of capital stock of such corporation (including ADS, and whether voting or nonvoting and whether ordinary/common or preferred) and any and all options, warrants and other securities that at such time are convertible into, or exchangeable or exercisable for, any such shares, interests or equivalents (including, without limitation, the New Shares or any note or debt security convertible into or exchangeable for New Shares).

"**Closing Date**" has the meaning set forth in the Backstop Creditors Backstop Agreement, unless expressly stated otherwise in this agreement.

"**CMF**" means the *Comisión para el Mercado Financiero,* the Chilean regulatory authority tasked with overseeing the Chilean financial markets.

"**Effective Date**" has the meaning set forth in the Backstop Creditors Backstop Agreement.

"**Effective Date 10% Holder**" means: as of any time of determination, each Creditor Backstop Party that, together with its affiliates, (i) as of the Effective Date owned beneficially at least ten percent (10%) of the Effective Date Ordinary Shares and (ii) at such time of determination owns beneficially at least ten percent (10%) of the Ordinary Shares. For purposes of this definition, (i) beneficial ownership with respect to any securities shall mean the ownership of substantially all of the (x) voting power which includes the power to vote, or to direct the voting of, such securities and (y) economic interests in such securities (which economic interests, for the avoidance of doubt, have not been divested through any swap or derivative arrangements or any other arrangements having the effect thereof), (ii) Ordinary Shares and ADS beneficially owned by a person shall include the Ordinary Shares and ADS owned by such person's affiliates, and (iii) beneficial ownership shall include, without limitation, Ordinary Shares beneficially owned through the ADS Program.

"**Effective Date Ordinary Shares**" means all Ordinary Shares outstanding as of the Effective Date, and including all Ordinary Shares to be delivered upon conversion of the New Convertible Notes issued as of the Effective Date.

"**ERO New Common Stock**" has the meaning set forth in the Backstop Creditors Backstop Agreement.

"**Exchange Act**" means the Securities Exchange Act of 1934, as amended from time to time, and the rules and regulations promulgated thereunder.

"**Governmental Entity**" means any U.S. or non-U.S. federal, state, municipal, local, judicial, administrative, legislative or regulatory or competition, antitrust or foreign investment authority, agency, department, commission, regulator court, or tribunal of competent jurisdiction (or any such multinational entity) or any quasi-governmental or private body exercising any administrative, executive, judicial, legislative, police, regulatory, taxing, importing or other governmental or quasi-governmental authority (including any branch, department or official thereof).

"**Holder**" means each Person other than the Company that is party to this Agreement on the date hereof and any Person who hereafter becomes a party to this Agreement pursuant to Section 13(e) of this Agreement.

"**Holders of a Majority of Included Registrable Securities**" means Holders that are the beneficial owners of a majority of the Registrable Securities included in a Piggyback Offering, Demand Registration or an Underwritten Offering, as applicable. For the avoidance of doubt, only Registrable Securities held by Persons who are party to this Agreement as of the date hereof or who thereafter become a party to this Agreement by executing a joinder in accordance with Section 13(e) shall be considered in calculating a majority of the Registrable Securities.

"**Joinder Agreement**" means the form of joinder agreement set forth on Exhibit B to this Agreement.

"**Law**" means any federal, state or local U.S. or non-U.S. law (including common law), statute, code, ordinance, rule, regulation, order, ruling, judgment, treaty, or convention in each case, that is validly adopted, promulgated, issued, or entered by a Governmental Entity of competent jurisdiction (including the Bankruptcy Court).

"**Necessary Backstop Parties**" means, subject to Section 13(e)(ii), (i) at any time through the eighteen (18) month anniversary of the Effective Date, (x) at least one Effective Date 10% Holder, if any, and (y) Creditor Backstop Parties owning beneficially at such time, in the aggregate, a number of Ordinary Shares equal to at least twenty seven and ½ percent (27.5%) of the Effective Date Ordinary Shares, if any; (ii) at any time after the eighteen (18) month anniversary of the Effective Date, if at such time there is at least one Effective Date 10% Holder, any Effective Date 10% Holder; and (iii) if at any time there shall be no Effective Date 10% Holders and/or Creditor Backstop Parties able to satisfy the criteria of clause (i) or clause (ii), as applicable, the Board of Directors of the Company without the approval or acceptance of any Creditor Backstop Parties. For purposes of this definition, (i) beneficial ownership with respect to any securities shall mean the ownership of substantially all of the (x) voting power which includes the power to vote, or to direct the voting of, such securities and (y) economic interests in such securities (which economic interests, for the avoidance of doubt, have not been divested through any swap or derivative arrangements or any other arrangements having the effect thereof), (ii) Ordinary Shares and ADS beneficially owned by a person shall include the Ordinary Shares and ADS owned by such person's affiliates, and (iii) beneficial ownership shall include, without limitation, Ordinary Shares beneficially owned through the ADS Program. For the avoidance of doubt, if at any time clause (iii) of this definition shall apply, then any reference in this Agreement to a request of the Necessary Backstop Parties or the approval of the Necessary Parties, or any term of similar import, shall be interpreted to mean the Company in its discretion as determined by the Board of Directors of the Company.

"**New Convertible Notes**" has the meaning set forth in the Backstop Creditors Backstop Agreement.

"**New Convertible Notes Class A**" has the meaning set forth in the Backstop Creditors Backstop Agreement.

"**New Convertible Notes Class B**" has the meaning set forth in the Backstop Creditors Backstop Agreement

"**New Convertible Notes Class C**" has the meaning set forth in the Backstop Creditors Backstop Agreement.

"**New Shares**" has the meaning set forth in the Backstop Creditors Backstop Agreement.

"**Ordinary Shares**" means the ordinary shares of the Company that may be outstanding from time to time (including, for the avoidance of doubt, the ordinary shares of the Company held in the ADS Program), and any equity securities into which such ordinary shares are exchanged, converted or otherwise recapitalized.

"**Other Registrable Securities**" means (a) (i) Ordinary Shares (including Ordinary Shares beneficially owned as a result of, or issuable upon, the conversion, exercise or exchange of any other Capital Stock) and (ii) any securities issued or issuable with respect to any of the Ordinary Shares described in foregoing clause (i), including by way of stock or unit dividend or stock or unit split or in connection with a combination of shares or units, recapitalization, merger, consolidation or other reorganization or otherwise; and (b) any ADS representing the Ordinary Shares described in the foregoing clause (a), in each case beneficially owned by any other Person who has rights to participate in any offering of securities by the Company pursuant to a registration rights agreement or other similar arrangement (other than this Agreement) with the Company or any direct or indirect parent of the Company relating to the Ordinary Shares; *provided*, that in the case of an Underwritten Offering or an Underwritten Demand, Other Registrable Securities shall be limited to the securities of the class and series being offered in such Underwritten Offering or Demand Registration.

"**Person**" means an individual, a partnership, a corporation, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization or a Governmental Entity (or any department, agency or political subdivision thereof).

"**Plan**" has the meaning set forth in the Backstop Creditors Backstop Agreement.

"**Plan Securities**" has the meaning set forth in the Backstop Creditors Backstop Agreement.

"**Prospectus**" means the prospectus or prospectuses included in any Registration Statement (including, without limitation, a prospectus that includes any information previously omitted from a prospectus filed as part of an effective Registration Statement in reliance upon Rule 430A promulgated under the Securities Act), all amendments and supplements to the prospectus, including post-effective amendments, and all material incorporated by reference or deemed to be incorporated by reference in such prospectus or prospectuses.

"**Public Offering**" means any sale or distribution to the public of Capital Stock of the Company pursuant to an offering registered under the Securities Act, whether by the Company, by Holders and/or by any other holders of the Company's Capital Stock.

"**Registrable Securities**" means each of the following: (a) (i) all New Shares acquired by the Holders (including, for the avoidance of doubt the ERO New Common Stock and New Shares issued upon conversion of the New Convertible Notes Class A, New Convertible Notes Class B, and/or New Convertible Notes Class C acquired by the Holders (the "**New Convertible Notes Back-up Shares**") and all New Shares deposited into the ADS Program), (ii) all of the Ordinary Shares acquired by the Holders that are Affiliates of the Company (however and whenever acquired), (iii) from the Effective Date until the later of (A) six (6) months following the Effective Date and (B) the effectiveness of the Shelf Registration Statement, all of the Ordinary Shares acquired by the Holders that are not Affiliates of the Company, and (iv) any securities issued or issuable with respect to any of the Ordinary Shares described in foregoing clauses (i), (ii) or (iii), including by way of stock or unit dividend or stock or unit split or in connection with a combination of shares or units, recapitalization, merger, consolidation or other reorganization or otherwise; and (b) any ADS representing the Ordinary Shares described in the foregoing clause (a); *provided* that any such securities shall cease to be Registrable Securities when (i) the Shelf Registration Statement covering such Registrable Securities has been declared effective under the Securities Act by the SEC and such Registrable Securities have been sold pursuant to such effective Shelf Registration Statement or another effective registration statement under the Securities Act, or (ii) such Registrable Securities have been sold pursuant to Rule 144 or Regulation S, unless such Registrable Securities have been sold in a private transaction to (x) an Affiliate of the Company that, together with all parties with whom its holdings are aggregated for purposes of Rule 144, owns Ordinary Shares and ADS representing at least 1% of the Ordinary Shares outstanding at the time of the transfer after giving effect to such transfer, or (y) another Holder or an Affiliate of a Holder; *provided* further that the Ordinary Shares deposited into the ADS Program shall cease to be Registrable Securities at the time that the corresponding ADS shall cease to be Registrable Securities. For the avoidance of doubt, if any Ordinary Shares or ADS constituting Registrable Securities are transferred in a transfer satisfying the conditions set forth in clauses (a), (b) or (c) of Section 13(e)(ii) hereof, then such Ordinary Shares or ADS shall remain Registrable Securities following such transfer.

"**Registration and Listing Terms**" has the meaning set forth in the Backstop Creditors Backstop Agreement.

"**Registration Statement**" means any registration statement of the Company filed with or to be filed with the SEC under the Securities Act and other applicable law, including the Shelf Registration Statement and any Demand Registration Statement, and including any prospectus, amendments and supplements to each such registration statement or prospectus, including pre- and post-effective amendments, all exhibits thereto, and all material incorporated by reference or deemed to be incorporated by reference in such registration statement.

"**Restructuring Support Agreement**" means the restructuring support agreement (as amended, restated, amended and restated, supplemented or otherwise modified from time to time) entered into on November 26, 2021 with an ad hoc group of general unsecured creditors of the Company, certain of the existing equity holders of the Company, and Andes Aerea SpA, Inversiones Pia SpA and Comercial Las Vertientes.

"**Seasoned Issuer**" means an issuer eligible to use a registration statement on Form F-3 under the Securities Act and who is not an "ineligible issuer" as defined in Rule 405 promulgated by the SEC pursuant to the Securities Act.

"**SEC**" means the United States Securities and Exchange Commission, and any governmental body or agency succeeding to the functions thereof.

"**Securities Act**" means the Securities Act of 1933, as amended from time to time, and the rules and regulations promulgated thereunder.

"**Selling Shareholder**" means a Holder that duly submits a Selling Shareholder Questionnaire pursuant to the terms of this Agreement.

"**Selling Shareholder Information**" means, with respect to each Holder, the information required under Item 9.D of Form 20-F, as provided in such Holder's Selling Shareholder Questionnaire, and any additional information provided by written notice by such Holder for inclusion by the Company in the Shelf Registration Statement if such additional information is specifically requested by the SEC to be included in the Shelf Registration Statement.

"**Selling Shareholder Questionnaire**" means the Selling Shareholder Questionnaire in the form attached hereto as Exhibit A.

"**Trading Market**" means the principal national securities exchange in the United States on which Registrable Securities are (or are to be) listed.

"**Vote of ADS Holders**" (i) prior to the ADS Listing, a vote of the Necessary Backstop Parties without, for purposes of this definition, giving effect to clause (iii) of the definition thereof; and (ii) following the ADS Listing or if there shall not be any Necessary Backstop Parties, a majority of the votes cast by holders of all ADS (including holders of ADS in both the unrestricted and restricted ADS program); *provided* that all beneficial holders of ADS were solicited for their vote on the matter; and *provided further* that the record date for such solicitation shall be not earlier than ten (10) days following the first public announcement of the Company's intent to conduct the solicitation; and *provided further* that for purposes of any amendment or modification to the restricted ADS program that does not similarly affect the unrestricted program, clause (ii) shall include only a majority of votes cast by the holders of restricted ADS.

"**WKSI**": means a "well known seasoned issuer" as defined under Rule 405 under the Securities Act and which (i) is a "well-known seasoned issuer" under paragraph (1)(i)(A) of such definition or (ii) is a "well-known seasoned issuer" under paragraph (1)(i)(B) of such definition and is also a Seasoned Issuer.

13. Miscellaneous.

(a) Remedies. Each Party shall be entitled to enforce its rights under any provision of this Agreement specifically to recover damages caused by reason of any breach of any provision of this Agreement and to exercise all other rights granted by applicable law. The Parties agree and acknowledge that money damages may not be an adequate remedy for any breach of the provisions of this Agreement and that the Holders may, in their sole discretion, apply to the courts of competent jurisdiction described below (without posting any bond or other security) for specific performance and for other injunctive relief in order to enforce or prevent violation of the provisions of this Agreement.

(b) Termination and Effect of Termination. This Agreement shall terminate (i) with respect to the provisions of Sections 8, 9(b), 9(c), 9(f) and 13(o) on the later of (A) the seventh (7^{th}) anniversary of the Effective Date and (B) such time as the ADS represent less than five percent (5%) of outstanding Ordinary Shares (on an Ordinary Share –equivalent basis) for a period of 180 consecutive days (but in any event no later than twelve (12) years after the Effective Date), and (ii) with respect to the provisions of Sections 1, 2, 3, 4, and 5, (A) on the later of (i) the tenth (10^{th}) anniversary of the Effective Date and (ii) such time as (A) the Backstop Parties hold in aggregate less than 10% of the outstanding Ordinary Shares and (B) no (x) Backstop Party individually or (y) Backstop Parties that together form a "group" within the meaning of Section 13(d) of the Exchange Act, hold Registrable Securities representing five percent (5%) of the Ordinary Shares, or (C) there are no Registrable Securities outstanding, except in any case, for the provisions of Section 6, which shall survive any such termination. No termination under this Agreement shall relieve any Person of liability for breach or Registration Expenses incurred prior to termination. In the event this Agreement is terminated, each Person entitled to indemnification rights pursuant to Section 6 shall retain such indemnification rights with respect to any matter that (i) may be an indemnified liability thereunder and (ii) occurred prior to such termination.

(c) Amendments and Waivers. Except as otherwise provided herein, this Agreement may only be modified, amended or supplemented (such waiver, modification, amendment or supplement, collectively, an "**Amendment**"):

(i) except as provided in (c)(ii) and (c)(iii) below, by the Company and the Creditor Backstop Parties that are beneficial owners of a majority of the outstanding Registrable Securities beneficially held by all Creditor Backstop Parties at the time of such Amendment;

(ii) with respect to Sections 8, 9(b), 9(c), 9(f) and 13(o), by the Company and a Vote of ADS Holders;

(iii) with respect to any provisions related to the Re-IPO or Demand Re-IPO, by the Company and the Necessary Backstop Parties;

provided, that, in each case, to the maximum extent permitted by applicable Law, any Amendment that disproportionately affects any rights of any of the Holders or any group of Holders shall require the consent of the Holders holding a majority of the outstanding Registrable Securities held by the Holders or group of Holders so affected; *provided*, that for the avoidance of doubt, the Shareholder Backstop Parties shall constitute a group of Holders solely for purposes of applying this amendment provision if any amendment disproportionately and adversely affects the rights of the Shareholder Backstop Parties/Creditor Backstop Parties relative to the rights of all other Holders; and the Shareholder Backstop Parties shall not by reason of this provision constitute a "group" within the meaning of Rule 13d-5 under the Securities Exchange Act of 1934, as amended, nor an "acuerdo de actuación conjunta" within the meaning of Article 98 of Chilean Law No. 18,045. Subject to Section 13(d), any amendment to this Agreement that is not approved in accordance with this Section 13(c) shall be void and ineffective ab *initio*.

(d) Re-IPO Amendment. This Agreement amends, restates and supersedes the Original Registration Rights Agreement, except that the provisions of the second paragraph of the section 13(d) of the Original Registration Rights Agreement shall continue and remain in full force and effect.

(e) Assignment; No Third Party Beneficiaries.

(i) The Company may not assign this Agreement nor any of the rights, interests or obligations under this Agreement without the prior written consent of each of the Holders. This Agreement and the provisions hereof shall be binding upon and shall inure to the benefit of each of the Parties and their respective permitted successors and assigns. This Agreement is not intended to confer any rights or benefits on any Persons that are not party hereto other than as expressly set forth in Section 6 and this Section 13(e), *provided* that the provisions of Sections 8, 9(b), 9(c), 9(f) and 13(o) shall inure to the benefit of all holders of ADS;

(ii) Without the consent of the Company or any other person, a transferee of a Holder that holds Registrable Securities will succeed to the rights of such transferring Holder hereunder, but solely (for all purposes) with respect to the Registrable Securities acquired from such Holder, so long as, (1) in any case, such transfer is completed in accordance with applicable Law, and (2) (a) such transferee is, prior to such transfer, an existing Holder party to this Agreement, or (b) such transferee is an Affiliate of the transferring Holder and, to the extent not already party hereto, executes a Joinder Agreement, in the form of Exhibit B to this Agreement and delivers such Joinder Agreement to the Company, or (c) such transferee, together with all parties with whom its holdings are aggregated for purposes of Rule 144, owns Ordinary Shares and ADS representing at least 1% of the Ordinary Shares (on an Ordinary Share-equivalent basis) outstanding at the time of the transfer after giving effect to such transfer, and, to the extent not already party hereto, executes a Joinder Agreement, in the form of Exhibit B to this Agreement and delivers such Joinder Agreement to the Company.

(f) Severability. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be prohibited by or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of this Agreement.

(g) Counterparts. This Agreement may be executed in one or more counterparts, all of which shall be considered one and the same agreement and shall become effective when one or more counterparts have been signed by each Party to this Agreement and delivered to the other Parties, it being understood that all Parties need not sign the same counterpart. Signatures delivered by electronic methods shall have the same effect as signatures delivered in person.

(h) Descriptive Headings. The descriptive headings of this Agreement are inserted for convenience only and do not constitute a part of this Agreement.

(i) Governing Law. This Agreement, and any claim, controversy or dispute arising under or related to this Agreement, shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to the choice of law or conflicts of law.

(j) Submission to Jurisdiction; Waiver of Immunity. Each of the Parties, by its execution of this Agreement, (i) hereby irrevocably submits to the exclusive jurisdiction of the United States District Court for the Southern District of New York and the state courts sitting in the State of New York, County of New York for the purpose of any action, claim, suit, proceeding or investigation (each, a "**Proceeding**") arising out of or based upon this Agreement or relating to the subject matter hereof, (ii) hereby waives to the extent not prohibited by applicable law, and agrees not to assert, and agrees not to allow any of its Subsidiaries to assert, by way of motion, as a defense or otherwise, in any such action, any claim that it is not subject personally to the jurisdiction of the above-named courts, that its property is exempt or immune from attachment or execution, that any such Proceeding brought in one of the above-named courts is improper, or that this Agreement or the subject matter hereof or thereof may not be enforced in or by such court and (iii) hereby agrees not to commence or maintain any Proceeding arising out of or based upon this Agreement or relating to the subject matter hereof or thereof other than before one of the above- named courts nor to make any motion or take any other action seeking or intending to cause the transfer or removal of any such Proceeding to any court other than one of the above-named courts whether on the grounds of inconvenient forum or otherwise. Notwithstanding the foregoing, to the extent that any party hereto is or becomes a party in any litigation in connection with which it may assert indemnification rights set forth in this Agreement, the court in which such litigation is being heard shall be deemed to be included in clause (i) above. Notwithstanding the foregoing, any party to this Agreement may commence and maintain an action to enforce a judgment of any of the above-named courts in any court of competent jurisdiction. Each party hereto hereby consents to service of process in any such Proceeding in any manner permitted by New York law, and agrees that service of process by registered or certified mail, return receipt requested, at its address specified pursuant to Section 13(n) hereof is reasonably calculated to give actual notice. Each of the Parties irrevocably waives, to the fullest extent permitted by applicable law, all immunity (whether on the basis of sovereignty or otherwise) from jurisdiction, service of process, attachment (both before and after judgment) and execution to which it might otherwise be entitled in the above-named courts, and will not raise or claim or cause to be pleaded any such immunity at or in respect of any such proceeding or judgment, including any immunity pursuant to the United States Foreign Sovereign Immunities Act of 1976, as amended. The Company irrevocably appoints Law Debenture Corporate Services Inc, located at 801 2nd Avenue, Suite 403, New York, NY 10017, as its authorized agent in New York, New York upon which process may be served in any legal action, suit or proceeding against it with respect of any matter arising out of or in connection with this Agreement, and agrees that service of process upon such agent shall be deemed in every respect effective service of process upon the Company in any such action, suit or proceeding.

(k) Waiver of Venue. The Parties irrevocably and unconditionally waive, to the fullest extent permitted by applicable law, (i) any objection that they may now or hereafter have to the laying of venue of any Proceeding arising out of or relating to this Agreement in any court referred to in Section 13(j) and (ii) the defense of an inconvenient forum to the maintenance of such Proceeding in any such court.

(l) WAIVER OF JURY TRIAL. EACH OF THE PARTIES HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

(m) Cumulative Remedies. No delay on the part of any Party in exercising any right, power or privilege pursuant to this Agreement will operate as a waiver thereof, nor will any waiver on the part of any Party of any right, power or privilege pursuant to this Agreement, nor will any single or partial exercise of any right, power or privilege pursuant to this Agreement, preclude any other or further exercise thereof or the exercise of any other right, power or privilege pursuant to this Agreement. Except as otherwise provided in this Agreement, the rights and remedies provided pursuant to this Agreement are cumulative and are not exclusive of any rights or remedies which any Party otherwise may have at law or in equity.

(n) Notices. All notices hereunder shall be deemed given if in writing in English and delivered, if sent by electronic mail, courier or by registered or certified mail (return receipt requested) to the following addresses and facsimile numbers (or at such other addresses or facsimile numbers as shall be specified by like notice):

If to the Company, to:

LATAM Airlines Group S.A.
Edificio Huidobro
Av. Presidente Riesco 5711, Piso 20
Las Condes, Santiago, Chile

Attention: Corporate Finance Director

E-mail address: andres.delvalle@latam.com

Telephone + 56 2 565 3952
Facsimile + 56 2 565 3950

with a copy (which shall not constitute notice) to:

Cleary Gottlieb Steen & Hamilton LLP
One Liberty Plaza
New York, NY 10006

Attention: Richard J. Cooper
Lisa Schweitzer
Adam Brenneman

E-mail: rcooper@cgsh.com
lschweitzer@cgsh.com
abrenneman@cgsh.com

Telephone + 1 (212) 225-2276 / + 1 (212) 225-2629 /+ 1 (212) 225-704
Facsimile: +1 (212) 225-3999

If to a Holder, to the address(es), electronic mail address(es) or facsimile number(s) set forth below such Holder's signature, as the case may be, with copies to any counsel designated by such Holder (as included on its signature page or otherwise provided by written notice to the Company), with a copy (which shall not constitute notice) to:

In the case of a Creditor Backstop Party:
Kramer Levin Naftalis & Frankel LLP
1177 Avenue of the Americas
New York, NY 10036

Attention: Kenneth H. Eckstein
Rachael Ringer
John Bessonette

E-mail: keckstein@kramerlevin.com
rringer@kramerlevin.com
jbessonette@kramerlevin.com

Telephone + 1 (212) 715-9229 / + 1 (212) 715-9506 /+ 1 (212) 715-9182
Facsimile: +1 (212) 715-8000

In the case of the Shareholder Backstop Parties:

(a) if to Delta, to the address set forth on Delta's signature page, with a copy (which shall not constitute notice) to:

Davis Polk & Wardwell LLP
450 Lexington Avenue
New York, NY 10017

Attention: Marshall Huebner, Esq.,
Adam L. Shpeen, Esq.

E-mail: marshall.huebner@davispolk.com
adam.shpeen@davispolk.com

Facsimile: +1 (212) 701-5169

(b) if to Qatar, to the address set forth on Delta's signature page, with a copy (which shall not constitute notice) to:

Alston & Bird LLP
90 Park Avenue
New York, NY 10016

Attention: Gerard S. Catalanello, Esq.
James J. Vincequerra, Esq.
David Brown

E-mail: gerard.catalanello@alston.com
james.vincequerra@alston.com
david.brown@alston.com

Facsimile: +1 (212) 210-9444

(c) if to CVA, to the address set forth on Delta's signature page, with a copy (which shall not constitute notice) to:

Wachtell, Lipton, Rosen & Katz
51 West 52nd Street
New York, NY 10019

Attention: Richard G. Mason, Esq.
Angela K. Herring, Esq

E-mail: rgmason@wlrk.com
akherring@wlrk.com

Facsimile: +1 (212) 403-2000

Any notice given by delivery, mail or courier shall be effective when received. Any notice given by facsimile shall be effective upon oral or machine confirmation of successful transmission. Any notice given by electronic mail shall be effective upon delivery.

Each document, instrument, financial statement, report, notice or other communication delivered in connection with this Agreement shall be in English, except for those documents, authorizations and other similar filings with governmental authorities, and financial statements, in each case, that were originally executed or prepared in the Spanish language; *provided* that the Company shall electronically publish English translations of any such document to the extent required by Rule 12g3-2(b) of the Exchange Act and the costs of preparing such translation shall be borne by the Company.

(o) Changes in Law. The Company shall consider in good faith any proposals made by (i) prior to the ADS Listing, the Necessary Backstop Parties, and (ii) following the ADS Listing, a holder or group of holders of (x) a majority of the ADS then outstanding or (y) ADS representing 10% of the total number of Ordinary Shares, to respond to changes in Law or formal interpretation of Law that affect ADS or the trading of shares in the United States, taking into account the restrictions set forth under applicable law, the interests of all shareholders and the regulatory and operational context in which the Company operates.

(p) Rules of Construction. The Parties agree that they have each been represented by counsel during the negotiation, preparation and execution of this Agreement (or, if executed following the date hereof by counterpart, have been provided with an opportunity to review the Agreement with counsel) and, therefore, waive the application of any law, regulation, holding or rule of construction providing that ambiguities in an agreement or other document will be construed against the Party drafting such agreement or document.

(q) Interpretation. This Agreement shall be construed in accordance with the following rules: (i) the terms defined in this Agreement include the plural as well as the singular; (ii) all references in the Agreement to designated "Sections" and other subdivisions are to the designated sections and other subdivisions of the body of this Agreement; (iii) pronouns of either gender or neuter shall include, as appropriate, the other pronoun forms; (iv) the words "herein," "hereof" and "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular Section or other subdivision; (v) the words "includes" and "including" are not limiting; (vi) for purposes of any determination of a number or percentage of the Ordinary Shares and/or ADS, such number or percentage shall be calculated on an "Ordinary Share-equivalent" basis, without duplication of the Ordinary Shares in the ADS Program and any outstanding ADS corresponding to such Ordinary Shares, and after giving effect to the applicable ratio of ADS to Ordinary Shares under the ADS Program; (vii) Ordinary Shares beneficially owned by a person shall include (x) (A) Ordinary Shares issuable upon conversion of New Convertible Notes beneficially owned by such person and (B) Ordinary Shares corresponding to ADS beneficially owned by such person through the ADS Program, and (y) Ordinary Shares (including Ordinary Shares referred to in the foregoing clause (x)) beneficially owned by affiliates of such person, with beneficial ownership for these purposes meaning the ownership of substantially all of the (1) voting power which includes the power to vote, or to direct the voting of, such securities and (2) economic interests in such securities (which economic interests, for the avoidance of doubt, have not been divested through any swap or derivative arrangements or any other arrangements having the effect thereof); and (viii) references to "dollars" or "$" are to United States of America dollars.

(r) Independent Agreement by the Holders. The Parties acknowledge and agree that this Agreement does not constitute an agreement, arrangement, or understanding with respect to acting together for the purpose of acquiring, holding, voting, or disposing of Registrable Securities, ADS, the Ordinary Shares or preferred shares or any equity securities of the Company, and the Holders do not constitute a "group" within the meaning of Rule 13d-5 under the Exchange Act. Nothing contained in this Agreement and no action taken by any Holder pursuant to this Agreement shall be deemed to constitute or to create a presumption by any parties that the Holders are in any way acting in concert or as a "group" or "joint actors" (or a joint venture, partnership or association), and each of the Parties agree to not assert any such claim with respect to such obligations or the transactions contemplated by this Agreement.

(s) Cessation of Registration Rights. All registration rights granted under Section 1 shall continue to be applicable with respect to any Holder until such time as the Holder no longer holds any Registrable Securities.

(t) No Recourse. Notwithstanding anything that may be expressed or implied in this Agreement, and notwithstanding the fact that certain of the Parties may be partnerships or limited liability companies, each of the Parties and the Company agrees and acknowledges that no recourse under this Agreement or any documents or instruments delivered in connection with this Agreement shall be had against any of the Company's or the Party's former, current or future direct or indirect equity holders, controlling persons, shareholders, directors, officers, employees, agents, Affiliates, members, financing sources, managers, general or limited partners or assignees (each, a "**Related Party**" and collectively, the "**Related Parties**"), in each case other than the Parties, whether by the enforcement of any assessment or by any legal or equitable Proceeding, or by virtue of any applicable law, it being expressly agreed and acknowledged that no personal liability whatsoever shall attach to, be imposed on or otherwise be incurred by any of the Related Parties, as such, for any obligation or liability of the Company or the Parties under this Agreement or any documents or instruments delivered in connection herewith for any claim based on, in respect of or by reason of such obligations or liabilities or their creation; *provided*, *however*, nothing in this Section 13(t) shall relieve or otherwise limit the liability of the Company or any current or former Party, as such, for any breach or violation of its obligations under this Agreement or such agreements, documents or instruments.

* * *

IN WITNESS WHEREOF, the Parties have executed this Amended and Restated Registration Rights Agreement on the date first above written.

LATAM AIRLINES GROUP S.A.

By: /s/ Andres Del Valle
Name: Andres Del Valle Eitel
Title: Attorney-in-Fact

[Signature pages for Creditor Backstop Parties and Shareholder Backstop Parties Redacted]

SCHEDULE 1

CREDITOR BACKSTOP PARTIES
[Redacted]

SHAREHOLDER BACKSTOP PARTIES
[Redacted]

EXHIBIT A

LATAM AIRLINES S.A.

FORM OF SELLING SHAREHOLDER QUESTIONNAIRE

[Redacted]

EXHIBIT B

FORM OF JOINDER AGREEMENT TO REGISTRATION RIGHTS AGREEMENT

[Redacted]

EXHIBIT C

Plan of Distribution

[Redacted]

EXHIBIT D

Additional Obligations of the Company in Respect of the ADS Programs

[Redacted]

EXHIBIT E

Unrestricted ADS Program Amendment

[Redacted]

Exhibit 4.44

Execution Version

STRICTLY PRIVATE AND CONFIDENTIAL

TRANS-AMERICAN
JOINT VENTURE AGREEMENT

among

DELTA AIR LINES, INC.,

LATAM AIRLINES GROUP S.A., D/B/A LAN AIRLINES,

TAM LINHAS AÉREAS S.A.,

LATAM AIRLINES PERÚ S.A.,

TRANSPORTES AEREOS DEL MERCOSUR S.A., D/B/A TAM MERCOSUR,

and

AEROVIAS DE INTEGRACION REGIONAL, AIRES S.A., D/B/A LAN COLOMBIA

TABLE OF CONTENTS

TRANS-AMERICAN JOINT VENTURE AGREEMENT

This **TRANS-AMERICAN JOINT VENTURE AGREEMENT** (as amended from time to time in accordance with the provisions hereof and together with all exhibits, schedules and attachments hereto, the "**Agreement**") is entered into as of this 7th day of May, 2020 by and among:

Delta Air Lines, Inc., a corporation organized under the laws of the State of Delaware, having its principal office at 1030 Delta Boulevard, Atlanta, Georgia 30354, USA. ("**Delta**");

LATAM Airlines Group S.A., a sociedad anónima organized under the laws of Chile, having its principal office at Avenida Presidente Riesco 5711, Piso 19, Las Condes, Santiago, Región Metropolitana, Chile ("**LATAM Airlines**" and, together with LATAM Airlines Brasil, LATAM Airlines Peru, LATAM Airlines Paraguay and LATAM Airlines Colombia, "**LATAM**");

TAM Linhas Aéreas S.A., a sociedade anónima organized under the laws of Brazil, having its principal office at Avenida Jurandir 856, Hangar VII, 2° andar, Jardim Ceci, Sao Paulo, Brazil ("**LATAM Airlines Brasil**");

LATAM Airlines Perú S.A., a sociedad anónima organized under the laws of Peru, having its principal office at Avenida Andrés Reyes 338, Piso 6, San Isidro, Lima, Perú ("**LATAM Airlines Peru**");

Transportes Aereos del Mercosur S.A., a company organized under the laws of Paraguay, having its registered offices at Hangar TAM, Aeropuerto Silvio Pettirossi, Luque, Paraguay ("**LATAM Airlines Paraguay**"); and

Aerovías de Integración Regional, Aires S.A., d/b/a LATAM Airlines Colombia, a sociedad anónima organized under the laws of Colombia, having its principal office at Cra 11B No. 99-25, Piso 14, Bogota, Colombia ("**LATAM Airlines Colombia**").

In this Agreement, Delta and LATAM are together referred to as the "**Parties**" and each a "**Party**". LATAM Airlines, LATAM Airlines Brasil, LATAM Airlines Peru, LATAM Airlines Paraguay and LATAM Airlines Colombia are each individually referred to as a "**LATAM Affiliate**" and together the "**LATAM Affiliates**". In this Agreement, Delta shall act as a single party and have rights and obligations as a single party and all of the LATAM Affiliates shall act jointly as a single party, have rights and obligations as a single party, and each shall be jointly and severally liable for the obligations and liabilities of the other LATAM Affiliates.

RECITALS

WHEREAS, Delta and LATAM Airlines are parties to that certain Framework Agreement dated as of September 26, 2019 (the "**Framework Agreement**"), pursuant to which such Parties agreed to enter into a strategic alliance with respect to the Parties' scheduled air transportation services on routings between the U.S./Canada and certain countries in South America, as set forth in the Framework Agreement;

WHEREAS, Delta and LATAM desire to establish a long-term metal-neutral contractual joint venture arrangement that links the Parties' networks and enables the Parties to market integrated air transportation services as a single competitor within the scope of the Joint Venture to the extent set forth herein in order to deliver robust consumer benefits through expanded capacity, greater consumer choice, and joint investments in the customer experience;

WHEREAS, each of Delta and LATAM has determined that, in order to give effect to the objective of their broader agreement to operate an integrated and coordinated efficiency-enhancing Joint Venture, it is necessary to coordinate pricing and supply of services and allocate sales, routes, customers and markets as a single competitor exercising joint decision-making within the scope of the Joint Venture, all as contemplated by this Agreement, with each of the LATAM Affiliates (with respect to the markets served by it) participating in the Joint Venture on behalf of LATAM while maintaining such LATAM Affiliate as an independent certificated air carrier domiciled in its own home country;

WHEREAS, the Parties desire to enter into this Agreement to set forth the terms and conditions on which (i) promptly following the date of this Agreement the Parties will seek to obtain all Required Approvals, and (ii) following receipt of such approvals and subject to the satisfaction of the conditions set forth herein, the Parties will implement the Joint Venture and the commercial cooperation arrangements contemplated hereby, all on the terms and conditions set forth in this Agreement and the Implementing Agreements; and

WHEREAS, in addition to this Agreement and without prejudice to the rights and obligations of Delta and each LATAM Affiliate set forth herein, Delta, LATAM Airlines and the relevant LATAM Affiliates have entered into or will enter into one or more country-specific Joint Venture Implementing Agreements (each, a "**Country JV Implementing Agreement**" and, collectively, the "**Country JV Implementing Agreements**") containing certain of the provisions contained herein which are applicable to the Joint Venture activities relative to such country and JV Routings between the U.S./Canada and such country.

IN WITNESS WHEREOF, for and in consideration of the premises and mutual agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

ARTICLE 1
DEFINITIONS

Section 1.1 **Definitions**

All capitalized terms used but not defined herein shall have the meanings given such terms in Schedule A attached hereto.

ARTICLE 2
JOINT VENTURE IMPLEMENTATION

Section 2.1 **Implementing Agreements**

2.1.1 Promptly following the date of this Agreement, Delta and LATAM shall diligently and in good faith (i) amend or amend and restate those Implementing Agreements that exist between the Parties as of the date hereof to incorporate the changes contemplated by this Agreement and such other provisions as may be mutually agreed by the Parties, and (ii) negotiate the terms of those Implementing Agreements that are not currently in effect between the Parties. Subject to Section 2.3.1.5, on or before the Implementation Date, Delta and the applicable LATAM Affiliates shall execute and deliver each of the Implementing Agreements.

Section 2.2 **Implementation of Joint Venture**

2.2.1 Following the date of this Agreement and subject to compliance with Applicable Law, the Parties shall meet to discuss and develop specific plans and timelines for implementation of the Joint Venture and the arrangements contemplated by this Agreement. Subject to Section 9.1, each Party shall in good faith use its commercially reasonable efforts to assist and cooperate with the other Party in taking all commercially reasonable actions necessary, proper or advisable under Applicable Law to prepare for and to implement the Joint Venture in accordance with this Section 2.2.

2.2.2 Implementation of the Joint Venture shall be subject to the satisfaction of all of the conditions precedent set forth in Section 2.3. Effective as of the first calendar day of the first calendar month following the satisfaction of all of the conditions precedent set forth in Section 2.3 (or such other date mutually agreed by the Parties), the Parties shall implement the Joint Venture on the terms and conditions set forth herein (the date on which the Joint Venture is implemented in accordance with this Agreement being the "**Implementation Date**").

Section 2.3 **Conditions Precedent**

2.3.1 The respective obligations of each of the Parties to implement the Joint Venture shall be subject to the satisfaction (or waiver by both Parties in writing) of each of the following conditions:

2.3.1.1 U.S. Antitrust Immunity and the other Required Approvals shall have been obtained without any condition, limitation, restriction or obligation (except to the extent expressly set forth in Section 2.3(e) of the Framework Agreement); provided that if all Required Approvals by Competent Authorities in the United States and Brazil (and in Peru if required by Applicable Law) have been obtained (in each case without any such condition, limitation, restriction or obligation), the Parties may mutually agree to proceed with implementation of the Joint Venture with respect to such countries pending receipt of Required Approvals by Competent Authorities in any country or territory other than such countries;

2.3.1.2 No judgment, order, injunction (whether temporary, preliminary or permanent), decree, statute, law, ordinance, rule or regulation, or other legal restraint or prohibition entered, enacted, promulgated, enforced or issued by any Competent Authority shall be in effect that makes illegal or prohibits the implementation of the Joint Venture or any of the arrangements contemplated under this Agreement or any Implementing Agreement;

2.3.1.3 Delta and LATAM shall have entered into an amendment to this Agreement to (i) replace Schedule B with the mutually agreed Cargo Cooperation Implementation Plan pursuant to Section 6.12; (ii) replace Schedule C with a final version of such Schedule that includes further details regarding those items where mutual agreement of the Parties is required prior to the Implementation Date; and (iii) make such other required changes to this Agreement as may be mutually agreed by the Parties;

2.3.1.4 Delta and LATAM shall have mutually agreed in writing to (i) the Initial Network Plan pursuant to Section 5.1.1, (ii) the proration methodology to be implemented between the Parties pursuant to Section 6.4.5 and (iii) changes to the ISC and the Codeshare commissions set forth in the Codeshare Agreements to be implemented pursuant to Section 6.4.6, and such agreed terms described in the foregoing clause (ii) and (iii) shall be documented in amendments to the Special Prorate Agreement and the Codeshare Agreements (as applicable); and

2.3.1.5 Each of the Implementing Agreements shall have been finalized in form and substance mutually agreed by the Parties.

2.3.2 The obligation of Delta to implement the Joint Venture pursuant to Section 2.2.2 shall be further subject to the satisfaction (or waiver by Delta in writing) of each of the following conditions:

2.3.2.1 The representations and warranties of LATAM contained in this Agreement shall be true and correct in all respects as of the Implementation Date as if made at and as of such time (except for any representation or warranty that is made only as of a specified date, which need only to be true as of such specified date);

2.3.2.2 LATAM shall have performed in all material respects all covenants and agreements required to be performed by it under this Agreement at or prior to the Implementation Date;

2.3.2.3 Each LATAM Affiliate shall have executed and delivered each of the Implementing Agreements to which it is a party;

2.3.2.4 [redacted] with respect to any LATAM Affiliate;

2.3.2.5 [redacted]fect since the date of this Agreement with respect to any LATAM Affiliate; and

2.3.2.6 Delta shall have validated [redacted]

2.3.3 The obligation of LATAM to implement the Joint Venture pursuant to Section 2.2.2 is further subject to the satisfaction (or waiver by LATAM in writing) of each of the following conditions:

2.3.3.1 The representations and warranties of Delta contained in this Agreement shall be true and correct in all respects as of the Implementation Date as if made at and as of such time (except for any representation or warranty that is made only as of a specified date, which need only to be true as of such specified date);

2.3.3.2 Delta shall have performed in all material respects all covenants and agreements required to be performed by it under this Agreement at or prior to the Implementation Date;

2.3.3.3 Delta shall have executed and delivered each of the Implementing Agreements;

2.3.3.4 [redacted] with respect to Delta;

2.3.3.5 [redacted] since the date of this Agreement with respect to Delta; and

2.3.3.6 LATAM shall have validated [redacted].

ARTICLE 3
THE JOINT VENTURE

Section 3.1 **Objectives of the Joint Venture**

The objectives of the Joint Venture include to (i) deliver robust consumer benefits through the metal-neutral coordination contemplated by this Agreement, providing [redacted] (ii) [redacted] (iii) [redacted] (iv) in [redacted] and (v) [redacted] (all such objectives shall be collectively referred to herein as the "**Business Objectives**").

Section 3.2 **Characterization of the Joint Venture**

3.2.1 The Parties acknowledge and agree that the Joint Venture shall be a contractual commercial arrangement, under which the Parties will jointly manage the Joint Venture Operations as contemplated by this Agreement, but the Joint Venture shall not be separately incorporated or established as a partnership or other separate business entity between the Parties or as an Affiliate of either Party. While the Parties will exercise joint decision-making as a single competitor regarding the Joint Venture Operations to the extent set forth in this Agreement, each Party will remain a separate corporate entity (and, in the case of LATAM, separate but affiliated corporate entities) and, unless otherwise expressly provided herein, will retain independent decision-making and managerial authority with respect to such entity and its own business and operations.

3.2.2 Except to the extent expressly provided in this Agreement or in a separate written agreement between the Parties, [redacted]

Section 3.3 **Scope of the Joint Venture; Affiliates and Contract Carriers**

3.3.1 The commercial joint venture arrangement to be implemented between the Parties in accordance with the provisions of this Agreement and the Implementing Agreements (the "**Joint Venture**") shall cover the Parties' [redacted] (including [redacted] via an unscheduled intermediate point or to terminate at a point other than the one originally scheduled.

3.3.2 Except as otherwise expressly set forth in this Agreement or any Implementing Agreement, each Party's Scheduled Services shall include Scheduled Services of such Party, its Affiliates and Contract Carriers. [redacted]

[redacted]

Section 3.4 **JV Routes**

3.4.1 As used in this Agreement, a "**JV Route**" shall mean any [redacted] and shall include (if applicable) any [redacted]. For the avoidance of doubt, [redacted], shall be [redacted]

3.4.2 The Parties agree that, if at any time a bilateral "open skies" agreement is implemented between the [redacted], subject to receipt of all Required Approvals, [redacted] effective as of the implementation of any such bilateral "open skies" agreement, [redacted] In connection with the addition of such routes as JV Routes hereunder, the Parties shall negotiate in good faith the [redacted]

Section 3.5 **Beyond Routes; JV Routings**.

3.5.1 As used in this Agreement:

3.5.1.1 A "**Beyond Route**" means, with respect to [redacted], any non-stop route (not being a JV Route) with an origination and destination point within U[redacted] and

3.5.1.2 "**JV Routing**" means any [redacted] (i) [redacted] and (ii) [redacted] s.

ARTICLE 4
COORDINATION OF THE JOINT VENTURE

Section 4.1 **General Principles**

Commencing on the Implementation Date, Delta and LATAM intend to coordinate activities with respect to the Joint Venture in a manner that will enable them to achieve the Business Objectives to the greatest extent possible. The activities of each Party hereunder shall be structured to promote the greatest amount of cooperation between the Parties. The Parties intend, through use of a joint Leadership Team and the Working Groups contemplated in this Article 4, to [redacted] s; provided, however, [redacted], and make

decisions with respect to, its own operations on JV Routes as such Party deems necessary or appropriate from time to time, and neither Party shall be required to obtain the consent of the other Party with respect to such matters, except in all cases to the extent expressly set forth in this Agreement or any Implementing Agreement.

Section 4.2 **Leadership Team**

4.2.1 *Establishment*. As soon as reasonably practicable after the Implementation Date, the Parties will establish and maintain a Joint Venture leadership team (the "**Leadership Team**") consisting of [redacted]. The Leadership Team will seek to [redacted] the Joint Venture in a [redacted].

4.2.2 *Members*. The Leadership Team will have [redacted]. Unless otherwise mutually agreed by the Parties in writing, the Leadership Team will be [redacted]. It is anticipated that the Leadership Team members designated by each Party will have [redacted]. Each Party shall have [redacted] to the Leadership Team at any time by giving written notice to the other Party.

4.2.3 *Working Groups*. The Leadership Team shall appoint the Working Groups described in Section 4.3 and may create ad hoc or standing committees from time to time as it deems necessary or appropriate.

4.2.4 *Leadership Team Meetings*.

4.2.4.1 The Leadership Team shall meet [redacted] mutually agreed by the Parties. If none of a Party's members of the Leadership Team [redacted]

4.2.4.2 The Parties shall work together [redacted] for each Leadership Team meeting, which shall include [redacted]. The agreed agenda for any Leadership Team meeting shall be [redacted]

4.2.4.3 Upon prior written notice to the other Party, additional employees, advisers and/or other representatives of a Party [redacted]

4.2.5 *Authority; Decisions*. Each Leadership Team member is expected to function as a [redacted]. As such, the Leadership Team [redacted] Joint Venture. The Leadership Team shall [redacted] of the Leadership Team and the [redacted] by the

Leadership Team require the [redacted]
Each Party shall ensure that [redacted] In the event that the Leadership Team is [redacted] the following shall apply:

4.2.5.1 to the extent the [redacted], then the proposal shall be [redacted], and [redacted] and

4.2.5.2 to the extent the disagreement [redacted], then with respect to its own operations and those of its Affiliates and Contract Carriers, each Party may [redacted], provided that, [redacted] under this Agreement and the Implementing Agreements.

4.2.6 *CEO Meetings*. At least [redacted], the Chief Executive Officer or President of each Party shall meet to [redacted]

Section 4.3 **Working Groups**

4.3.1 *Establishment*. As soon as reasonably practicable after the Implementation Date, the Parties will establish functional working groups (each, a "**Working Group**" and, together with such other working groups mutually agreed by the Parties from time to time, the "**Working Groups**"), to [redacted] with respect to each of the functions set forth in this Section 4.3.1 and any other [redacted]. The duties and responsibilities of each Working Group shall be mutually [redacted] Each Working Group will seek to perform its duties and responsibilities in a manner consistent with the Business Objectives.

(a) [redacted]

(b)

(c)

(d)

(e)

(f)

(g)

(h)

(i)

(j)

(k)

(I) [redacted]

4.3.2 *Members*. Each Working Group shall be comprised of [redacted], unless otherwise mutually agreed. Each Party shall have [redacted].

4.3.3 *Authority; Decisions*. No Working Group [redacted], but it is expected that [redacted] to the Leadership Team [redacted] of a Working Group and [redacted] by a Working Group [redacted]) shall require the [redacted] Working Group [redacted].

4.3.4 *Meetings and Reporting*. Each Working Group shall [redacted] Leadership Team regarding [redacted].

Section 4.4 **Antitrust Protocols.**

4.4.1 The Parties acknowledge and agree that all commercially sensitive information exchanged between the Parties, including in connection with activities of the Leadership Team and the Working Groups as set forth in this Article 4, shall be limited to information within the scope of the Joint Venture and such information shall be used solely for purposes of the Joint Venture. Each Party shall, and shall cause its Affiliates to, implement, with respect to their own personnel, protocols and procedures designed to ensure that Joint Venture activities remain in compliance with all Applicable Laws, including with respect to antitrust and competition law matters.

ARTICLE 5
JOINT VENTURE OPERATIONS

Section 5.1 **Joint Network Plan**

5.1.1 *Initial Network Plan*. Prior to the Implementation Date, the Parties shall [redacted] containing the information set forth in this Section 5.1.1 (the "**Initial Network Plan**") for the period covered by [redacted], provided that, if based on the Initial Network Plan, [redacted] The Initial Network Plan and each Joint Network Plan thereafter shall contain the following elements with respect to the Joint Venture Operations of each Party and its Affiliates and Contract Carriers on all JV Routes:

5.1.1.1 [redacted]

5.1.1.2 the [redacted]

5.1.1.3 the [redacted];

5.1.1.4 the [redacted]; and

5.1.1.5 the [redacted].

5.1.2 *Joint Network Plan.*

5.1.2.1 For purposes of this Agreement, the term "**Joint Network Plan**" shall mean, with respect to any period, the [redacted]

5.1.2.2 In connection with the network Working Group's normal [redacted] for each [redacted], the Parties shall [redacted] in accordance with this Agreement. In connection with such [redacted] uch exchange of data and information is intended to [redacted]

5.1.2.3 In developing the Joint Network Plan for any Scheduling Season, the Parties shall seek to make changes that will [redacted] taking into account (i) [redacted], (ii) [redacted], (iii) [redacted], (iv) [redacted], (v) [redacted] and (vi) such other factors mutually agreed from time to time.

5.1.3 *Joint Venture Operations.* During the Term and subject to this Agreement, each Party shall (and shall cause its Affiliates and Contract Carriers to) [redacted] (subject to each Party's right to make [redacted] and, subject to Section 16.12, shall (and shall cause its Affiliates and Contract Carriers to) [redacted] in accordance with this Agreement.

Section 5.2 **Network Governance**

5.2.1 *Network Consensus Decisions*.

5.2.1.1 Commencing on the Implementation Date and subject to the provisions of this Section 5.2, (i) [redacted], or (ii) [redacted], in each case shall require the mutual written consent of the Parties as a Consensus Matter.

5.2.1.2 Notwithstanding anything set forth in this Agreement, neither Party shall have the right to (i) [redacted] (ii) [redacted] or (iii) [redacted]

5.2.2 *Discretionary Network Decisions*. Notwithstanding Section 5.2.1, the following changes to a Party's Joint Venture Operations shall not be deemed a Consensus Matter and each Party shall be entitled to make any such change with respect to its Joint Venture Operations and those of its Affiliates and Contract Carriers in its sole discretion:

5.2.2.1 [redacted]. Each Party may, without the consent of the other Party, [redacted].

5.2.2.2 [redacted]. During any Scheduling Season, each Party may, without the consent of the other Party, [redacted] provided that any such permitted [redacted] in any Scheduling Season [redacted].

5.2.2.3 [redacted]. Each Party may, without the consent of the other Party, [redacted] (including any [redacted]) on [redacted].

5.2.2.4 [redacted] *Changes*. Each Party may, without the consent of the other Party, change the [redacted].

5.2.2.5 [redacted]*r Operations*. Each Party may, without the consent of the other Party, make any change to its Joint Venture Operations [redacted]

Section 5.3 **Allocation of Capacity Growth**

The Parties [redacted] in the Parties' Joint Venture Operations (measured on an [redacted]) shall be [redacted] (ii) [redacted]

Following the Capacity Growth Allocation Date, unless otherwise agreed by the Parties, [redacted] as of the Capacity Growth Allocation Date. Notwithstanding the foregoing, the Parties acknowledge and agree that allocation of any capacity growth in the Parties' Joint Venture Operations and all other decisions relating to changes to the Parties' Joint Venture Operations shall be determined in accordance with Section 5.2.

Section 5.4 **Joint Venture Governance Regarding Third Party Cooperation**

5.4.1 *General*. The Parties acknowledge and agree that, in order to [redacted]

5.4.2 [redacted] *Codesharing*. [redacted], other than:

5.4.2.1 in the case of Delta (i) [redacted] (ii) [redacted]; and

5.4.2.2 in the case of LATAM, (i) [redacted] (ii) [redacted].

5.4.3 *Third Party Marketing Programs*.

5.4.3.1 Delta agrees that, [redacted] of LATAM, [redacted] ther than (i) LATAM, its Affiliates or Contract Carriers and (ii) any Delta Grandfathered Carrier.

5.4.3.2 LATAM agrees that, [redacted], [redacted] (i) Delta, its Affiliates or Contract Carriers and (ii) any LATAM Grandfathered Carrier.

Section 5.5 **Flight Operations**

Notwithstanding anything set forth in this Agreement, all aircraft operated by a Party or its Affiliate or Contract Carrier shall remain under the Operating Carrier's technical and operational control and shall be operated in accordance with the Operating Carrier's operational requirements. Subject to such rules and except as otherwise expressly set forth in this Agreement or any Implementing Agreement, the Operating Carrier [redacted].

ARTICLE 6
JOINT VENTURE COMMERCIAL ACTIVITIES

Section 6.1 **General**

Commencing on the Implementation Date, the Parties shall engage in the commercial activities set forth in this Article 6, in each case within the scope of the Joint Venture and as a single competitor exercising joint decision-making to the extent forth herein. For the avoidance of doubt, all commercial cooperation and coordination between the Parties contemplated by this Article 6 shall be limited to JV Routes and JV Routings and shall not be applicable with respect to other routes or city pair routings outside the scope of the Joint Venture. All such commercial cooperation and coordination shall be subject to compliance with all Applicable Laws, provided that each Party shall be obligated to seek and diligently pursue receipt of all Required Approvals and shall use all commercially reasonable efforts to obtain such approvals as required to facilitate the commercial cooperation contemplated hereunder in a timely manner.

Section 6.2 **Reciprocal Codesharing**

6.2.1 Subject to and in accordance with the terms and conditions of the applicable Codeshare Agreement, commencing on the Implementation Date, [redacted] on (i) [redacted], (ii) [redacted]. Notwithstanding the foregoing, in the event any such Codesharing by a Party (as the Marketing Carrier) is [redacted].

6.2.2 The Parties acknowledge and agree that, unless otherwise mutually agreed by the Parties in writing, [redacted]. At all times during the Term, each of the Parties shall implement, file and maintain in effect all necessary [redacted].

Section 6.3 **Network and Schedule Planning**

6.3.1 *General*. Commencing on the Implementation Date and thereafter during the Term, the Parties will engage in joint network and schedule planning with respect to the Parties' Joint Venture Operations (including review and consideration of proposed changes to the Joint Network Plan) in accordance with Article 5, this Section 6.3 and as otherwise mutually agreed. The network Working Group will provide [redacted]

6.3.2 *Network Plan*. Within [redacted] for the Parties' Joint Venture Operations and review such outlook with the Leadership Team. Such outlook shall be [redacted] the network Working Group [redacted] For the avoidance of doubt, such outlook [redacted]

6.3.3 *Proposed Changes to Joint Network Plan*. In considering changes to the Joint Network Plan, the Parties [redacted] such other factors as may be mutually agreed. When proposing any change to Joint Venture Operations for consideration by the network Working Group from time to time, the Parties shall [redacted].

Section 6.4 **Pricing and Revenue Management**

6.4.1 *General*. Commencing on the Implementation Date and thereafter during the Term, the Parties will [redacted]. For the avoidance of doubt, such [redacted] of the Joint Venture. The [redacted] and [redacted] Working Group will [redacted] of the Joint Venture.

6.4.2 *Pricing*. The Parties shall establish a [redacted]

6.4.2.1 *Pricing Function*. [redacted] The Parties will seek to [redacted].

6.4.2.2 *Pricing* [redacted] Pricing [redacted]

6.4.2.3 *Pricing* The Parties agree to with the following principles: (A , (B s, (C (D

6.4.2.4 *Pricing Decisions and Implementation.* Subject to the provisions of this Section 6.4.2 and the Working Group, . Each Party shall be . The Parties recognize there are and will be

6.4.2.5 *New Products.* Without prejudice to the provisions of Article 5, With a view to on (i) , (ii) , (iii) and (iv) The Parties agree to work together in good faith in connection

6.4.2.6 *Cross-Selling.* The Parties agree that

6.4.2.7 *Data Sharing.* The Parties .

6.4.3 *Inventory Management.* The Parties shall

[redacted]

6.4.3.1 *Inventory Management Function.* [redacted] of the Parties' respective [redacted]. The Parties will seek to [redacted]

6.4.3.2 *Inventory Management* [redacted]. The Parties intend to [redacted], however, the Parties' inventory management activities with respect to JV Routes [redacted].

6.4.3.3 [redacted] *Inventory Access.* The Parties agree to [redacted] To the extent there exist technical limitations on the Parties' ability to [redacted]

6.4.4 [redacted] *Planning.* The Parties agree to [redacted] Each of the Parties will designate [redacted]

6.4.5 *Proration of Revenue.* The Parties acknowledge that, as of the date of this Agreement, the Parties have implemented the [redacted]. Prior to the Implementation Date, the Parties shall [redacted] as of the Implementation Date when the [redacted] Schedule C will [redacted] On or before the Implementation Date, such [redacted] shall be documented in amendments to the [redacted].

6.4.6 *Interline Selling Commission; Codeshare Commissions.* The Parties acknowledge that, as of the date of this Agreement, the Parties have implemented a [redacted] Prior to the Implementation Date, the Parties [redacted] On or before the Implementation Date, such agreed terms shall be [redacted]

Section 6.5 **Passenger Sales and Marketing**

6.5.1 *General*. Commencing on the Implementation Date, the Parties agree, to the extent permitted under Applicable Law, to coordinate their respective [redacted] in accordance with this Section 6.5 and as otherwise mutually agreed. The [redacted] Working Group will provide [redacted] of the Joint Venture.

6.5.2 *Sales* [redacted]. The Parties [redacted] for the Joint Venture to the extent mutually agreed.

6.5.3 *Metal Neutral Sales*. The Parties shall implement a metal-neutral [redacted] Commencing as soon as reasonably practicable after the Implementation Date, each Party shall ensure that [redacted]

6.5.4 [redacted] *Programs*. Commencing as soon as reasonably practicable after the Implementation Date, with respect to [redacted] the Parties shall implement [redacted] to the extent permitted under Applicable Law. The Parties agree to work towards developing [redacted]. Such systems include [redacted] Each of the Parties reserves the right to [redacted]

6.5.5 *Sales Planning*. The Parties shall implement [redacted] process for the Joint Venture, [redacted] Working Group following the Implementation Date.

Section 6.6 **Frequent Flyer Programs; Premium Customer Handling**

6.6.1 *Reciprocal Program Participation*. While Delta and LATAM each will maintain their own frequent flyer program, each Party shall [redacted] subject to and in accordance with the terms and conditions set forth in the FFP Agreement.

6.6.2 *Award Inventory Availability*. The Parties shall implement [redacted]

[redacted]

6.6.3 *FFP Settlement Mechanism.* The Parties shall discuss in good faith a mutually agreed settlement mechanism for [redacted]. If implemented by the Parties, [redacted] and for purposes of Section 7.1.5.

6.6.4 [redacted] *Customer Handling.* In order to provide a seamless service to the Parties' joint customers, each Party shall [redacted] prior to the Implementation Date. Such [redacted] services shall include priority airport check-in, priority boarding, priority security screening, priority baggage handling, extra [redacted] The Parties will agree on prioritization of any [redacted] implement such services. Subject to the foregoing and to the provisions of the FFP Agreement, each Party [redacted] including [redacted] offered thereunder.

Section 6.7 **Ticket Data Exchange**

The Parties agree that a [redacted] contemplated by this Agreement, including [redacted]. Each of the Parties shall use its commercially reasonable efforts to develop, establish and make operational, prior to the Implementation Date, a [redacted] in relation to the Joint Venture [redacted] to be determined by the Parties. During the Term, the Parties shall [redacted]

Section 6.8 **Airport Co-Location**

The Parties will, where practicable, pursue [redacted]. Each of the Parties agrees to use its commercially reasonable efforts to develop and enhance [redacted]. The Parties will seek to [redacted]

Section 6.9 **Improved Passenger Connections**

The Parties agree to coordinate their [redacted] with respect to JV Routes and Beyond Routes in order to [redacted].

Section 6.10 **Product Planning**

The Parties agree to [redacted] within the scope of the Joint

Venture [redacted]) and make their products and service [redacted] . The Parties agree to [redacted]

Section 6.11 **Cost Savings Initiatives**

The Parties agree to [redacted] including with respect to (i) [redacted] , (ii) [redacted] , (iii) [redacted] (iv) [redacted] , (v) [redacted] , (vi) [redacted] , and (vii) [redacted]

Section 6.12 **Cargo Coordination**

Prior to the Implementation Date, Delta and LATAM shall jointly develop an implementation plan for joint commercial cooperation and coordination relative to belly cargo carried on Joint Venture Operations (the "**Cargo Cooperation Implementation Plan**"). The business objectives for such cargo cooperation and coordination (the "**Cargo Business Objectives**") are to (i) [redacted] , (ii) [redacted] and (iii) [redacted] Promptly following the Implementation Date, each Party shall implement [redacted] of the Cargo Cooperation Implementation Plan, subject to the provisions of such Plan.

Section 6.13 **Advertising and Marketing**

The Parties agree to [redacted] with respect to the Joint Venture.

ARTICLE 7
FINANCIAL SETTLEMENT

Section 7.1 **Financial Settlement**

7.1.1 *Financial Settlement Methodology.* Commencing on the Implementation Date, the Parties shall implement the financial settlement methodology set forth in Schedule C attached hereto and, with respect to each Settlement Period, subject to the provisions of this Article 7, the Paying Party shall pay to the Receiving Party the amount payable in accordance with Schedule C. The financial settlement methodology set forth in Schedule C is an [redacted]

7.1.2 *Passenger and Cargo Contribution.* With respect to each Settlement Period, the Parties shall (i) [redacted] , (ii) [redacted] (iii) [redacted] , all in accordance

with this Article 7, Schedule C and additional detailed procedures to be developed by the finance Working Group and mutually agreed by the Parties following the Implementation Date (the "**Financial Settlement Procedures**").

7.1.3 [redacted] Notwithstanding anything set forth in this Article 7, Schedule C or the Financial Settlement Procedures, with respect to [redacted], the [redacted] pursuant to Schedule C: (i) [redacted] and (ii) [redacted].

7.1.4 *Partial Settlement Periods*. With respect to any Settlement Period that is less than a full calendar year, the calculations set forth in Schedule C shall be computed by reference to the portion of the Reference Period that corresponds to such shortened Settlement Period (for example if the relevant Settlement Period is from July 1 to December 31 in any particular year, the Reference Period amounts of a Party referenced hereunder shall be calculated by reference to the amounts for the period July 1 to December 31 in the Reference Period).

7.1.5 *Force Majeure Event Adjustment*. In the event that, as a result of one or more Force Majeure events during the Term, [redacted] e days, the other Party may elect by delivery of written notice to the other Party to [redacted] (i) [redacted], (ii) [redacted] has been implemented by the Parties pursuant to Section 6.6.3 [redacted], in each case with respect to any calendar month that includes any of such [redacted] day period. The Parties agree to discuss in good faith any mutually agreed arrangements to mitigate the effects of any Force Majeure event on the Parties' Joint Venture Operations and, if applicable, any mutually agreed changes to the Joint Venture Operations shall be reflected in the Joint Network Plan.

7.1.6 *Conditions to Settlement*. Notwithstanding anything set forth in this Article 7, Schedule C or the Financial Settlement Procedures, the Parties acknowledge and agree that neither Party shall be obligated to approve the Settlement for any Settlement Period pursuant to Schedule C unless and until:

7.1.6.1 Each Party shall have received all data and information from the other Party reasonably required to validate the information pertaining to such other Party's Joint Venture Operations during the Reference Period;

7.1.6.2 Both Parties shall have resolved all issues relating to the treatment of the Parties' revenues and costs for purposes of the financial settlement methodology set forth in Schedule C, and shall have approved the Baseline with respect to the Reference Period; and

7.1.6.3 The Parties shall have entered into an amendment to this Agreement to update Schedule C in accordance with Section 7.2.2.

Section 7.2 **Reference Period Calculations**

7.2.1 *Passenger Contribution and Cargo Contribution*. As soon as reasonably practicable after the Implementation Date, the Parties will determine each Party's Passenger Contribution and Cargo Contribution with respect to the Reference Period in accordance with Schedule C (such calculation with respect to each Party's operations during the Reference Period and such calculation being the average of the relevant figures for each of the [redacted] calendar years comprising the Reference Period, the "**Baseline**"). In connection with calculation of the Baseline, the Parties will identify any material discrepancies between [redacted] of each Party included in the various categories and line items used to calculate each Party's Reference Period Passenger Contribution and Reference Period Cargo Contribution and other inconsistencies or errors related to such calculations, and shall make appropriate adjustments to the Baseline in order to align the treatment of such items and/or account for any such discrepancies. In addition, in finalizing the Baseline the Parties shall consider whether the Reference Period is appropriately representative of [redacted] To the extent mutually agreed in writing by both Parties, the Parties may make any necessary adjustments to the Baseline based on such review.

7.2.2 *Addition of Baseline Calculations*. Once the Reference Period calculations have been approved by both Parties, Schedule C shall be updated to incorporate such calculations and to make other mutually agreed conforming changes and the Parties shall replace Schedule C attached hereto with such updated Schedule C by amendment of this Agreement.

Section 7.3 **Financial Data Exchange**

With respect to the Reference Period and each Settlement Period, the Parties shall exchange the financial data and information pertaining to the operations of each Party, its Affiliates and Contract Carriers on all JV Routes as set forth in Schedule C and the Financial Settlement Procedures. In connection with the financial settlement for each Settlement Period, each Party shall report to the other all required information in accordance with the provisions of Schedule C and the Financial Settlement Procedures.

Section 7.4 **Audit**

7.4.1 Each Party shall, from time to time, have the right to audit the books and records of the other Party in accordance with the provisions of Schedule C, [redacted], for the purpose of determining the accuracy and completeness of information, amounts and calculations submitted by the other Party hereunder (including with respect to the Reference Period or any Settlement Period), the consistency in the Parties' treatment of revenues and costs relating to the Joint Venture (and the methods used to calculate such amounts), and the treatment of such revenues and costs as compared to prior periods and/or the Reference Period. The books and records of a Party subject to audit hereunder shall be limited to those reasonably required for such purposes. Any such audit shall commence as soon as reasonably practicable after receipt of notice of such audit request. The Party requesting the audit shall bear the full cost and expense of such audit (including costs of any outside auditors but excluding the costs of the other Party's internal staff, which shall be borne by such other Party), and such costs shall not be deducted as an expense in calculating the Passenger Contribution for such Party. The requesting Party may, at its option, utilize its own internal staff for the audit or an outside accounting firm or other agent of such Party. Any information or data received during any such audit shall be deemed to be Confidential Information of the Party disclosing it and treated in accordance with Article 14.

7.4.2 The Parties agree to cooperate and assist in good faith with any audit undertaken pursuant to this Section 7.4. If at any time it is determined that an error was made in the determination of the amounts previously paid by one Party to the other Party pursuant to this Agreement or in the calculations relating to

the Reference Period, an appropriate adjustment payment shall be made by the applicable Party in order to reconcile the amounts previously paid with respect to the relevant Settlement Periods to the corrected amounts and, in the case of an error in relation to the Reference Period, all subsequent Settlement Periods. Any such payment shall be an amount required to compensate the Party bearing the loss as a result of such error.

ARTICLE 8
COMPETING OPERATIONS

Section 8.1 **Competing Operations**

8.1.1 The Parties agree that, except with respect to the Joint Venture Operations of the Parties' Affiliates and Contract Carriers, which shall be included in the Joint Venture to the extent provided herein, no third-party air carrier or other third party shall [redacted]. In addition, neither Party nor their respective Affiliates or Contract Carriers shall [redacted]

8.1.1.1 [redacted] or

8.1.1.2 [redacted]

(any such operations, "**Competing Operations**").

8.1.2 Without prejudice to Section 8.1.1, [redacted], the Parties acknowledge and agree that it would be in the best interests of the Joint Venture for the Parties to reach agreement regarding the [redacted], and [redacted]

8.1.3 For the avoidance of doubt, with respect to Section 8.1.1.2, in the event a Party [redacted] in connection with the [redacted] pursuant to Section 8.1.2, [redacted] (i) [redacted] and (ii) [redacted]. During such [redacted] year period, the antitrust protocols and procedures developed by each Party pursuant to Section 4.4 shall be followed to ensure any competitively sensitive decisions pertaining to such Competing Operations remain independent from any such decisions pertaining to the Joint Venture.

ARTICLE 9
REGULATORY APPROVALS

Section 9.1 **Regulatory Approvals**

Each Party agrees to use its commercially reasonable efforts to take, or cause to be taken, all actions, and to do, or cause to be done, and to assist and cooperate with the other Party in order to promptly obtain the Required Approvals, in each case with respect to the Joint Venture and the commercial coordination contemplated under this Agreement, all as further set forth in Section 2.3 of the Framework Agreement. Notwithstanding anything set forth herein, neither Delta nor LATAM shall have any obligation to agree to any condition or restriction with respect to its operations, assets, business or properties (whether or not relating to the Joint Venture) in order to obtain such approvals, except to the extent set forth in Section 2.3 of the Framework Agreement.

Section 9.2 **Changes in Applicable Law**

In the event that during the Term there is any change in Applicable Law (including binding interpretations thereof by any Competent Authority) that prevents either Party from carrying out the arrangements contemplated by this Agreement or any Implementing Agreement, or attaches a condition, limitation, restriction or obligation which, individually or in the aggregate, would reasonably be expected to be material to the Joint Venture, the Joint Venture Operations of either Party, the Scheduled Services operated by either Party, or its Affiliates or Contract Carriers on a JV Routing, or a Party's business or operations outside the scope of the Joint Venture, the Parties will consult with each other within [redacted] days after the occurrence of any such event. The purpose of such consultation will be to assess such change in Applicable Law, and to seek mutual agreement as to what, if any, changes to this Agreement or any Implementing Agreement are necessary or appropriate as a result of such change in Applicable Law.

ARTICLE 10
REPRESENTATIONS AND WARRANTIES

Section 10.1 **Representations and Warranties by Delta**

Delta represents and warrants to LATAM that the statements contained in this Section 10.1 are true and correct as of the date of this Agreement and as of the Implementation Date (except to the extent expressly relating to a specific date, in which event it shall be true and correct as of such date).

10.1.1 *Organization and Qualification*. Delta is a duly incorporated and validly existing corporation, in good standing under the laws of Delaware, is an air carrier duly authorized to act as such by the government of the United States, and holds all licenses, certificates and permits from all governmental and regulatory authorities necessary to perform its obligations hereunder. Delta has the requisite corporate power and authority to own, operate and lease the properties and assets it now owns, operates and leases, to conduct its business as it is now being conducted and to enter into this Agreement and each Implementing Agreement.

10.1.2 *Authority*. The execution, delivery and performance by Delta of this Agreement and each Implementing Agreement have been duly authorized by all necessary corporate action. This Agreement and each Implementing Agreement have been duly executed and delivered by Delta, and, assuming due authorization, execution and delivery by LATAM, constitutes the legal, valid and binding obligation of Delta, enforceable against Delta in accordance with the terms and conditions hereof and thereof, except as may be limited by bankruptcy, insolvency, moratorium or other laws affecting creditors' rights generally, or by equitable principles, whether applied in a proceeding in equity or law.

10.1.3 *No Violation*. Neither the execution nor the delivery by Delta of this Agreement or any Implementing Agreement nor Delta's performance of its obligations hereunder or thereunder will: (a) contravene or conflict with or cause a default under (1) any Applicable Law binding on Delta, or (2) any provision of the Certificate of Incorporation or the Bylaws of Delta; (b) result in the creation of any lien on any asset of Delta; or (c) result in the material breach of any agreement or instrument to which Delta is a party or by which it is bound.

10.1.4 *No Approvals*. Except for the Required Approvals, neither the execution or delivery by Delta of this Agreement or any Implementing Agreement nor Delta's performance of its obligations hereunder or thereunder requires the consent or approval of, or the giving of notice to, the registration with, the recording or filing of any documents with, or the taking of any other action in respect of (a) any Competent Authority (provided that the representation with respect to this clause (a) is made to the best of Delta's knowledge), or (b) any trustee or holder of any indebtedness or any obligation of Delta, any stockholder of Delta, or any other person or entity having a contractual relationship with Delta.

10.1.5 *No Brokers*. Delta has not employed any broker, agent or finder in connection with this Agreement or any transaction contemplated hereby, and Delta is not obligated to pay any commission, finder's fee or other similar fee to any such party with respect thereto.

10.1.6 *Reference Period Passenger and Cargo Contribution*. The calculation of Delta's Passenger and Cargo Contribution for the Reference Period set forth in Schedule C, as and when finalized in accordance with Section 7.2.2, and all financial, operational, and other information underlying such calculations will be true and correct in all material respects and can be reconciled to the applicable revenue and cost information set forth in Delta's Financial Systems for such period.

Section 10.2 **Representations and Warranties by LATAM**

LATAM represents and warrants to Delta that the statements contained in this Section 10.2 are true and correct as of the date of this Agreement and as of the Implementation Date (except to the extent expressly relating to a specific date, in which event it shall be true and correct as of such date).

10.2.1 *Organization and Qualification*. Each LATAM Affiliate is a duly incorporated and validly existing corporation, in good standing under the laws of the country of its incorporation, is an air carrier duly authorized to act as such by the government of such country, and holds all licenses, certificates and permits from all governmental and regulatory authorities necessary to perform its obligations hereunder. Each LATAM Affiliate has the requisite corporate power and authority to own, operate and lease the properties and assets it now owns, operates and leases, and to conduct its business as it is now being conducted, and to enter into this Agreement and each Implementing Agreement.

10.2.2 *Authority*. The execution, delivery and performance by each LATAM Affiliate of this Agreement and each Implementing Agreement have been duly authorized by all necessary corporate action. This Agreement and each Implementing Agreement have been duly executed and delivered by each LATAM Affiliate, and, assuming due authorization, execution and delivery by Delta, constitutes the legal, valid and binding obligation of such LATAM Affiliate, enforceable against such LATAM Affiliate in accordance with the terms and conditions hereof and thereof, except as may be limited by bankruptcy, insolvency, moratorium or other laws affecting creditors' rights generally, or by equitable principles, whether applied in a proceeding in equity or law.

10.2.3 *No Violation*. Neither the execution nor the delivery by each LATAM Affiliate of this Agreement or any Implementing Agreement nor the performance of such LATAM Affiliate's obligations hereunder or thereunder will: (a) contravene or conflict with or cause a default under (1) any Applicable Law binding on such LATAM Affiliate, or (2) any provision of the Certificate of Incorporation or the articles of association or bylaws of such LATAM Affiliate; (b) result in the creation of any lien on any asset of such LATAM Affiliate; or (c) result in the material breach of any agreement or instrument to which such LATAM Affiliate is a party or by which it is bound.

10.2.4 *No Approvals*. Except for the Required Approvals, neither the execution or delivery by any LATAM Affiliate of this Agreement or any Implementing Agreement nor the performance of such LATAM Affiliate's obligations hereunder or thereunder requires the consent or approval of, or the giving of notice to, the registration with, the recording or filing of any documents with, or the taking of any other action in respect of, (a) any Competent Authority (provided that the representation with respect to this clause (a) is made to the best of LATAM's knowledge), or (b) any trustee or holder of any indebtedness or any obligation of any LATAM Affiliate, any stockholder of any LATAM Affiliate, or any other person or entity having a contractual relationship with any LATAM Affiliate.

10.2.5 *No Brokers*. No LATAM Affiliate has employed any broker, agent or finder in connection with this Agreement or any transaction contemplated hereby, and no LATAM Affiliate is obligated to pay any commission, finder's fee or other similar fee to any such party with respect thereto.

10.2.6 *Reference Period Passenger and Cargo Contribution*. The calculation of LATAM's Passenger and Cargo Contribution for the Reference Period set forth in Schedule C, as and when finalized in accordance with Section 7.2.2, and all financial, operational and other information underlying such calculations will be true and correct in all material respects and can be reconciled to the applicable revenue and cost information set forth in LATAM's Financial Systems for such period.

ARTICLE 11
TERM AND TERMINATION; LIQUIDATED DAMAGES

Section 11.1 **Term**

This Agreement shall become effective on the date of this Agreement and shall continue in effect unless terminated by either Party in accordance with this Article 11 (the "**Term**"). Either Party may terminate this Agreement for any reason, with or without cause, by providing at least [redacted] months' prior written notice to the other Party; provided that, except as set forth in Section 11.2, any such termination shall not be effective prior to the [redacted] anniversary of the Implementation Date.

Section 11.2 **Termination**

Notwithstanding Section 11.1, this Agreement may be terminated as follows:

11.2.1 By mutual written agreement of the Parties;

11.2.2 By written notice of either Party if the Implementation Date has not occurred on or before [redacted]; provided, however, that the right to terminate this Agreement under this Section 11.2.2 shall not be available to a Party if such failure of the Implementation Date to have occurred on or before such date is the result of a breach of this Agreement by such Party or the failure of any representation or warranty of such Party contained in this Agreement to be true and correct;

11.2.3 By written notice of the non-defaulting Party in the event of a Material Default of this Agreement by the defaulting Party that has not been cured within [redacted] days after receipt by such Party of written notice of such Material Default, which notice describes in reasonable detail the basis for such Material Default; provided that to the extent the Material Default is incapable of being cured within

[redacted] days but is capable of being remedied and the defaulting Party promptly commences to remedy (and diligently pursues the remedy of) the Material Default, such cure period shall be extended for a reasonable period not to exceed [redacted] days;

11.2.4 By written notice of a Party if [redacted]

11.2.5 By written notice of either Party if [redacted] any such termination to be effective on the date specified by the Party terminating this Agreement within [redacted] months after the date such Party provides written notice of termination to the other Party;

11.2.6 By written notice of either Party in the event (i) [redacted] (ii) [redacted], (iii) [redacted] or (iv) [redacted]

11.2.7 By written notice of either Party in the event of a Force Majeure event affecting the other Party that continues for more than [redacted] consecutive days; provided that such right of termination is exercisable only (i) [redacted] and (ii) [redacted]

11.2.8 By written notice of either Party [redacted]

11.2.9 By written notice of Delta if [redacted] within the immediately preceding [redacted] month period;

11.2.10 By written notice of either Party By written notice of either Party in the event (i) any Required Approval is revoked or materially altered by any Competent Authority with respect to either Party, or (ii) (A) any material part of this Agreement is, or shall become, or shall be declared illegal, invalid or unenforceable in any material jurisdiction, with such revocation, alteration, illegality, invalidity or unenforceability having a material adverse effect (materiality being judged in the context of this Agreement and the Implementing Agreements as a whole and also taking into account the comparable effects of any such revocation, alteration, illegality, invalidity or unenforceability on other airline alliances) on the benefits that would otherwise be available from this Agreement and the Implementing Agreements to the Party terminating this Agreement and (B) the Parties fail to reach an agreement for modification in accordance with Section 16.4;

11.2.11 By written notice of a non-defaulting Party to the defaulting Party in the event any of the Implementing Agreements has been terminated by the non-defaulting Party for Material Default in accordance with its terms; and

11.2.12 By written notice in accordance with Section 11.4.3.

Section 11.3 **Effect of Termination**

11.3.1 Notwithstanding anything herein to the contrary or in any Implementing Agreement, in the event this Agreement is terminated, any Party may by written notice to the other Party terminate any or all of the Implementing Agreements, such termination not to take effect prior to the day on which the termination of this Agreement becomes effective.

11.3.2 Upon any termination of this Agreement in accordance with the provisions hereof, each Party agrees to use its commercially reasonable efforts to minimize the cost of termination for the other Party and to minimize [redacted] and other potential adverse effects of such termination. Such transition plan shall include such [redacted] the Parties agree to continue in effect during such transition period and such [redacted] and other terms and conditions applicable thereto as the Parties may mutually agree. Notwithstanding the foregoing, for the avoidance of doubt, the effectiveness of any termination of this Agreement shall not be conditioned upon the Parties' reaching mutual agreement with respect to such transition plan.

11.3.3 Upon any termination of this Agreement in accordance with the provisions hereof, except for any provisions set forth herein that expressly survive such termination, all further obligations of the Parties shall become null and void, and no Party shall have any further rights, liabilities or obligations hereunder or with respect hereto; provided, however, that nothing contained herein shall (a) relieve any Party from liability for any breach of this Agreement arising prior to such termination, or (b) relieve any Party from paying any amounts payable hereunder with respect to the periods prior to the effective date of such termination. A Party's right to terminate this Agreement shall be in addition to any other rights or remedies, in law or equity, available to such Party.

Section 11.4 [redacted]

11.4.1 The Parties have entered into this Agreement as part of a transaction in which each Party commits to invest [redacted] in developing the Joint Venture. Each Party has relied on the benefits contemplated by this Agreement as the basis for its participation in the Joint Venture and willingness to forego business opportunities with other carriers. Each Party anticipates significant financial benefits from the arrangements contemplated by this Agreement.

11.4.2 The Parties each recognize that a [redacted]. However, it is difficult to ascertain [redacted] The Parties agree that, in the event of a [redacted]

[redacted] U.S. Dollars (US $1[redacted]).

11.4.3 Within [redacted] days after the earlier to occur of (i) [redacted] pursuant to this Section 11.4 [redacted] rty pursuant to Section 11.4.2 and (ii) [redacted] pursuant to this Section 11.4, each Party shall have the right to [redacted]

ARTICLE 12
INDEMNIFICATION

Section 12.1 **Operational Claims**

As used in this Agreement, the term "**Operational Claim**" or "**Operational Claims**" shall mean those claims of third parties arising out of or related to a Party's operations with respect to the Joint Venture in relation to the following:

12.1.1 claims for death of or injuries to passengers and employees of such Party or for loss of or damage to such passengers' and employees' baggage or personal property occurring while such passengers, employees, baggage and/or personal property are on an aircraft operated by such Party and/or are under the responsibility of, the control of or in the custody of or are being transported by such Party;

12.1.2 claims for delay, cancellation or failure to provide carriage of any passengers, baggage or cargo;

12.1.3 claims for damages, including death and bodily injury, or loss of or damage to property, to any third parties not carried on board the aircraft operated by such Party;

12.1.4 claims for loss of or damage to aircraft operated by such Party;

12.1.5 claims for Taxes, fees, charges, penalties and fines for which such Party is liable; and

12.1.6 claims related to the breach or violation by such Party of any obligation, agreement or instrument to which it is subject, to which it is a party or by which it is bound.

Section 12.2 **Indemnification**

12.2.1 Except as set forth in any Implementing Agreement, each Party (the "**Indemnifying Party**") shall indemnify and hold harmless the other Party, Affiliates of the other Party, and the directors, officers, employees, and agents of the other Party and its Affiliates (collectively the "**Indemnified Parties**") from and against all demands, claims, actions or causes of action, suits, assessments, losses, damages, liabilities, obligations, costs and expenses, including interest, fines, penalties, fees, out-of-pocket expenses, disbursements (including reasonable legal fees and expenses) and amounts paid in settlement (entered into

in accordance with Section 12.3) incurred by any Indemnified Party (collectively, "**Losses**") in connection with a claim asserted, or the commencement of any legal proceeding, whether groundless or not, by a third party relating to or arising out of:

12.2.1.1 a breach by the Indemnifying Party of any representation or warranty provided hereunder or under any Implementing Agreement;

12.2.1.2 a failure by the Indemnifying Party to perform its obligations hereunder or under any Implementing Agreement;

12.2.1.3 a claim that this Agreement or any Implementing Agreement conflicts with, contravenes, or will cause a breach or violation of, any agreement or instrument to which the Indemnifying Party is a party or by which it is bound; or

12.2.1.4 an Operational Claim arising out of or relating to the Indemnifying Party's operations with respect to the Joint Venture;

except in each case to the extent arising out of or relating to the gross negligence or willful misconduct of, or breach of its obligations under this Agreement or any Implementing Agreement by, the other Party or any Indemnified Party.

Section 12.3 **Indemnification Procedures**

12.3.1 Upon receipt by an Indemnified Party of notice of a claim, or the commencement of any legal proceeding, by a third party that would reasonably give rise to an obligation to provide indemnification pursuant to this Article 12 (a "**Claim**"), the Indemnified Party shall give the Indemnifying Party prompt written notice thereof (the "**Claim Notice**"); provided, however, that the failure of the Indemnified Party to do so shall not prevent any Indemnified Party from being indemnified for any Losses except to the extent that the failure to provide such prompt written notice materially damages or materially prejudices the Indemnifying Party's ability to defend against such Claim. Any Claim Notice shall set forth a description in reasonable detail of the basis for such Claim. The Indemnified Party shall enclose with the Claim Notice a copy of all papers served with respect to such Claim, if any, and any other documents reasonably evidencing such Claim.

12.3.2 In the event the Indemnifying Party receives a Claim Notice pursuant to Section 12.3.1, the Indemnifying Party shall notify the Indemnified Party within [redacted] Business Days after its receipt of such notice whether the Indemnifying Party disputes its liability to the Indemnified Party under Section 12.2. If the Indemnifying Party confirms in writing to the Indemnified Party within [redacted] Business Days after receipt of the Claim Notice the Indemnifying Party's responsibility to indemnify, defend and hold harmless the Indemnified Party therefor, the Indemnifying Party may elect to assume control over the compromise or defense of such Claim at such Indemnifying Party's own expense and by such Indemnifying Party's own counsel, which counsel will be reasonably satisfactory to the Indemnified Party. If the Indemnifying Party so elects to assume control over the compromise and defense of such Claim, the Indemnifying Party shall within such [redacted] Business Days (or sooner, if the nature of the asserted Claim so requires) notify the Indemnified Party of such Indemnifying Party's intent to do so, and the Indemnified Party shall cooperate, at the expense of the Indemnifying Party, in the compromise of, or defense against, such Claim; provided, however, that: (i) the Indemnified Party may, if such Indemnified Party so desires, employ counsel at such Indemnified Party's own expense to assist and participate in the handling (but not control the defense) of any Claim; (ii) the Indemnifying Party shall keep the Indemnified Party advised of all material events with respect to any Claim; and (iii) the Indemnifying Party will not, without the prior written consent of the Indemnified Party (which consent shall not be unreasonably withheld), settle or compromise or consent to the entry of any judgment in any pending or threatened legal proceeding in respect of which indemnification may be sought hereunder (whether or not the Indemnified Party is a party to such legal proceeding), (A) unless such settlement, compromise or consent by its terms obligates the Indemnifying Party to pay the full amount of the liability in connection with such Claim and includes a complete and unconditional release of all Indemnified Parties from all liability arising out of such Claim or legal proceeding as well as no admission of wrongdoing on behalf of any Indemnified Party, and (B) to the extent such judgment, compromise, consent or settlement provides for equitable relief that adversely effects an Indemnified Party.

12.3.3 Notwithstanding anything contained herein to the contrary, the Indemnifying Party shall not be entitled to have, subject to this Article 12, control over (and if it so desires, the Indemnified Party shall have, subject to this Article 12, control over) the defense, settlement, adjustment or compromise of (but, subject to this Article 12, the Indemnifying Party shall nevertheless be required to pay all Losses incurred by the Indemnified Party in connection with such defense, settlement or compromise if and to the extent liable under the terms of this Article 12): (i) any Claim that seeks an order, injunction or other equitable relief against any Indemnified Party or any of its Affiliates; (ii) any Claim in which both the Indemnifying Party and the Indemnified Party are named as parties and either the Indemnifying Party or the Indemnified Party determines in its reasonable judgment with advice of counsel that there may be one or more legal defenses available to it that are different from or additional to those available to the other party or that an actual or potential conflict of interest between such parties may exist in respect of such legal proceeding; or (iii) any Claim in which the Indemnifying Party does not elect or is otherwise not permitted to assume control or, after assuming such control, fails to diligently defend against such Claim in good faith (it being agreed that settlement of such Claim in accordance with this Article 12 does not constitute such a failure to defend); provided, however, that no Indemnified Party will, without [redacted]Business Days prior written notice to the Indemnifying Party, settle or compromise or consent to the entry of any judgment in any pending or threatened action in respect of which indemnification may be sought hereunder (whether or not any such Indemnifying Party is a party to such action).

12.3.4 In the event that an Indemnifying Party is prevented from assuming the defense due to clauses (i) or (ii) of Section 12.3.3, the following shall apply (i) the Indemnifying Party may, if such Indemnifying Party so desires, employ counsel at such Indemnifying Party's own expense to assist and participate in the handling (but not control the defense) of any Claim; (ii) the Indemnified Party shall keep the Indemnifying Party advised of all material events with respect to such Claim; and (iii) the Indemnified Party shall diligently defend in good faith (it being agreed that settlement of such Claim does not constitute a failure to defend) such Claim.

12.3.5 In the event that the Indemnifying Party did not elect to assume the defense, or is otherwise prohibited from assuming the defense, of such Claim in accordance with Section 12.3.2 and subsequent to the time periods set forth in Section 12.3.2, the Indemnifying Party (A) confirms in writing to the Indemnified Party the Indemnifying Party's responsibility to indemnify, defend and hold harmless the Indemnified Party therefore, and (B) reimburses the Indemnified Party for all out-of-pocket Losses theretofore incurred by such Indemnified Party with respect to such Claim, then the Indemnifying Party shall be entitled to assume control over the compromise or defense of such Claim at such Indemnifying Party's own expense and by such Indemnifying Party's own counsel, which counsel will be reasonably satisfactory to the Indemnified Party. If the Indemnifying Party so elects to assume control over the compromise and defense of such Claim, the Indemnifying Party shall provide the Indemnified Party written notice of such Indemnifying Party's intent to do so, and the Indemnified Party shall and shall cause each of its Affiliates to cooperate, at the expense of the Indemnifying Party, in the compromise of, or defense against, such Claim; provided, however, that: (i) the Indemnified Party may, if such Indemnified Party so desires, employ counsel at such Indemnified Party's own expense to assist and participate in the handling (but not control the defense) of any Claim; (ii) the Indemnifying Party shall keep the Indemnified Party advised of all material events with respect to any such Claim; and (iii) no Indemnifying Party will, without the prior written consent of each Indemnified Party (which consent shall not be unreasonably withheld), settle or compromise or consent to the entry of any judgment in any pending or threatened legal proceeding in respect of which indemnification may be sought hereunder (whether or not any such Indemnified Party is a party to such legal proceeding), (A) unless such settlement, compromise or consent by its terms obligates the Indemnifying Party to pay the full amount of the liability in connection with such Claim and includes a complete and unconditional release of all such Indemnified Parties from all liability arising out of such claim or legal proceeding as well as no admission of wrongdoing on behalf of the Indemnified Parties, and (B) to the extent such judgment, compromise, consent or settlement provides for equitable relief which adversely effects an Indemnified Party.

12.3.6 In connection with any defense of a Claim (whether by the Indemnifying Parties or the Indemnified Parties), each Party shall cooperate in the defense or prosecution thereof and in good faith retain and furnish such records, information and testimony, and attend such conferences, discovery proceedings, hearings, trials and appeals, as may be reasonably requested by the other Party in connection therewith.

Section 12.4 **Indemnification Payment**

If any Indemnified Party becomes entitled to indemnification from an Indemnifying Party pursuant to this Agreement, such indemnification payment will be made in cash (in United States Dollars) upon demand.

ARTICLE 13
LIMITATION OF LIABILITY

Section 13.1 **Limitation of Liability**

13.1.1Without prejudice to any liability for breach of any representation or warranty set forth herein or any claim of fraudulent misrepresentation or fraudulent misstatement, the only rights or remedies in relation to any representation, warranty, assurance, covenant, indemnity, undertaking or commitment given or action taken in connection with this Agreement or any Implementing Agreement are pursuant to this Agreement, and for the avoidance of doubt and without limitation, neither Party has any right or remedy (whether by way of a claim for contribution or otherwise) in tort (including negligence).

13.1.2 EXCEPT AS PROVIDED IN SECTION 13.1.3, NEITHER PARTY WILL BE LIABLE FOR ANY CONSEQUENTIAL, PUNITIVE, SPECIAL OR EXEMPLARY DAMAGES, INCLUDING LOST PROSPECTIVE ECONOMIC ADVANTAGE, LOST REVENUE, LOST PROFITS, ANTICIPATED SAVINGS OR GOODWILL ARISING FROM ANY PERFORMANCE OR FAILURE TO PERFORM UNDER THIS AGREEMENT OR ANY IMPLEMENTING AGREEMENT, OR ANY TERMINATION OF THIS AGREEMENT OR ANY IMPLEMENTING AGREEMENT, EVEN IF SUCH PARTY KNEW OR SHOULD HAVE KNOWN OF THE EXISTENCE OF SUCH DAMAGES, AND WHETHER OR NOT BASED ON CONTRACT, TORT, WARRANTY CLAIMS OR OTHERWISE IN CONNECTION WITH THIS AGREEMENT OR ANY IMPLEMENTING AGREEMENT AND/OR THE PRODUCT, OR SERVICES PROVIDED THEREUNDER, AND EXCEPT AS PROVIDED IN SECTION 13.1.3, EACH PARTY HEREBY RELEASES AND WAIVES ANY CLAIMS AGAINST THE OTHER PARTY REGARDING SUCH DAMAGES. ACCORDINGLY, EXCEPT AS PROVIDED IN SECTION 13.1.3, A PARTY MAY ONLY RECOVER ANY ACTUAL, DIRECT AND IDENTIFIABLE DAMAGES WITH RESPECT TO SUCH MATTERS OR LIQUIDATED DAMAGES IN ACCORDANCE WITH THE PROVISIONS HEREOF.

13.1.3 [redacted]

ARTICLE 14
CONFIDENTIALITY

Section 14.1 **Confidential Information**

14.1.1 In connection with this Agreement, any Implementing Agreement or the arrangements contemplated hereunder or thereunder, or otherwise, each of the Parties will make available to the other certain confidential information concerning such Party, its Affiliates and Contract Carriers. Any such information (whether prepared by the Discloser, its Representatives or otherwise and irrespective of the form of communication) furnished to the Recipient now or in the future by or on behalf of the Discloser in connection with this Agreement, any Implementing Agreement or any transactions or arrangements contemplated hereunder or thereunder is hereinafter referred to as "**Confidential Information.**" The term "Confidential Information" also shall be deemed to include any notes, analyses, compilations, studies, interpretations or other documents prepared by the Recipient to the extent that they contain, reflect or are based upon, in whole or in part, Confidential Information furnished to the Recipient in connection with this Agreement, any Implementing Agreement or any transactions or arrangements contemplated hereunder or thereunder. As used in this Article 14, a Party's "**Representatives**" shall include the directors, officers, employees, agents, Affiliates, partners or advisors of such Party and those of its subsidiaries, affiliates and/or divisions (including attorneys, accountants, consultants, bankers and financial advisors).

14.1.2 The term "Confidential Information" does not include information which (i) is or becomes generally available to the public other than as a result of a disclosure by the Recipient prohibited by this Article 14, (ii) was within the Recipient's possession prior to its being furnished to the Recipient by or on behalf of the Discloser pursuant hereto; provided that the source of such information was not bound by an obligation of confidentiality to the Discloser with respect to such information, (iii) becomes available to the Recipient on a non-confidential basis from a source of such information which source was not bound by an obligation of confidentiality to the Discloser with respect to such information, or (iv) is independently developed by the Recipient without the use of any other Confidential Information.

14.1.3 In addition, the Parties expressly acknowledge and agree that (i) the terms and conditions of this Agreement and each Implementing Agreement (other than information required to be disclosed for the performance of a Party's obligations hereunder or thereunder), (ii) any data or other information pertaining to the Joint Venture and (iii) any reports, invoices, notices or other communications between the Parties provided hereunder or under an Implementing Agreement or in connection herewith or therewith (in each case excluding (A) names, addresses, account numbers and other information relating to a Party's customers or members of a Party's frequent flyer program and (B) any information to the extent relating solely to a Party's own operations, assets, properties, programs or business, which in each case shall constitute Confidential Information of such Party) shall constitute Confidential Information of both Parties.

Section 14.2 **Use of Confidential Information**

14.2.1 The Recipient agrees that it shall use the Confidential Information of the Discloser solely in connection with the Joint Venture, any activities related thereto, and the Parties' Joint Venture Operations and for no other purpose, and it will not disclose or otherwise make available such Confidential Information in any manner to any Person other than the Recipient's Representatives, except (i) with the consent of the Discloser, (ii) as may be required to obtain the Required Approvals necessary to implement this Agreement so long as any such disclosure includes a request for confidential treatment in accordance with Applicable Law, and (iii) as otherwise required by Applicable Law.

14.2.2 In the event that the Recipient is requested or required (by oral questions, interrogatories, requests for information or documents in legal proceedings, subpoena, civil investigative demand or other similar process) to disclose any of the Confidential Information of the Discloser or both Parties, the Recipient shall, to the extent permitted by Applicable Law, provide the Discloser with prompt written notice of any such request or requirement so that the Discloser may seek a protective order or other appropriate remedy and/or waive compliance with the provisions of this Article 14. If, in the absence of a protection order or other remedy or the receipt of a waiver by the Discloser, the Recipient is nonetheless, after consultation with legal counsel, required to disclose such Confidential Information, the Recipient may, without liability hereunder, disclose only that portion of the Confidential Information which is legally required to be disclosed; provided that the Recipient uses its reasonable best efforts at the Discloser's request and expense to preserve the confidentiality of the Confidential Information, including by cooperating with the Discloser at the Discloser's request and expense to obtain an appropriate protective order or other reliable assurance that confidential treatment will be accorded the Confidential Information.

14.2.3 Each Party shall be responsible for any breach by its Representatives of the provisions set forth in this Article 14.

Section 14.3 **Termination**

14.3.1 Upon termination of this Agreement, each Party shall, within [redacted] days after such expiration or termination, either deliver to the other Party, or destroy, all of the other Party's Confidential Information (including all copies thereof, other than copies of this Agreement) then in its possession and shall purge all copies thereof encoded or stored on magnetic or other electronic media or processors; provided, however, that neither Party shall be required to purge or destroy any Confidential Information for so long as such Confidential Information is reasonably necessary for the continued administration and operation of its respective business or operations or is reasonably necessary in connection with the resolution of any disputes which may have at the time arisen pursuant to the terms of this Agreement or is required in connection with any Implementing Agreement which continues following termination of this Agreement; provided, further, that any Confidential Information not purged or destroyed pursuant to the preceding proviso shall be purged or destroyed as soon as it is no longer reasonably necessary for such purposes; and provided, further, that each Party may retain specified information as may otherwise be provided in this Agreement.

14.3.2 Notwithstanding Section 14.3.1, if it is not feasible for a Party to deliver or destroy any portion of the other Party's Confidential Information required to be delivered or destroyed under the foregoing provisions of this Section 14.3 because of non-segregable melding of such information that would be harmful to such Party's operations, or where it is otherwise impracticable to destroy such Confidential Information, then such Party will not be obligated to deliver or destroy such Confidential Information, but such Party will notify and identify to the other Party (with as much specificity as is reasonably practicable) the Confidential Information which is incapable of being delivered or destroyed and may retain such Confidential Information, subject always to the duties of confidentiality in respect of such Confidential Information contained in this Article 14.

ARTICLE 15
DATA SECURITY AND PRIVACY; PROPRIETARY RIGHTS

Section 15.1 **Data Security and Privacy**

During the Term and thereafter for so long as either Party maintains in its possession or control any personal data of the other Party, each such Party shall comply with the provisions of the Data Security and Processing Agreement as it relates to such data.

Section 15.2 **Proprietary Rights**

15.2.1 *General*. The Parties acknowledge and agree that each of them and their respective Affiliates have invested significant resources into developing, establishing, and maintaining their respective tangible and intangible proprietary assets. This Section 15.2 sets forth the relative rights and obligations of the Parties with respect to such assets in the context of the activities contemplated by this Agreement. In the event of a conflict between this Section 15.2 and other provisions of this Agreement or any Implementing Agreement, the provisions of this Section 15.2 shall control.

15.2.2 *Ownership of Intellectual Property; Improvements*. Except for the rights expressly granted in this Section 15.2 or pursuant to a separate written agreement between the Parties, each Party retains all of its right, title and interest in and to all of its Intellectual Property and that of its Affiliates, and nothing in this Agreement or the arrangements contemplated hereby shall transfer or convey to the other Party any right, title or interest in such Intellectual Property. Each Party shall use commercially reasonable efforts to refrain from taking any action that infringes, jeopardizes, undermines or reduces the value of, or in any way dilutes, the other Party's ownership of or other rights in its Intellectual Property. Except as expressly set forth in this Section 15.2, no license, either express or implied, is granted by a Party under this Agreement to use its Intellectual Property, and if any such license is granted by one Party to the other in the future, it shall be memorialized in writing between the Parties identifying the specific Intellectual Property of a Party subject to such license. The Parties do not intend to jointly develop or create any Intellectual Property under or in connection with this Agreement, and if the Parties at any time anticipate doing so, before creating any such joint Intellectual Property, they will negotiate in good faith a separate, written understanding regarding the joint development of such Intellectual Property.

15.2.3 *Marks*.

15.2.3.1 Neither Party will, without the other Party's prior written consent in each instance, (i) use in advertising, publicity or marketing communications of any kind the name or Marks of the other Party, or (ii) represent, directly or indirectly, that any product or service provided by a Party has been approved or endorsed by the other Party. Each Party grants to the other Party a [redacted]right and license to use the other Party's Marks for the purpose of promoting the activities contemplated by this Agreement or any Implementing Agreement subject to the following conditions:

(i) each Party agrees to use the Marks of the other Party only as approved in writing by such other Party;

(ii) each Party agrees that the use of the other Party's Marks shall not be derogatory nor likely to bring the same into disrepute;

(iii) each Party agrees that any and all rights or goodwill arising as a result of the use of the other Party's Marks shall inure solely to the benefit of such other Party;

(iv) each Party shall, in all cases, be the sole judge in determining the acceptability of both the quality and presentation of advertising and promotional materials using its Marks;

(v) each Party agrees that it will not assert, directly or indirectly, any right, title, or interest in, or to, the other Party's Marks or register or attempt to register any trademarks, trade names or other proprietary indicia confusingly similar to the Marks of the other Party;

(vi) the use of a Party's Marks in conjunction with the other Party's Marks shall not create a unitary or composite mark;

(vii) each Party shall cooperate with each other Party in controlling and protecting such other Party's Marks and the goodwill attached thereto by reproducing appropriate trademark or copyright notices as requested by such other Party in writing;

(viii) if a Party identifies a suspected infringement of the other Party's Marks by a third party, such Party will promptly notify the other Party and provide pertinent details regarding the suspected infringement; and

(ix) each Party shall have the exclusive right to sue or take other action against infringers of its Marks, and the other Party shall not have any claim to the proceeds (or any portion thereof) of any such lawsuits or other actions or settlements related thereto but such other Party shall, upon the request of such Party and at such Party's reasonable expense, reasonably assist such Party in the investigation of, and any legal action related to, any such infringement.

15.2.3.2 Upon termination of this Agreement, each Party shall immediately discontinue any and all use of the other Party's Marks and shall not thereafter use any expression in connection with any business in which such Party may thereafter be engaged which, in the reasonable judgment of the other Party so nearly resembles its Marks as may be likely to lead to confusion or uncertainty on the part of the public. Notwithstanding the foregoing, the Parties acknowledge that materials incorporating the other Party's Marks placed in circulation while the Agreement is in effect, including but not limited to materials posted to social media sites during such period, may remain in circulation following the termination of this Agreement, that such post-termination circulation shall not be a breach of the provisions of this Section 15.2, and that a Party shall not be required to recall or remove any materials incorporating the other Party's Marks that are no longer within such Party's possession, custody or control.

15.2.4 *Termination.* Upon termination of this Agreement, the rights granted under this Section 15.2 shall cease, and each Party shall, within [redacted] days after such expiration or termination, return to the other Party such Intellectual Property of the other Party then in its possession or control and shall, except where otherwise required by Applicable Law or as contemplated by the last sentence of Section 15.2.3.2, purge all copies thereof encoded or stored on magnetic or other electronic media or processors.

15.2.5 *Affiliates; Contractors.* Delta and LATAM shall each cause their respective Affiliates, Representatives and contractors to abide by the terms set forth in this Section 15.2.

ARTICLE 16
MISCELLANEOUS

Section 16.1 **Notices**

All notices, reports, approvals, consents and other communications required or permitted hereunder to be given to or made upon a Party shall be in writing and shall be considered as properly given if addressed as provided below and delivered (i) by hand, (ii) by overnight courier service, (iii) by certified or registered mail, or (iv) with respect to notices to the CEOs, Leadership Team and Working Groups, by e-mail. Unless otherwise provided herein, any notice or other document delivered hereunder shall be deemed to have been delivered upon receipt, or (A) if sent by email, on the date of the generation of the receipt notice by the recipient's server or a written response from the recipient, or (B) if received after the close of normal business hours in the place of delivery, on the immediately succeeding Business Day in such place. For the purposes of notice, the addresses of the Parties shall be as set forth below; provided, however, that a Party shall have the right to change its address for notice to any other location by giving at least [redacted] Business Days' prior written notice to the other Party in the manner set forth in this Section 16.1.

For Delta:

Delta Air Lines, Inc.
1030 Delta Boulevard
Department 761
Atlanta, GA 30320, USA
Attention: Senior Vice President – Alliances
Phone: +1-404 715-2874
E-mail: perry.cantarutti@delta.com

with a copy to:

Delta Air Lines, Inc.
1030 Delta Boulevard
Department 981
Atlanta, GA 30320, USA
Attention: Chief Legal Officer
Phone: +1-404-715-5747
E-mail: peter.carter@delta.com

For LATAM:

LATAM Airlines Group S.A.
Presidente Riesco 5711, 17th floor
Las Condes, Santiago, Chile
Attention: Senior Vice President – Strategic Alliances
E-mail: soledad.berrios@latam.com

with a copy to:

LATAM Airlines Group S.A.
Presidente Riesco 5711, 19th floor
Las Condes, Santiago, Chile
Attention: Chief Legal Officer
E-mail: jmencio@latam.com

Section 16.2 **Amendments**

This Agreement may be amended or modified only by a written instrument duly executed and delivered by or on behalf of each Party.

Section 16.3 **Taxes**

16.3.1 *Payment of Taxes.* Each Party shall be responsible for the payment of any and all taxes payable under Applicable Law based upon or measured by its gross or net income or gross or net receipts. The Parties shall continue to be responsible for the payment of any taxes that they would otherwise pay if the Joint Venture arrangement did not exist. This Agreement does not change the obligation or liability of either Party to timely collect and remit any fees and taxes required to be collected from passengers in connection with the sale of air transportation, including transportation taxes, government user fees, value-added taxes, security fees or other taxes or government imposed fees.

16.3.2 *Tax Treatment.* Nothing in this Agreement is intended or shall be construed to constitute a transfer of any assets or create or establish any partnership, joint venture or any other separate incorporated or unincorporated entity or fiduciary relationship between the Parties for tax purposes in the U.S., Canada, any country in South America or any other country where provisions of this Agreement may need to be implemented. Further, unless required by Applicable Law, no Party will make any tax election, file a declaration and/or statement or tax return which is or may be construed to be inconsistent with the intent of both Parties to not create a partnership or other entity for tax purposes in any jurisdiction (whether national, provincial, state or local subdivision) in any country. The Parties shall promptly consult from time to time with respect to appropriate disclosure by the Parties and in response to any tax audit in which tax aspects of this Agreement are subject to review. The Parties hereby acknowledge and agree that, for income tax purposes, the Parties believe that any income resulting from any Cash Settlement under this Agreement constitutes income derived from the international operation of aircraft.

16.3.3 *Tax Withholding.* All payments under this Agreement shall be made free and clear and without deduction or withholding on account of taxes except to the extent any such deduction or withholding is required under Applicable Law, in which event no gross-up payment in regard to any amount so deducted or withheld shall be required. In the event that the Paying Party is required by Applicable Law to deduct or withhold tax from any payment under this Agreement, such Paying Party shall (A) promptly notify the Receiving Party of such requirement and the legal basis thereof; (B) pay to the relevant taxing authorities the amount so deducted or withheld; and (C) provide the Receiving Party a tax receipt or tax certificate evidencing payment to such authorities; provided that, before making any such deduction or withholding, the Paying Party shall give the Receiving Party notice of the intention to make such deduction or withholding (such notice, which shall include the authority, basis and method of calculation for the proposed deduction or withholding, shall be given at least a reasonably period of time before such deduction or withholding is required, in order for such Receiving Party to obtain reduction of or relief from such deduction or withholding). Each Party agrees to cooperate, and cause its Affiliates to cooperate, with the other Party in claiming refunds or exemptions from such deductions or withholdings to the extent permitted under Applicable Law, including under any relevant agreement or treaty which is in effect. In the event that a liability is imposed by a taxing authority upon the Paying Party in respect of a failure to withhold U.S. federal, state, or local taxes on an amount payable or allocable to the Receiving Party under this Agreement, the Receiving Party shall indemnify and hold harmless the Paying Party from any and all liabilities, claims and losses with respect to such failure to withhold, provided that (i) the Paying Party shall notify the Receiving Party promptly upon the receipt of any claim from a taxing authority which might give rise to an indemnification under this Section 16.3.4 (although the Paying Party's delay in promptly notifying the Receiving Party shall only reduce the Receiving Party's liability to indemnify the Paying Party to the extent that the Receiving Party is prejudiced by such delay); (ii) the Receiving Party shall be entitled to participate, at its own expense, and with counsel of its choosing, in the defense of any claim which may give rise to liability under this Section 16.3.4; (iii) the Paying Party may not settle any liability with a taxing authority to the extent such settlement would create a liability for the Receiving Party under this Section 16.3.4 without the prior written consent of the Receiving Party, which consent will not be unreasonably withheld, conditioned or delayed.

16.3.4 *Tax Documentation*. Each Party has provided a properly completed and duly executed IRS Form W-9 or applicable Form W-8 to the other Party. Each Party and any other recipient of payments under this Agreement shall provide to the other Party at the time or times reasonably requested by such other Party or as required by Applicable Law, such properly completed and duly executed documentation (for example, IRS Forms W-8 or W-9) in the form required by the relevant tax authorities as will permit payments made under this Agreement to be made without or at a reduced rate of withholding for taxes.

16.3.5 *Indirect Taxes*. All references in this Agreement to payments between the Parties are references to such payment exclusive of sales, use, value-added, consumption and other similar taxes, including interest and penalties thereon (collectively, "**Indirect Taxes**") chargeable in respect of the supply of goods or services for which payment has been made, or consideration is deemed to be made. The Party making such payment shall be liable for and shall pay any such Indirect Taxes. Any refund or credit in respect of any such Indirect Taxes shall be for the benefit of the Party bearing the cost of such Indirect Taxes as set forth herein. The Parties shall cooperate and shall cause their respective Affiliates to cooperate in accordance with Applicable Law, including providing such information and documents as reasonably requested by the other Party to minimize any Indirect Taxes in accordance with Applicable Law and to claim any refund or credit in respect of Indirect Taxes incurred in connection with payments made under this Agreement.

16.3.6 *Cooperation*. Each Party agrees to consult with the other Party prior to, or prior to any of such Party's Affiliates, seeking any formal or informal tax ruling from, or disclosing any tax opinion or other material tax advice with respect to this Agreement to, any governmental taxing authority. Each Party shall promptly notify the other Party upon receipt of written notice of any inquiries, claims, assessments, audits or similar events with respect to taxes relating to this Agreement (any such inquiry, claim, assessment, audit or similar event, a "**Tax Matter**"). Except as provided in Section 16.3.4, each Party shall have sole control of the conduct of and retain the rights and obligations (if any) as are provided for under any Applicable Law with respect to any Tax Matter in respect of such Party's tax returns (the "**Controlling Party**"), provided that the Controlling Party shall keep the other Party reasonably informed of the progress of any Tax Matter and shall not bind the other Party with respect to any Tax Matter. The non-Controlling Party shall cooperate with the Controlling Party to provide information and assist in respect of the Tax Matter as is reasonably requested by the Controlling Party.

16.3.7 *Survival*. The provisions of this Section 16.3 shall survive the termination of this Agreement (a) for the applicable statute of limitations in respect of taxes incurred in connection with this Agreement, and (b) for the duration of any Tax Matter arising under this Agreement if still ongoing at the expiration of the applicable statutory time limit, and shall apply to any successors or additional parties to this Agreement.

Section 16.4 **Severability**

Each provision of this Agreement and each Implementing Agreement shall be valid and enforced to the fullest extent permitted by Applicable Law. If any part of this Agreement or any Implementing Agreement is, or becomes illegal, invalid or unenforceable under Applicable Law, the Parties shall be

relieved from their obligation to comply with this Agreement or such Implementing Agreement, as the case may be, for such time only to the extent necessary to avoid such illegality, invalidity or unenforceability in the jurisdiction in question, and this Agreement or such Implementing Agreement shall otherwise remain in full force and effect, and such contravention, illegality, invalidity or unenforceability shall not in any way whatsoever prejudice or affect the remaining parts of this Agreement or such Implementing Agreement, which shall continue in full force and effect; provided that if, in the reasonable opinion of either Party, any such severance materially affects the commercial basis of this Agreement and the Implementing Agreements considered as a whole, such Party shall so inform the other Party, whereupon the Parties shall negotiate in good faith regarding a mutually agreeable amendment to this Agreement and any applicable Implementing Agreement so as to effect the original intent of the Parties as closely as possible in a mutually acceptable manner in order that the transactions and rights and obligations contemplated by this Agreement and the Implementing Agreements are consummated and performed as originally contemplated to the greatest extent possible.

Section 16.5 **Non-Waiver**

No waiver of any provisions hereof shall be effective unless in writing and signed by the Party alleged to have waived such provision. Any single waiver shall not operate to waive subsequent or other defaults. No failure to exercise and no delay in exercising, on the part of either Party, any right, remedy, power or privilege hereunder, shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided are cumulative and not exclusive of any rights, remedies, powers and privileges provided by Applicable Law. The failure of either Party to insist upon a strict performance of any of the terms or provisions of this Agreement, or to exercise any option, right or remedy herein contained, shall not be construed as a waiver or as a relinquishment for the future of such term, provision, option, right or remedy, but the same shall continue and remain in full force and effect.

Section 16.6 **Assignment**

No Party may assign or otherwise transfer any of its rights or obligations under this Agreement to any other person or entity without the prior written consent of the other Party. Any purported assignment or transfer of this Agreement without such consent shall be void and of no effect.

Section 16.7 **Governing Law; Dispute Resolution**

16.7.1 This Agreement and any dispute or claim arising out of or in connection with it or its subject matter, existence, negotiation, validity, termination or enforceability (including non-contractual disputes or claims) shall in all respects be governed by and interpreted in accordance with the laws of the State of New York (without regard to principles of conflicts of law) including all matters of construction, validity and performance applicable to contracts made and to be performed therein.

16.7.2 The Parties shall attempt to resolve disputes informally in accordance with the provisions of this Section 16.7.2. Upon the written request of one Party to the other Party (a "**Dispute Notice**"), the Parties will submit the dispute to [redacted] Statements, reports, information and discussions between the Parties during informal dispute resolution shall not constitute a waiver of, or prejudice or limit either Party's rights or

remedies with respect to the dispute(s) addressed therein or a limit on the claims or positions of either Party, unless a written settlement is agreed.

16.7.3 In the absence of amicable settlement of a dispute within a period of [redacted] days from receipt of a Dispute Notice, the Parties agree that all legal proceedings arising out of the construction, validity or performance of this Agreement or any Implementing Agreement shall be brought in the United States District Court for the Southern District of New York and the courts of the State of New York located in New York (Manhattan) County, and each Party agrees that the aforesaid courts shall be the exclusive original forum for any such action and hereby irrevocably consents to the jurisdiction of such courts. The Parties agree that any litigation relating directly or indirectly to this Agreement must be determined by a judge sitting alone and both Parties hereby expressly agree to waive any and all rights to a jury trial.

Section 16.8 **Counterparts**

This Agreement may be executed in one or more counterparts all of which taken together will constitute one and the same instrument.

Section 16.9 **Entire Agreement**

Delta and each LATAM Affiliate acknowledge and agree that this Agreement, the Framework Agreement, the Country JV Implementing Agreements and the Implementing Agreements are intended to be construed as a single, integrated agreement for all purposes, including without limitation under Section 365 of the U.S. Bankruptcy Code, 11 U.S.C. § 101 *et seq.*, related to the strategic alliance as contemplated in the Framework Agreement and the Joint Venture as contemplated in this Agreement. The Parties have agreed to the Joint Venture as a single transaction, and each element thereof, including this Agreement, the Framework Agreement, each Country JV Implementing Agreement, and each Implementing Agreement, represents an essential, necessary and interrelated component that was necessary for Delta and LATAM to agree to the Joint Venture. To the extent there is any conflict between this Agreement, the Framework Agreement, any Country JV Implementing Agreement and any Implementing Agreement, the provisions of this Agreement shall govern.

Section 16.10 **No Third-Party Beneficiaries**

This Agreement is for the benefit of the Parties and is not intended to confer any rights or benefits on any third party.

Section 16.11 **Successors and Assigns**

This Agreement shall be binding upon and shall inure to the benefit of the Parties and their successors and permitted assigns.

Section 16.12 **Force Majeure**

Neither Party shall be liable in respect of any failure to fulfill its obligations under this Agreement (other than any obligation to pay money hereunder) if such failure is due to Force Majeure. In any such case the obligation of the affected Party to perform such obligations will be suspended or limited (to the extent circumstances prevent performance) until such circumstances shall have ceased and, except as expressly set forth in Section 7.1 and Schedule C, neither Party shall be obligated to pay any damage or cost of whatever kind (except for any accrued rights and liabilities) in respect of such affected obligations. If either Party is affected by Force Majeure, it shall immediately (but in any event, within three (3) Business Days) notify, in writing, the other Party of the nature and extent of the circumstances in question and in such case the Parties shall discuss and agree on the action to be taken.

Section 16.13 **Specific Performance**

The Parties acknowledge and agree that irreparable damage would occur in the event there is a breach or threatened breach of the provisions of this Agreement, including Section 5.4 (Joint Venture Governance Regarding Third Party Cooperation), Article 8 (Competing Operations), and Article 14 (Confidentiality), and that monetary damages, even if available, would not be an adequate remedy therefore. It is accordingly agreed that, prior to the termination of this Agreement in accordance with Article 11, the Parties shall be entitled to an injunction or injunctions or other equitable or preventative relief against the other Party and its representatives and agents to prevent a breach or threatened breach of this Agreement and to enforce specifically the performance of the terms and provisions of this Agreement without proof of actual damages (and each Party hereby waives any requirement for the securing or posting of any bond in connection with such remedy). Nothing herein shall be construed as a waiver of any other legal or equitable remedies which may be available to a Party in the event of a breach or threatened breach of the provisions of this Agreement and such Party may pursue any other such remedy including the recovery of damages. The Parties further agree not to assert that a remedy of specific enforcement is unenforceable, invalid, contrary to law or inequitable for any reason, nor to assert that a remedy of monetary damages would provide an adequate remedy for any such breach.

Section 16.14 **Further Assurances**

Each Party will cooperate fully with the other Party and shall do and perform such further acts and execute and deliver such further instruments and documents at such Party's expense, as may be required by Applicable Law, or may be reasonably requested by the other Party to carry out and effectuate the purposes of this Agreement.

Section 16.15 **Independent Contractor**

Each Party is an independent contractor. Nothing in this Agreement or any Implementing Agreement is intended or shall be construed to create or establish any agency relationship (except to the extent a Party is expressly in writing designated to serve as agent for the other Party), partnership or fiduciary relationship between the Parties.

Section 16.16 **Other**

16.16.1 Unless otherwise specified in this Agreement, all references in this Agreement to "herein", "hereof", "hereto", "hereby" and "hereunder" shall be deemed references to this Agreement as a whole and not to any particular article, section, subsection, paragraph, sentence or clause of this Agreement. Unless otherwise specified in this Agreement, references herein to "including" or "include" shall mean "including without limitation" or "include without limitation", respectively.

16.16.2 All Schedules and attachments to this Agreement are incorporated herein and made a part hereof for all purposes.

16.16.3 The section headings and captions appearing in this Agreement have been inserted as a matter of convenience and in no way define, limit or enlarge the scope of this Agreement or any of the provisions hereof.

16.16.4 This Agreement is the product of negotiations between the Parties and shall be construed as if jointly prepared and drafted by them, and no provision hereof shall be construed for or against any Party by reason of ambiguity in language, rules of construction against the drafting Party, or similar doctrine.

Section 16.17 **Costs and Expenses**

Each Party shall bear its own costs and expenses, including the fees and expenses of its legal and other advisers and VAT or any similar tax on such fees and expenses, incurred in connection with the establishment of the Joint Venture pursuant to this Agreement including:

16.17.1 the negotiation, documentation and execution of this Agreement, any Implementing Agreement and any other documents referred to in this Agreement or ancillary or incidental thereto; and

16.17.2 the negotiation, documentation and execution of all supplements, waivers, and variations of this Agreement, any Implementing Agreement or any other documents referred to in this Agreement or ancillary or incidental thereto.

Section 16.18 **Survival**

Articles 1, 7 (to the extent relating to amounts owed with respect to the Term), 12, 13, 14, 15 and 16, Schedule A and Schedule C (to the extent relating to amounts owed with respect to the Term) shall survive the expiration or termination of this Agreement. The obligations of a Recipient and the rights of a Discloser under Article 14 shall survive the expiration or termination of this Agreement or, where applicable, an Implementing Agreement for a period of [redacted] years and the provisions of Section 16.3 shall survive for the period specified in Section 16.3.7.

Section 16.19 **Public Announcements**

Media releases, public announcements or disclosures, and promotional or marketing materials relating to this Agreement, any Implementing Agreement, or the subject matter hereof or thereof, shall be coordinated with and approved by the Parties prior to their release. No Party shall unreasonably withhold approval of such releases.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed in their names and on their behalf by their respective officers duly authorized, on the day and year first written above.

EXECUTED on behalf of Delta and each LATAM Affiliate:

[*The remainder of this page is intentionally left blank*]

DELTA AIR LINES, INC.

By: _____
Name:
Title:

LATAM AIRLINES GROUP S.A.

By: /s/ Roberto Alvo
Name: Roberto Alvo
Title: CEO

LATAM AIRLINES GROUP S.A.

By: /s/ (A) SOLEDAD BERRIOS VALDIVIESO
Name: (A) SOLEDAD BERRIOS VALDIVIESO
Title: SVP Strategic Alliances

TAM LINHAS AÉREAS S.A.

By: /s/ Jerome Cadier
Name: Jerome Cadier
Title: CEO Latam Brasil

TAM LINHAS AÉREAS S.A.

By: /s/ JEFFERSON CESTARI
Name: JEFFERSON CESTARI
Title: HR Director

LATAM AIRLINES PERÚ S.A.

By: /s/ Manuel Van Oordt
Name: Manuel Van Oordt
Title: Chief Executive Officer

LATAM AIRLINES PERÚ S.A.

By: _____
Name:
Title:

TRANSPORTES AEREOS DEL MERCOSUR S.A., D/B/A TAM MERCOSUR

By: /s/ Enrique Alcaide
Name: Enrique Alcaide
Title: Director Ejecutivo

TRANSPORTES AEREOS DEL MERCOSUR S.A., D/B/A TAM MERCOSUR

By: /s/ Diego Martinez
Name: Diego Martinez
Title: Gerente Administracion, Finanzas y RRHH

AEROVIAS DE INTEGRACION REGIONAL, AIRES S.A., D/B/A LAN COLOMBIA

By: /s/ Erika Zarante
Name: Erika Zarante
Title: Reunión e Legal

SCHEDULE A
Definitions

The following terms shall have the meanings given them below:

"**Affiliate**" means, with respect to any Person, any other Person, existing now or at any time in the future, directly or indirectly, Controlling, Controlled by, or under common Control with, such Person.

"**Agreement**" has the meaning given such term in the preamble of this Agreement.

"**Applicable Law**" means all applicable laws of any jurisdiction including securities laws, competition laws, tax laws, tariff and trade laws, antitrust laws, ordinances, judgments, decrees, injunctions, writs, and orders or like actions of any Competent Authority and the rules, regulations, orders, interpretations, licenses, exemptions, certificates and permits of any Competent Authority, including all applicable rules and regulations of any stock exchange having jurisdiction over either Party, as may be in existence at the applicable time.

"**AWM**" means the adjusted weighted mileage rule for the proration of ticket revenues, which utilizes the industry standard straight rate prorate method, as defined in Article C of the IATA Multilateral Prorate Agreement published in the IATA Prorate Manual – Passenger and adds an additional 671 prorate factor miles to all prorate factors, including with respect to carrier-imposed surcharges (with full AWM pro-ration of the carrier-imposed surcharges regardless of how such surcharges are filed).

"**Baseline**" has the meaning given such term in Section 7.2.1.

"**Beyond Route**" has the meaning given such term in Section 3.5.1.1.

"**Business Day**" means any day other than (i) a Saturday or a Sunday or (ii) a day on which banking and savings and loan institutions are authorized or required by Applicable Law to be closed in New York City, New York U.S.A or Santiago, Chile.

"**Business Objectives**" has the meaning given such term in Section 3.1.

"**Capacity Growth Allocation Date**" has the meaning given such term in Section 5.3.

"**Capped Amount**" means [redacted] U.S. Dollars (US $[redacted].

"**Cargo Business Objectives**" shall have the meaning set forth in Section 6.12.

"**Cargo Contribution**" has the meaning given such term in Appendix 1 to Schedule C.

"**Cargo Cooperation Implementation Plan**" shall have the meaning set forth in Section 6.12.

"**Change of Control**" means, with respect to a Party, where a third party (not being an Affiliate of such Party) acquires Control directly or indirectly of such Party (or, in the case of LATAM, any LATAM Affiliate), whether by merger, share purchase, acquisition of all or substantially all of its assets, consolidation or other transaction or series of related transactions having the same effect.

"**Claim**" has the meaning given such term in Section 12.3.1.

"**Claim Notice**" has the meaning given such term in Section 12.3.1.

"**Codeshare Agreement**" means any or all of the Codesharing Agreements in effect from time to time between Delta and any LATAM Affiliate (as any such agreement may be amended from time to time in accordance with its terms, and together with all exhibits, schedules and attachments thereto).

"**Codesharing**" means the operation by one airline of flights for which seats are offered for sale by another air carrier using its own two letter designator code or a multicarrier code on such flights jointly with the operating air carrier's two letter designator code. As used in this Agreement with respect to a Party, unless otherwise specified, the term Codesharing shall include where such Party is acting as the Marketing Carrier or the Operating Carrier.

"**Combined Segment Contribution**" has the meaning given such term in Appendix 1 to Schedule C.

"**Competent Authority**" means any supranational, national, federal, state, county, local or municipal government body, bureau, commission, board, board of arbitration, instrumentality, authority, agency, court, department, minister, ministry, official or public or statutory person (whether autonomous or not) having jurisdiction over this Agreement or either of the Parties (or in the case of LATAM, any LATAM Affiliate).

"**Competing Operations**" has the meaning given such term in Section 8.1.1.

"**Confidential Information**" has the meaning given such term in Section 14.1.1.

"**Consensus Matters**" means those matters as to which the written consent or approval of both Parties or their respective representatives in the Leadership Team or any Working Group (as applicable) is expressly required pursuant to the provisions of this Agreement.

"**Contract Carrier**" means, with respect to each Party, the operations of any air carrier, existing now or at any time in the future, to the extent (and only to the extent) (i) [redacted] or (ii) [redacted]

"**Control**" means, with respect to any Person, the possession, directly or indirectly, of the power, whether or not exercised, to direct or cause the direction of the management or policies of such Person, whether through ownership of voting securities, partnership interest, equity, by contract or otherwise. Controlled and Controlling shall have corresponding meanings.

"**Controlling Party**" has the meaning given such term in Section 16.3.6.

"**Country JV Implementing Agreements**" has the meaning given such term in the recitals.

"**Data Security and Processing Agreement**" means that certain Data Security and Processing Agreement dated as of March 6, 2020 by and between the Parties (as such agreement may be amended or replaced from time to time in accordance with its terms, and together with all exhibits, schedules and attachments thereto).

"**Delta**" has the meaning given such term in the preamble of this Agreement.

"**Delta Adjusted Passenger Contribution**" has the meaning given such term in Appendix 1 to Schedule C.

"**Delta Cargo Contribution**" has the meaning given such term in Appendix 1 to Schedule C.

"**Delta Grandfathered Carrier**" means each of the following and their respective Affiliates and Contract Carriers (including any such entity under a new name or that has undergone an internal reorganization having no impact on such entity's air carrier operating certificate): (i) [redacted] and (ii) [redacted].

"**Delta Passenger Contribution**" has the meaning given such term in Appendix 1 to Schedule C.

"**Discloser**" means a Party disclosing Intellectual Property to the other Party under this Agreement or any Implementing Agreement or in connection with the arrangements contemplated hereunder or thereunder.

"**Dispute Notice**" has the meaning given such term in Section 16.7.2.

"**EASK**" means equivalent available seat kilometres calculated in accordance with Schedule D attached hereto.

"**EASK Ratio**" of a Party means, with respect to any period, such Party's EASK for such period divided by the JV EASK for such period (expressed as a percent (%)).

"**Financial Settlement Procedures**" has the meaning given such term in Section 7.1.

"**Financial Systems**" has the meaning given such term in Appendix 1 to Schedule C.

"**Force Majeure**" means any event beyond a Party's reasonable control which substantially limits or prevents such Party from performing its obligations pursuant to this Agreement, including governmental interference, direction or restriction, war or civil commotion, strikes, lock-out, labor disputes, public enemy, blockade, insurrections, riots, acts of nature, involuntary aircraft grounding imposed by a Competent Authority, epidemics or quarantine restrictions.

"**Framework Agreement**" has the meaning given such term in the recitals.

"**Frequent Flyer Agreement**" means that certain Reciprocal Frequent Flyer Agreement dated as of February 27, 2020 by and between the Parties (as amended from time to time in accordance with its terms, and together with all exhibits, schedules and attachments thereto).

"**Frequent Flyer Program**" means (i) with respect to Delta, the SkyMiles Program and/or (ii) with respect to LATAM, the LATAM Pass Program, in each case as such program may be amended, modified or replaced from time to time.

"**Global Distribution System**" means a computerized reservations system used by travel agents to make air, hotel, car and other travel services bookings such as those currently operated by Amadeus, Sabre and Travelport (Galileo and Worldspan) but excluding any meta-search site or online travel agency, such as Orbitz and Expedia (as currently operated).

"**Home Region**" means (i) with respect to Delta, the [redacted] and [redacted], and (ii) with respect to LATAM, the [redacted].

"**IATA**" means the International Air Transport Association or any successor organization.

"**Implementation Date**" has the meaning given such term in Section 2.2.2.

"**Implementing Agreements**" means each of the following agreements, in each case in form and substance mutually agreed by both Parties:

[redacted]

"**Incremental JV Cargo Contribution**" has the meaning given such term in Appendix 1 to Schedule C.

"**Incremental JV Passenger Contribution**" has the meaning given such term in Appendix 1 to Schedule C.

"**Indemnified Parties**" has the meaning given such term in Section 12.2.1.

"**Indemnifying Party**" has the meaning given such term in Section 12.2.1.

"**Indirect Taxes**" has the meaning given such term in Section 16.3.5.

"**Initial Network Plan**" has the meaning given such term in Section 5.1.1.

"**Insolvency Event**" means, with respect to either Party, an event whereby, either: (a) [redacted] or (b) [redacted] or (c) [redacted]; or (d) [redacted] or (e) [redacted] le Law.

"**Intellectual Property**" means all of the following, whether protected, created or arising under the laws of the jurisdiction in which a Party is organized or any other jurisdiction: (i) inventions, improvements, patents, patent applications (along with all patents issuing thereon), statutory invention registrations, divisions, continuations, continuations-in-part, substitute applications of the foregoing and any extensions, reissues, restorations and reexaminations thereof, and all rights therein provided by Applicable Law; (ii)

copyrights, works of authorship, moral rights, whether or not registered, published or unpublished, and registrations and applications for registration thereof, and all rights therein whether provided by Applicable Law or otherwise; (iii) Marks; (iv) Trade Secrets; (v) Confidential Information; and (vi) all applications and registrations related to any of the intellectual property rights set forth in the foregoing clauses.

"**IRS**" has the meaning given such term in Section 16.3.1.

"**ISC**" has the meaning given such term in Section 6.4.6.

"**Joint Network Plan**" has the meaning given such term in Section 5.1.2.

"**Joint Venture**" has the meaning given such term in Section 3.3.1.

"**Joint Venture Operations**" means, with respect to either Party, the Scheduled Services operated by such Party, its Affiliates and Contract Carriers on any JV Route. For the avoidance of doubt, a Party's Joint Venture Operations shall not include operations of such Party or those of its Affiliates and Contract Carriers on any Beyond Route.

"**JV EASK**" means, with respect to any period, the sum of both Parties' EASK for such period.

"**JV Route**" has the meaning given such term in Section 3.4.1.

"**JV Routing**" has the meaning given such term in Section 3.5.1.2.

"**LATAM**" has the meaning given such term in the preamble of this Agreement.

"**LATAM Adjusted Passenger Contribution**" has the meaning given such term in Appendix 1 to Schedule C.

"**LATAM Affiliate**" has the meaning given such term in the preamble of this Agreement.

"**LATAM Airlines**" has the meaning given such term in the preamble of this Agreement.

"**LATAM Airlines Brazil**" has the meaning given such term in the preamble of this Agreement.

"**LATAM Airlines Colombia**" has the meaning given such term in the preamble of this Agreement.

"**LATAM Airlines Paraguay**" has the meaning given such term in the preamble of this Agreement.

"**LATAM Airlines Peru**" has the meaning given such term in the preamble of this Agreement.

"**LATAM Cargo Contribution**" has the meaning given such term in Appendix 1 to Schedule C.

"**LATAM Grandfathered Carrier**" means each of the following and their respective Affiliates and Contract Carriers (including any such entity under a new name or that has undergone an internal reorganization having no impact on such entity's air carrier operating certificate): (i) [redacted] and (ii) [redacted]

"**LATAM Passenger Contribution**" has the meaning given such term in Appendix 1 to Schedule C.

"**Leadership Team**" has the meaning given such term in Section 4.2.1.

[redacted] has the meaning given such term in Section 11.4.2.

"**Losses**" has the meaning given such term in Section 12.2.1.

"**Lounge Access Agreement**" means the agreement between the Parties giving effect to [redacted] to each Party's airline lounges contemplated by this Agreement (as amended from time to time in accordance with its terms, and together with all exhibits, schedules and attachments thereto).

"**Marks**" means trademarks, service marks, trade names, logos, symbols and/or brand names of a Party or its Affiliates.

"**Marketing Carrier**" means, with respect to Codesharing between two air carriers, the air carrier who markets and sells under its two letter designator code seats on flights operated by the other air carrier.

"**Marketing Program**" means any agreement or other arrangement (including any new arrangements or any expansions of an existing arrangement), [redacted] (except to the extent expressly permitted pursuant to Section 5.4.2), [redacted]; provided that Marketing Programs shall not include (i) any such agreement or arrangement to the extent it relates to [redacted], (ii) industry standard [redacted] relating thereto, (iii) [redacted] and (iv) [redacted].

"**Material Default**" means a Party's failure to perform or observe any provision of this Agreement or any Implementing Agreement, which, individually or collectively with any other such failure by such Party under the terms of this Agreement or any Implementing Agreement, [redacted] in Section 5.4, Section 8.1 or Article 14 [redacted]

"**Operating Carrier**" means the Party with operational control of a scheduled flight segment operated pursuant to this Agreement or the Party retaining the revenue (which is inventory controlled by such Party) in relation to a scheduled flight segment operated pursuant to this Agreement.

"**Operational Claim(s)**" has the meaning given such term in Section 12.1.

"**Parties**" has the meaning given such term in the preamble of this Agreement.

"**Party**" has the meaning given such term in the preamble of this Agreement.

"**Paying Party**" has the meaning given such term in Appendix 1 to Schedule C.

"**Person**" shall mean any natural person, firm, corporation, partnership, company, limited liability company, trust, joint venture, association, Competent Authority or other entity.

"**Premium Customer Handling Services Agreement**" means the agreement to be entered into between the Parties prior to the Implementation Date regarding [redacted]

[redacted] pursuant to Section 6.6.4 (as such agreement may be amended from time to time in accordance with its terms, and together with all exhibits, schedules and attachments thereto).

"**Receiving Party**" has the meaning given such term in Appendix 1 to Schedule C.

"**Recipient**" means a Party that receives, or is granted access to or use of, a Disclosing Party's Intellectual Property under this Agreement or any Implementing Agreement or in connection with the arrangements contemplated hereunder or thereunder. .

"**Reference Period**" means, subject to Section 3.4.2, calendar years 2018 and 2019.

"**Reference Period Cargo Contribution**" has the meaning given such term in Appendix 1 to Schedule C.

"**Reference Period Passenger Contribution**" has the meaning given such term in Appendix 1 to Schedule C.

"**Representatives**" has the meaning given such term in Section 14.1.1.

"**Required Approvals**" means all material orders, permits, licenses, registrations, waivers, authorizations, exemptions, confirmations and approvals of, consultations with, and notifications to, any Competent Authority, which are reasonably determined by either Party to be necessary or appropriate to be obtained or made in connection with this Agreement or any Implementing Agreement or the transactions contemplated hereby or thereby, including U.S. Antitrust Immunity and the approval of the applicable Competent Authorities in Brazil, Chile, Colombia and any other country in the South American Region as mutually agreed by the Parties.

"**Scheduled Services**" means any and all scheduled air transportation services held out for public sale, [redacted] by a Party or its Affiliate or Contract Carrier; provided that "Scheduled Services" shall not include [redacted] or [redacted] ([redacted], which if operated by a Party (or its Affiliate or Contract Carrier) shall be included as "Scheduled Services").

"**Scheduling Season**" means (i) the IATA northern winter season beginning on the last Sunday in October through and including the last Saturday before the last Sunday in March of each year, and/or (ii) the IATA northern summer season beginning on the last Sunday in March through and including the last Saturday before the last Sunday in October of each year.

"**Settlement**" means, with respect to any Settlement Period, any amount payable by one Party to the other Party hereunder pursuant to Schedule C.

"**Settlement Period**" means each full calendar year during the Term; provided that (i) the initial Settlement Period shall be the period commencing on the Implementation Date and ending on December 31 of such year, and (ii) the final Settlement Period shall be the period commencing on January 1 of the year in which this Agreement terminates and ending on the effective date of the termination of the Agreement.

"**SkyTeam**" means that certain international multi-carrier alliance currently branded as "SkyTeam" or any successor alliance.

"**South American Region**" means the region comprised of Brazil, Chile, Colombia, Paraguay, Peru,

Uruguay and any other country in South America if and when added to the scope of the Joint Venture pursuant to Section 3.4.2.

"**South American Carrier**" means any air carrier that has its headquarters or place of incorporation in South America or has an operating certificate issued by the government of any country in South America (excluding authority issued for operations of foreign air carriers pursuant to Applicable Law).

"**Special Prorate Agreement**" means that certain Special Prorate Agreement dated as of March 10, 2020 by and between the Parties (as such agreement may be amended or replaced from time to time in accordance with its terms, and together with all exhibits, schedules and attachments thereto).

"**SRP**" means the industry standard straight rate prorate method for revenue proration, as defined in Article C of the IATA Multilateral Prorate Agreement published in the IATA Prorate Manual – Passenger, which includes the full proration of carrier-imposed surcharges regardless of how such surcharges are filed.

"**Stop-Over Flying**" means Scheduled Services operated by a Party, its Affiliate or Contract Carrier [redacted] that includes (i) [redacted] o (2) [redacted] and (ii) [redacted].

"**Tag Flight**" means, with respect to any city pair routing between U.S./Canada and the South American Region, any flight segment of such routing that is operated by a Party, its Affiliate or Contract Carrier wholly within the other Party's Home Region, which, together with a flight on a JV Route operated by such Party, its Affiliate or Contract Carrier, comprises a through flight operated under the same flight number.

"**Tax Matter**" has the meaning given such term in Section 16.3.6.

"**Term**" has the meaning given such term in Section 11.1.

"**Trade Secrets**" means all information (whether in writing or retained as a mental impression) including technical or non-technical data, a design, a formula, a pattern, a compilation, a program, a device, a method, a technique, a drawing, a process, software code, documentation, financial data, financial plans, product plans, or a list of actual or potential customers or suppliers which (i) derives economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by other Parties who can obtain economic value from its disclosure or use; and (ii) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

"**United States**" or "**U.S.**" means the United States of America and any successor country, but not including any additional territories or other geographic areas under the legal jurisdiction of the United States (with the exception of the District of Columbia and Puerto Rico).

"**U.S. Antitrust Immunity**" has the meaning given such term in the recitals.

"**U.S./Canada**" means the region comprised of the United States and Canada.

"**U.S./Canada Carrier**" means any air carrier that has its headquarters or place of incorporation in the United States or Canada or has an operating certificate issued by the government of the United States or Canada (excluding authority issued for operations of foreign air carriers pursuant to Applicable Law).

"**U.S. DOT**" has the meaning given such term in the recitals.

"**Working Group**" has the meaning given such term in Section 4.3.1.

ATTACHMENT 1
TO
SCHEDULE A

Delta Grandfathered Carriers

[redacted]

ATTACHMENT 2
TO
SCHEDULE A

LATAM Grandfathered Carriers

[redacted]

SCHEDULE B
Cargo Cooperation Implementation Plan

The Cargo Cooperation Implementation Plan will be added to this Agreement as Schedule B prior to the Implementation Date.

SCHEDULE C
Financial Settlement

Subject to Article 7 of the Agreement, commencing on the Implementation Date and thereafter during the Term, this Schedule C shall govern the financial settlement between the Parties with respect to the Parties' Incremental JV Passenger Contribution and Incremental JV Cargo Contribution for each Settlement Period. Prior to the Implementation Date, the Parties shall amend this Schedule C to include further details regarding those items set forth herein where mutual agreement of the Parties is required prior to the Implementation Date.

Section 1. **Reference Period Calculations – Baseline**

1.1 *Reference Period Passenger Contribution*. As set forth in Section 7.2 of the Agreement, as soon as reasonably practicable after the Parties' respective financial results with respect to their Joint Venture Operations for the Reference Period have been finalized and validated, the Parties shall determine each Party's Passenger Contribution for the Reference Period in accordance with this Schedule C (such calculation being the average of the relevant figures for each of the [redacted] calendar years comprising the Reference Period, the "**Reference Period Passenger Contribution**"). Each Party's Reference Period Passenger Contribution shall be calculated by reference to such Party's Segment Contribution with respect to all JV Routes operated by such Party, its Affiliates and/or Contract Carriers during the Reference Period, as adjusted pursuant to Section 4.8 of this Schedule C.

1.2 *Reference Period Cargo Contribution*. As set forth in Section 7.2 of the Agreement, as soon as reasonably practicable after the Parties' respective financial results with respect to their Joint Venture Operations for the Reference Period have been finalized and validated, the Parties shall determine each Party's Cargo Contribution for the Reference Period in accordance with this Schedule C, (such calculation being the average of the relevant figures for each of the [redacted] calendar years comprising the Reference Period, the "**Reference Period Cargo Contribution**"). Each Party's Reference Period Cargo Contribution shall be calculated by reference to such Party's Cargo Contribution with respect to all JV Routes operated by such Party, its Affiliates and/or Contract Carriers during the Reference Period.

1.3 *Approval of Baseline.* As set forth in Section 7.2 of the Agreement, prior to any Cash Settlement with respect to any Settlement Period, the Parties shall have approved the Baseline and shall have attached the calculation of each Party's Reference Period Passenger Contribution and Reference Period Cargo Contribution as Attachment 1 to this Schedule C by amendment of the Agreement.

1.4 *Settlement Period Calculations.* In calculating each Party's Passenger Contribution and Cargo Contribution for any Settlement Period, such calculations shall be consistent with the calculation of such Party's Reference Period Passenger Contribution and Reference Period Cargo Contribution (as applicable).

Section 2. **Accounting Changes**

2.1 If at any time either Party desires to make a change to the accounting policies, principles or methodologies used by such Party in connection with preparation of the Baseline, as such accounting policies, principles and methodologies may be adjusted (including with respect to new revenue or cost items added hereunder) in accordance with this Schedule C and the Financial Settlement Procedures (collectively, the "**Accounting Procedures**") or the Financial Systems of such Party, it shall provide written notice to the other Party prior to any such change. If such change is reasonably expected to have a material impact to such Party's Adjusted Passenger Contribution or Cargo Contribution for any Settlement Period (such

material impact to be defined by mutual agreement of the Parties in writing prior to the Implementation Date), then the Parties shall make such adjustments as may be required to neutralize such impact on the Parties' respective Adjusted Passenger Contribution and Cargo Contribution in all current and future Settlement Periods impacted by such change.

Section 3. **Data Sharing, Reporting**

3.1 *Data Sharing.* Each Party shall report all data required hereunder pertaining to its own operations using USD as such data (including distances) is recorded in such Party's internal flight profitability systems, its revenue data warehouse/pipelines or other data source or systems (as applicable), with such variances and adjustments as are reflected in the Baseline, as provided in this Schedule C, the Financial Settlement Procedures or as otherwise mutually agreed by the Parties in writing (such systems with such variances and adjustments, such Party's "**Financial Systems**"). Each Party agrees that all data and information provided by such Party to the other Party hereunder shall be consistent and reconcilable with the applicable information contained in such Party's Financial Systems.

3.2 *Reporting.*

3.2.1 Commencing on the Implementation Date, each Party shall provide to the other Party on a [redacted] basis all information relating to the operations of such Party, its Affiliates and Contract Carriers on all JV Routes with respect to each calendar [redacted] (or portion thereof) reasonably necessary for the determination and verification of the calculations contemplated by this Schedule C.

3.2.2 The information to be exchanged pursuant to this Section 3.2 shall be provided by each Party no later than [redacted] calendar days after the [redacted] and in the format set forth in the Financial Settlement Procedures or as otherwise mutually agreed by the Parties in writing from time to time.

3.3 *Supplemental Information Requests.* In connection with the determination of each Party's Adjusted Passenger Contribution and/or Cargo Contribution with respect to the Reference Period or any Settlement Period, either Party (the "**Requesting Party**") may request from the other Party (the "**Non-Requesting Party**") and the Non-Requesting Party shall, subject to any applicable contractual obligations to third parties and restrictions un[redacted] Applicable Law, as promptly as reasonably practicable, provide the Requesting Party with such information, data and supporting documents reasonably requested by the Requesting Party and relevant for such determination or for the reconciliation of amounts used in such determination to actual revenues and costs of the Non-Requesting Party. Information received by either Party pursuant to this Section 3.3 shall be used solely for the purposes of this Schedule C and the determination of amounts hereunder, and not for any other purpose.

Section 4. **Passenger Contribution**

4.1 *Passenger Contribution.* Each Party's "**Passenger Contribution**" for any Settlement Period shall equal the [redacted] The Passenger Contribution of Delta shall be referred to herein as the "**Delta Passenger Contribution.**" The Passenger Contribution of LATAM shall be referred to herein as the "**LATAM Passenger Contribution.**" In calculating each Party's Passenger Contribution for any Settlement Period, such calculation shall [redacted].

4.2 *Segment Contribution.* Each Party's "**Segment Contribution**," with respect to each JV Route operated by such Party, its Affiliate or Contract Carrier in any Settlement Period, shall [redacted]

4.3 *Gross JV Revenue.* Subject to Section 4.4 of this Schedule C, a Party's "**Gross JV Revenue**," with respect to each JV Route operated by such Party, its Affiliate or Contract Carrier in any Settlement Period, shall [redacted], where:

4.3.1 *Operated Gross Passenger Revenue.* The "**Operated Gross Passenger Revenue**" of such Party, with respect to such JV Route for such Settlement Period, means the aggregate of:

(a) [redacted]

(b) [redacted]

4.3.2 *Ancillary Revenue.*

(a) The "**Ancillary Revenue**" of such Party, with respect to such JV Route and such Settlement Period, means [redacted]

(b) The Parties agree to consider in good faith any such category of [redacted] for inclusion as Ancillary Revenue hereunder where (i) [redacted], (ii) [redacted] and (iii) [redacted]

(c) The allocation methodology to be used to allocate such Ancillary Revenue to the JV Routes, corresponding adjustments (if any) to be made to each Party's Reference Period Passenger Contribution to account for the inclusion of such revenues, and the timing for inclusion of such revenues and implementing any such adjustments shall be set forth in the Financial Settlement Procedures.

(d) In the event either Party significantly changes its selling policy in relation to any [redacted] and such change results in an additional category of charges included in Ancillary Revenue in accordance with this Section 4.3.2, the Party making the change shall inform the other Party as soon as reasonably practicable and the Financial Settlement Procedures shall be amended by the Parties to accurately reflect such change and correctly account for such Ancillary Revenue in such Party's Adjusted Passenger Contribution.

4.4 *Excluded Revenue.* Notwithstanding Section 4.3 of this Schedule C, all of the following amounts collected by or on behalf of a Party for any Settlement Period shall be excluded from such Party's Gross JV Revenue:

4.4.1 *Miscellaneous revenues*, including revenue collected from the [redacted] (unless at any time the Parties mutually agree to include any category of such revenue as Ancillary Revenue pursuant to Section 4.3.2 of this Schedule C;

4.4.2 [redacted] *Taxes* - amounts remitted to any governmental body and as defined in [redacted] publications including [redacted]

4.4.3 [redacted] *travel* – [redacted];

4.4.4 [redacted] *e fees* – [redacted] pursuant to Section 4.3.2 of this Schedule C); [redacted] pursuant to Section 4.3.2 of this Schedule C;

4.4.5 [redacted] – revenue from [redacted]

4.4.6 [redacted] *revenue* – [redacted], at any time upon request by either Party, [redacted] pursuant to Section 4.3.2 of this Schedule C;

4.4.7 [redacted] *amounts* – [redacted]

4.4.8 [redacted]

4.4.9 [redacted] tal

[redacted]

4.5 *Proration of Revenue.* For the proration rules applicable to the calculation of Operated Gross Passenger Revenue of a Party with respect to any JV Route for any Settlement Period, the Parties shall use the proration methodology agreed by the Parties in accordance with Section 6.4.5 of the Agreement for all tickets settled between the Parties pursuant to the Special Prorate Agreement. For all tickets other than those settled under the Special Prorate Agreement, the Parties [redacted].

4.6 *Selling, Pricing and/or Distribution Policy Changes.* If at any time a Party makes a change to its selling, pricing or distribution policies or revenue recognition policies or methodologies in a manner that is reasonably expected to have a material impact to such Party's Adjusted Passenger Contribution for any Settlement Period (such material impact to be defined by mutual agreement of the Parties prior to the Implementation Date), it shall inform the other Party in writing of such change as soon as reasonably practicable. Thereafter, the Parties shall determine what adjustments (if any) may be necessary as a result of such change.

4.7 *JV Production Costs.* A Party's "**JV Production Costs**", with respect to any JV Route operated by such Party, its Affiliate or Contract Carrier in any Settlement Period, shall [redacted] as categorized in the cost categories set forth in this Section 4.7, with both Parties' costs treated [redacted]. The Parties shall set forth in greater detail in the Financial Settlement Procedures the specific line item costs, applicable expense rates, cost category definitions, data sources, cost allocation and methodology adjustments related to JV Production Costs. For the avoidance of doubt, only those [redacted] of a Party expressly set forth in this Section 4.7 [redacted] s.

4.7.1 [redacted] *Costs* incurred by such Party with respect to such JV Route, where (i) [redacted] to the extent they are [redacted] pursuant to Section 6.5.4 of the Agreement shall be determined based on the [redacted] and (ii) [redacted] (i.e. [redacted], etc.), [redacted], and (iii) other [redacted]

4.7.2 [redacted] esults and any benefits and/or costs associated with the ownership or operation of a fuel refinery);

4.7.3 [redacted] *Costs* [redacted]

[redacted]

4.7.4 [redacted]

4.7.5 [redacted]

4.7.6 [redacted]

4.7.7 [redacted] and

4.7.8 [redacted] *Costs* The methodology for determining the [redacted] costs with respect to JV Routes shall be mutually agreed in writing prior to the Implementation Date. Such methodology will ensure [redacted] costs are determined on a consistent basis between the Parties (notwithstanding any differences in the reporting of such costs in each Party's Financial Systems), including with respect to the [redacted]

4.8 *Adjusted Passenger Contribution.* Each Party's Passenger Contribution with respect to any Settlement Period shall be adjusted as set forth in this Section 4.8. The Passenger Contribution of Delta with respect to any Settlement Period, as adjusted pursuant to this Section 4.8, is referred to herein as the "**Delta Adjusted Passenger Contribution**" and the Passenger Contribution of LATAM with respect to any Settlement Period, as adjusted pursuant to this Section 4.8, is referred to herein as the "**LATAM Adjusted Passenger Contribution**." An illustrative example of the calculation of the [redacted] will be added as Attachment 2 to this Schedule C by amendment of the Agreement prior to the Implementation Date

4.8.1 [redacted] set forth in this Section 4.8.1, which applies [redacted] The amount by which such [redacted] is referred to herein as such Party's [redacted]" and shall be applied [redacted] For purposes of this Section 4.8.1, each Party's "**Labor Costs**" in any Settlement Period shall [redacted]. A Party's [redacted]" for any

Settlement Period shall [redacted]. The application of the Labor Costs adjustment set forth in this Section 4.8.1 in any Settlement Period shall be [redacted] In applying the foregoing adjustment in any period, the following further adjustments shall be applied:

(a) [redacted].

(b) A Party's [redacted] shall also include a [redacted] (the details of such adjustment to be mutually agreed by the Parties in writing prior to the Implementation Date).

4.8.2 [redacted]. Each Party's Passenger Contribution in any Settlement Period shall be subject to the [redacted] provided that:

(a) In order to avoid an [redacted]

(b) [redacted].

(c) A Party's "[redacted]" for any Settlement Period shall [redacted] pursuant to this Section 4.8.2 applicable to such Party's [redacted].

(d) A Party's [redacted] shall [redacted] with [redacted] Following the Implementation Date, [redacted] for any calendar year may be adjusted [redacted] providing written notice to the other Party with [redacted]

4.8.3 *Other Cost Considerations.* If in any Settlement Period there is a [redacted] then the Parties shall discuss such cost increases and potential ways to mitigate such cost increases.

4.8.4 *Other Adjustments.* A Party's Passenger Contribution with respect to any Settlement Period shall be subject to such other adjustments (if any) set forth in this Agreement, the Financial Settlement Procedures or as otherwise mutually agreed by the Parties in writing.

4.9 *Allocation of Incremental JV Passenger Contribution.*

4.9.1 *Incremental JV Passenger Contribution.* For purposes of this Schedule C, the amount by which [redacted] shall be referred to as the "**Incremental Delta Passenger Contribution**" [redacted] shall be referred to as the "**Incremental LATAM Passenger Contribution**" [redacted] shall be referred to herein as the "**Incremental JV Passenger Contribution**."

4.9.2 *Allocation of Incremental JV Passenger Contribution - Shares.* With respect to each Settlement Period, the Incremental JV Passenger Contribution shall be allocated between the Parties in accordance with the following ([redacted], being the "**Delta Passenger Contribution Share**" and [redacted], being the "**LATAM Passenger Contribution Share**"):

(a) With respect to the [redacted] year period commencing on the Implementation Date, the

Delta Passenger Contribution Share shall be [redacted]% and the LATAM Passenger Contribution Share shall be [redacted]%; and

(b) With respect to all periods following the [redacted] year period commencing on the Implementation Date, the Delta Passenger Contribution Share shall [redacted] and the LATAM Passenger Contribution Share shall [redacted], in each case based on [redacted] period.

Section 5. **Cargo Contribution**

5.1 *Cargo Contribution*. Each Party's "**Cargo Contribution**," with respect to each JV Route operated by such Party, its Affiliate or Contract Carrier in any Settlement Period, shall equal [redacted] Each Party's Cargo Contribution for any Settlement Period shall equal the sum of [redacted]. The Cargo Contribution of Delta shall be referred to herein as the "**Delta Cargo Contribution**". The Cargo Contribution of LATAM shall be referred to herein as the "**LATAM Cargo Contribution**". In calculating each Party's Cargo Contribution for any Settlement Period, such calculation shall be consistent with the calculation of such Party's Reference Period Cargo Contribution.

5.2 *Belly Cargo Gross Revenue*. A Party's "**Belly Cargo Gross Revenue**", with respect to each JV Route operated by such Party, its Affiliate or Contract Carrier in any Settlement Period, shall [redacted]

5.3 *Cargo JV Production Costs*. A Party's "**Cargo JV Production Costs**", with respect to each JV Route operated by such Party, its Affiliate or Contract Carrier in any Settlement Period, shall equal the [redacted] The Financial Settlement Procedures shall include the specific [redacted] For the avoidance of doubt, only those operating costs of a Party expressly set forth in this Section 5.3 or in the Financial Settlement Procedures shall be deemed to be Cargo JV Production Costs of such Party hereunder.

5.3.1 [redacted] *Costs:* [redacted] nd

5.3.2 *Costs:* [redacted].

5.4 *Allocation of Incremental Cargo Contribution.*

5.4.1 *Incremental Cargo Contribution.* For purposes of this Schedule C, the amount by which [redacted] shall be referred to as the "**Incremental Delta Cargo Contribution**" [redacted] shall be referred to as the "**Incremental LATAM Cargo Contribution**" [redacted] is referred to herein as the "**Incremental JV Cargo Contribution.**"

5.4.2 [redacted]. With respect to each Settlement Period, the [redacted]" and [redacted]

(a) With respect to the five [redacted]r period commencing on the Implementation Date, the [redacted] Share shall be [redacted]% and the [redacted] Share shall be [redacted]%; and

(b) With respect to all periods following the [redacted] year period commencing on the Implementation Date, the [redacted] Share shall be [redacted]% and the [redacted] Share shall be [redacted]0%.

Section 6. **Cash Settlement**

6.1 Cash Settlement

6.1.1 Subject to Article 7 and this Schedule C, with respect to each Settlement Period, cash settlement of the amount payable by one Party to the other Party in respect of the Incremental JV Passenger Contribution and the Incremental JV Cargo Contribution for such Settlement Period (the "**Cash Settlement**") shall occur in [redacted]

6.1.2 Without prejudice to the joint and several liability of all LATAM Affiliates hereunder as set forth in the preamble of the Agreement, payment of any LATAM Cash Settlement

Amount payable to Delta or any Delta Cash Settlement Amount payable to LATAM pursuant to this Schedule C, in each case whether in respect of the Mid-Year Cash Settlement or the Year-End Cash Settlement for such Settlement Period, shall be invoiced and paid by or to (as applicable) each of the LATAM Affiliates in accordance with the allocation methodology to be mutually agreed by the Parties in writing prior to the Implementation Date.

6.2 Mid-Year Cash Settlement

6.2.1 Promptly following the delivery by each Party to the other of such Party's final financial results for its Joint Venture Operations for the second quarter of each Settlement Period, the Parties shall determine the amount payable (if any) by one Party to the other Party in respect of the Mid-Year Cash Settlement for such Settlement Period in accordance with this Section 6.2, provided that, no amount shall be payable in respect of any Mid-Year Cash Settlement unless [redacted]

(a) [redacted] (the "**LATAM Mid-Year Cash Settlement Amount**"); and

(b) [redacted] (the "**Delta Mid-Year Cash Settlement Amount**").

6.3 Year-End Cash Settlement

6.3.1 Promptly following the delivery by each Party to the other of such Party's final financial results for its Joint Venture Operations for the final quarter of each Settlement Period, the Parties shall determine the amount payable by one Party to the other Party in respect of the Year-End Cash Settlement for such Settlement Period in accordance with this Section 6.3:

(a) [redacted] the "**LATAM Contribution Differential Amount**"), the Year-End Cash Settlement shall be [redacted] (the "**LATAM Year-End Cash Settlement Amount**") [redacted] (i) [redacted]

[redacted]

(b) [redacted] the "**Delta Contribution Differential Amount**"), the Year-End Cash Settlement shall be [redacted] (the "**Delta Year-End Cash Settlement Amount**") [redacted]

6.4 Currency

6.4.1 Both Parties' Reference Period Passenger Contribution and Reference Period Cargo Contribution shall be calculated in USD. For purposes of such determination, any individual category of revenues and costs incurred by either Party in another local currency shall be converted into USD using a conversion rate that will be set forth in the Financial Settlement Procedures.

6.4.2 With respect to any Settlement Period (including the First Half of any Settlement Period), both Parties' Adjusted Passenger Contribution and Cargo Contribution shall be calculated in USD. For purposes of such determination, any individual category of revenues and costs incurred by either Party in another local currency shall be converted into USD using a conversion rate that will be set forth in the Financial Settlement Procedures.

6.4.3 In the event of significant volatility in the USD exchange rate for any relevant currency compared to such exchange rate in the Reference Period, upon the request of either Party, the Parties shall discuss in good faith a mechanism to mitigate the impact of such currency rate changes on a Party's Adjusted Passenger Contribution and/or Cargo Contribution for any Settlement Period due to such amounts being calculated in USD.

6.5 Payments

6.5.1 For purposes of this Section 6.5, the Party required to pay to the other Party any amount pursuant to this Schedule C, including any reconciling or audit adjustment amount, in each case with respect to any Settlement Period, shall be the "**Paying Party**," whereas the Party entitled to receive such payment shall be the "**Receiving Party**."

6.5.2 Each Party shall use its commercially reasonable efforts to submit to the other Party, with respect to any Settlement Period, its determination of such Party's Adjusted Passenger Contribution and Cargo Contribution (i) no later than [redacted] of such Settlement Period in respect of the Mid-Year Cash Settlement, and (ii) no later than [redacted] of the calendar year immediately succeeding such Settlement Period in respect of the Year-End Cash Settlement.

6.5.3 Upon approval by both Parties as to any amount payable hereunder with respect to any Settlement Period, payment of such amount by the Paying Party to the Receiving Party shall be made (i) no later than [redacted] of such Settlement Period in respect of the Mid-Year Cash Settlement (if any) and (ii) no later than [redacted] of the calendar year immediately succeeding such Settlement Period in respect of the Year-End Cash Settlement. If the due date for any such payment is not a Business Day in the home country of the Paying Party, then the payment shall be due on the immediately following Business Day. In the event that a good faith dispute arises between the Parties regarding the amount payable in respect of the Mid-Year Cash Settlement or the Year-End Cash Settlement or any other amount payable by a Party hereunder for any Settlement Period, the Paying Party shall pay any undisputed portion of such amount no later than the applicable due date set forth in this Section 6.5.3 and shall pay any disputed amount or portion thereof (as determined at the conclusion of the resolution process) upon final resolution of such dispute. Any amounts payable hereunder that are not paid by the applicable due date set forth in this Section 6.5.3 (whether or not such amounts were subject to dispute) shall bear interest at a rate equal [redacted] basis points from the day immediately after the day such payment would have been due (if not for such dispute), through and including the day such payment is made on the basis of a 360 day year. The amount of interest payable hereunder shall compound daily.

6.5.4 For purposes of calculating the rate of interest payable on amounts payable hereunder, unless otherwise set forth in the Financial Settlement Procedures or as mutually agreed by the Parties in writing (i) [redacted] The methodology for calculating interest on amounts owed hereunder shall be further detailed in the Financial Settlement Procedures.

6.5.5 Actual payment of amounts payable hereunder shall be paid via the IATA Clearing House in accordance with the Clearing House policies and procedures in effect at the time of payment. Each Party shall provide the other with advance notice prior to initiating any payment hereunder.

6.6 Example

6.6.1 Illustrative examples of the calculation of the Year-End Cash Settlement based on hypothetical figures will be added as Attachment 3 to this Schedule C by amendment of the Agreement prior to the Implementation Date.

APPENDIX 1
To
SCHEDULE C

DEFINED TERMS

The following terms shall have the meanings given them below:

Defined Term:	**Definition:**
"Accounting Procedures"	has the meaning given such term in Section 2.1 of Schedule C.
"Adjusted JV CEASK"	has the meaning given such term in Section 4.8.2 of Schedule C.
"Ancillary Revenue"	has the meaning given such term in Section 4.3.2 of Schedule C.
"AWM"	has the meaning given such term in Schedule A to the Agreement.
"Belly Cargo Gross Revenue"	has the meaning given such term in Section 5.2 of Schedule C.
"Block Space Arrangement"	means, with respect to each Party, a hard block seat arrangement under which a third party purchases seats on a flight operated by such Party, its Affiliate or Contract Carrier on a JV Route or a related Beyond Route where such third party does not have the right at its option to return the applicable seat inventory to such Party.
"Capped Costs"	has the meaning given such term in Section 4.8.2 of Schedule C.
"Cargo Contribution"	has the meaning given such term in Section 5.1 of this Schedule C.
"Cargo JV Production Costs"	has the meaning given such term in Section 5.3 of this Schedule C.
"Cash Settlement"	has the meaning given such term in Section 6.1 of this Schedule C.
"Combined Segment Contribution"	means, with respect to each JV Route operated by a Party, its Affiliate or Contract Carrier in any Settlement Period, the sum of such Party's Segment Contribution and such Party's Cargo Contribution for such JV Route for such period.
"CPI Value Source"	has the meaning given such term in Section 4.8.2 of this Schedule C.
"Delta Adjusted Passenger Contribution"	has the meaning given such term in Section 4.8 of Schedule C.

Defined Term:	Definition:
"Delta Cargo Contribution"	has the meaning given such term in Section 5.1 of this Schedule C.
"Delta Cargo Contribution Share"	has the meaning given such term in Section 5.4.2 of this Schedule C.
"Delta Contribution Differential Amount"	has the meaning given such term in Section 6.3 of this Schedule C.
"Delta Mid-Year Cash Settlement Amount"	has the meaning given such term in Section 6.2 of this Schedule C.
"Delta Passenger Contribution"	has the meaning given such term in Section 4.1 of Schedule C.
"Delta Passenger Contribution Share"	has the meaning given such term in Section 4.9.2 of Schedule C.
"Delta Year-End Cash Settlement Amount"	has the meaning given such term in Section 6.3 of this Schedule C.
"Distribution Channels"	means those [redacted] , including (i) [redacted] (ii) [redacted] , and (iii) other sales channel used by a Party from time to time for the sale of Scheduled Services on JV Routes.
"EASK Ratio"	has the meaning given such term in Schedule A to the Agreement.
"FIM"	means Flight Interruption Manifest, as defined in the IATA Revenue Accounting Manual.
"Financial Settlement Procedures"	has the meaning given such term in Schedule A to the Agreement.
"Financial Systems"	has the meaning given such term in Section 3.1 of Schedule C.
"First Half"	has the meaning given such term in Section 6.1 of Schedule C.
"Gross JV Revenue"	has the meaning given such term in Section 4.3 of Schedule C.
"Home Weighted CPI"	has the meaning given such term in Section 4.8.2 of this Schedule C.

Defined Term:	Definition:
"Incremental Delta Cargo Contribution"	has the meaning given such term in Section 5.4.1 of this Schedule C.
"Incremental Delta Passenger Contribution"	has the meaning given such term in Section 4.9.1 of Schedule C.
"Incremental JV Cargo Contribution"	has the meaning given such term in Section 5.4.1 of this Schedule C.
"Incremental JV Passenger Contribution"	has the meaning given such term in Section 4.9.1 of Schedule C.
"Incremental LATAM Cargo Contribution"	has the meaning given such term in Section 5.4.1 of this Schedule C.
"Incremental LATAM Passenger Contribution"	has the meaning given such term in Section 4.9.1 of this Schedule C.
"ISC"	has the meaning given such term in Section 4.3.1(a) of this Schedule C.
"JV CEASK"	has the meaning given such term in Section 4.8.2 of this Schedule C.
"JV Passenger Contribution"	means, for any Settlement Period, the sum of the Delta Passenger Contribution and the LATAM Passenger Contribution.
"JV Production Costs"	has the meaning given such term in Section 4.7 of this Schedule C.
"Labor CEASK"	has the meaning given such term in Section 4.8.1 of this Schedule C.
"Labor Cost Reduction Amount"	has the meaning given such term in Section 4.8.1 of this Schedule C.
"Labor Costs"	has the meaning given such term in Section 4.8.1 of this Schedule C.
"LATAM Adjusted Passenger Contribution"	has the meaning given such term in Section 4.8 of this Schedule C.
"LATAM Cargo Contribution"	has the meaning given such term in Section 5.4.1 of this Schedule C.
"LATAM Cargo Contribution Share"	has the meaning given such term in Section 5.4.2 of this Schedule C.
"LATAM Contribution Differential Amount"	has the meaning given such term in Section 6.3 of this Schedule C.

Defined Term:	Definition:
"LATAM Mid-Year Cash Settlement Amount"	has the meaning given such term in Section 6.2 of this Schedule C.
"LATAM Passenger Contribution"	has the meaning given such term in Section 4.1 of this Schedule C.
"LATAM Passenger Contribution Share"	has the meaning given such term in Section 4.9.2 of this Schedule C.
"LATAM Year-End Cash Settlement Amount"	has the meaning given such term in Section 6.3 of this Schedule C.
"Mid-Year Cash Settlement"	has the meaning given such term in Section 6.1 of this Schedule C.
"Mid-Year Threshold Amount"	has the meaning given such term in Section 6.1 of this Schedule C.
"Non-Requesting Party"	has the meaning given such term in Section 3.3 of this Schedule C.
"Operated Gross Passenger Revenue"	has the meaning given such term in Section 4.3.1 of this Schedule C.
"Passenger Contribution"	has the meaning given such term in Section 4.1 of this Schedule C.
"Paying Party"	has the meaning given such term in Section 6.3.1 of this Schedule C.
"Receiving Party"	has the meaning given such term in Section 6.5.1 of this Schedule C.
"Reference Banks"	has the meaning given such term in Section 6.5.1 of this Schedule C.
"Reference Period Cargo Contribution"	has the meaning given such term in Section 1.2 of this Schedule C.
"Reference Period Passenger Contribution"	has the meaning given to such term in Section 1.1 of this Schedule C.
"Requesting Party"	has the meaning given such term in Section 3.3 of this Schedule C.
"Segment CEASK Adjustment"	has the meaning given such term in Section 4.8.2 of this Schedule C.
"Segment Contribution"	has the meaning given such term in Section 4.2 of this Schedule C.

Defined Term:	Definition:
"Up-Front Commission"	means a per-transaction based commission paid by a Party to a third party agent or distributor, usually based on a percentage of the ticketed fare or a flat rate per transaction (after the Up-Front Discount is applied), including standard/base agency commissions and any other incentive or override commission applied at the time the ticket sale is reported by the third party agent or distributor to such Party (either through a BSP or via a direct reporting arrangement), but excluding incentive commissions, bonuses or other subsequent retroactive performance-based payments.
"USD"	means the United States Dollar.
"Year-End Cash Settlement"	has the meaning given such term in Section 6.1 of this Schedule C.

ATTACHMENT 1
To
SCHEDULE C

Both Parties' Reference Period results for JV Routes will be added to this Attachment 1 once the Baseline is finalized and mutually agreed.

ATTACHMENT 2
To
SCHEDULE C

An illustrative example of the calculation of the [redacted]

ATTACHMENT 3 To
SCHEDULE C

Illustrative examples of the calculation of the [redacted] -

SCHEDULE D
EASK Calculation

"**EASK**" of a Party, with respect to any period, shall equal [redacted] For purposes of Section 5.3, a Party's EASK shall be measured based on [redacted] capacity.

"**Equivalent Cabin Seats**" means, for each aircraft type, [redacted], as shown in the table below. Such Equivalent Cabin Seats is based on values provided by [redacted]

- Minimum seat pitch of [redacted] inches
- Minimum seat width of [redacted] inches
- Minimum service cart to passenger ratio of [redacted]
- Maximum passenger to lavatory ratio of [redacted]
- Complies with requirements under Applicable Law for [redacted]

If a new aircraft fleet type not specified in the table below is introduced on a JV Route by either Party in accordance with the provisions of the Agreement, the Parties will [redacted]

Aircraft Type	Equivalent Cabin Seats
A319-100	[redacted]
A320-200/neo	
A321-200	
A321neo ACF	
A330-200/800	
A330-300/900	
A350-900	
B737-700	
B737-800	
B737-900	
B757-200	
B757-300	
B767-300	
B767-400	
B777-200	
B777-300	
B787-800	
B787-900	

Exhibit 4.47.1

[Certain confidential portions of this exhibit have been redacted pursuant to 4(a) of the Instructions as to Exhibits of Form 20-F. The omitted information (i) is not material and (ii) is the type of information the Company treats as private or confidential. In addition, schedules and similar attachments to this exhibit have been omitted pursuant to the Instructions as to Exhibits of Form 20-F.]

DEBTOR-IN-POSSESSION AND EXIT TERM LOAN CREDIT AGREEMENT

dated as of October 12, 2022

among
LATAM AIRLINES GROUP S.A.,
as Borrower,

PROFESSIONAL AIRLINE SERVICES, INC.,
as Co-Borrower,

THE SUBSIDIARIES OF PARENT PARTY HERETO,
as Guarantors,

THE LENDERS PARTY HERETO,

GOLDMAN SACHS LENDING PARTNERS LLC,
as Administrative Agent,

and

WILMINGTON TRUST, NATIONAL ASSOCIATION,
not in its individual capacity,
but solely as Collateral Trustee

GOLDMAN SACHS LENDING PARTNERS LLC,
JPMORGAN CHASE BANK, N.A.,
BARCLAYS BANK PLC,
BNP PARIBAS SECURITIES CORP., and
NATIXIS, NEW YORK BRANCH,
as Joint Lead Arrangers and Joint Bookrunners

Table of Contents

ANNEXES:

EXHIBITS:

SCHEDULES:

DEBTOR-IN-POSSESSION AND EXIT TERM LOAN CREDIT AGREEMENT, dated as of October 12, 2022 (this "Agreement"), among LATAM AIRLINES GROUP S.A., a *sociedad anónima* duly organized and validly existing under the laws of Chile ("Parent"), PROFESSIONAL AIRLINE SERVICES, INC., a Florida corporation (the "Co-Borrower"; and together with Parent, the "Borrowers"), the Guarantors party hereto from time to time, each of the several banks and other financial institutions or entities from time to time party hereto as a lender (the "Lenders"), GOLDMAN SACHS LENDING PARTNERS LLC ("GS"), as administrative agent for the Lenders (together with its permitted successors in such capacity, the "Administrative Agent"), the Joint Lead Arrangers and Joint Bookrunners set forth on the cover page hereto, and WILMINGTON TRUST, NATIONAL ASSOCIATION, not in its individual capacity, but solely as collateral trustee for the Secured Parties (together with its permitted successors, in such capacity, the "Collateral Trustee").

INTRODUCTORY STATEMENT

The Borrowers have applied to the Lenders for a term loan facility in an aggregate principal amount of $750.0 million as set forth herein.

The proceeds of the Loans will be used on the Closing Date in accordance with the Reorganization Plan to repay the Existing DIP Facility and to pay transaction costs, fees and expenses related thereto.

To provide guarantees and security for the repayment of the Loans and the payment of the other obligations of the Borrowers and the Guarantors hereunder and under the other Loan Documents, the Borrowers and the Guarantors will, among other things, provide the following (each as more fully described herein):

(a) to the Administrative Agent and the Lenders, a guaranty from each Guarantor of the due and punctual payment and performance of the Obligations of the Borrowers pursuant to Article 9 hereof; and

(b) to the Collateral Trustee, for the benefit of the Secured Parties and the other Priority Lien Secured Parties, a security interest or mortgages (or comparable Liens) with respect to the Collateral from each Borrower and each other Loan Party (if any) pursuant to the Pledge and Security Agreement and the other Collateral Documents, subject to the Collateral Trust Agreement.

Accordingly, the parties hereto hereby agree as follows:

ARTICLE 1.

DEFINITIONS

Section 1.01. Defined Terms.

"2027 Bridge Loan Administrative Agent " shall have the meaning assigned to such term in the Collateral Trust Agreement.

"2027 Bridge Loans" shall mean the "Loans" as defined in the 2027 Bridge Loan Credit Agreement.

"2027 Bridge Loan Credit Agreement" shall mean the Senior Secured Bridge to 5Y Notes Credit Agreement, dated as of the date hereof, among Parent, each guarantor party thereto from time to time, the 2027 Bridge Loan Administrative Agent and the Collateral Trustee.

"2027 Exchange Notes" shall have the meaning assigned to such term in the 2027 Bridge Loan Credit Agreement.

"2027 Exchange Notes Indenture" shall have the meaning assigned to such term in the 2027 Bridge Loan Credit Agreement.

"2027 Securities" shall have the meaning assigned to such term in the 2027 Bridge Loan Credit Agreement.

"2029 Bridge Loan Administrative Agent" shall have the meaning assigned to such term in the Collateral Trust Agreement.

"2029 Bridge Loans" shall mean the "Loans" as defined in the 2029 Bridge Loan Credit Agreement.

"2029 Bridge Loan Credit Agreement" shall mean the Senior Secured Bridge to 7Y Notes Credit Agreement, dated as of the date hereof, among Parent, each guarantor party thereto from time to time, the 2029 Bridge Loan Administrative Agent and the Collateral Trustee.

"2029 Exchange Notes" shall have the meaning assigned to such term in the 2029 Bridge Loan Credit Agreement.

"2029 Exchange Notes Indenture" shall have the meaning assigned to such term in the 2029 Bridge Loan Credit Agreement.

"2029 Securities" shall have the meaning assigned to such term in the 2029 Bridge Loan Credit Agreement.

"ABR" when used in reference to any Loan or Borrowing, refers to when such Loan, or the Loans comprising such Borrowing, bear interest at a rate determined by reference to the Alternate Base Rate.

"ABR Borrowing" shall mean any Borrowing bearing interest at a rate determined by reference to the Alternate Base Rate.

"ABR Loan" shall mean any Loan bearing interest at a rate determined by reference to the Alternate Base Rate.

"Acceptable Letter of Credit" shall mean an irrevocable standby letter of credit on customary terms issued by a bank or branch having a long term unsecured debt rating of at least [*] (or the equivalent) or better by S&P, Moody's or Fitch and drawable by the Administrative Agent upon presentation in New York.

"Account" shall mean all "accounts" as defined in the UCC, and all rights to payment for interest (other than with respect to debt and credit card receivables).

"Additional Collateral" shall mean any of the following assets pledged or mortgaged to the Collateral Trustee, or a Local Collateral Agent, as applicable, after the Closing Date which would not have automatically been pledged or mortgaged pursuant to the Collateral Documents in existence as of the Closing Date without modifying such Collateral Documents or entering into new Collateral Documents not then in existence: (a) any category of Collateral set forth in the Collateral Documents as of the Closing Date (provided that any Slots or Gate Leaseholds pledged as Additional Collateral shall be at an Eligible Airport), (b) Aircraft, Engines, Spare Parts, Appliances or Parts or (c) any other assets acceptable to the Administrative Agent (it being understood that cash, Cash Equivalents and Receivables shall be acceptable to the Administrative Agent), which in each case shall (i) be valued by a new Appraisal at the time the Parent designates such assets as Additional Collateral (except for any cash or Cash Equivalents), (ii) as of the date such assets are added as Collateral, be subject, to the extent purported to be created by the applicable Collateral Documents, to a perfected first priority Lien in favor of the Collateral Trustee (or sub-trustee or sub-agent designated pursuant to the applicable Collateral Documents) or Local Collateral Agent, as applicable, for the benefit of the Secured Parties and otherwise subject only to Permitted Liens (other than Liens referred to in clause (5) and (13) of the definition of Permitted Liens in effect as of the Closing Date).

"Additional Obligors" shall mean collectively, TAM S.A., Tam Linhas Aereas S.A., Prismah Fidelidade Ltda., Fidelidade de Viagens e Turismo S.A., TP Franchising Ltda., ABSA – Aerolinhas Brasileiras S.A. and Holdco I S.A.

"Adjusted Daily Simple SOFR" shall mean an interest rate per annum equal to (a) the Daily Simple SOFR, *plus* (b)(i) in the case of a one-month Interest Period, 0.10%, (ii) in the case of a three-month Interest Period, 0.15% or (iii) in the case of a six-month Interest Period, 0.25%; provided that if the Adjusted Daily Simple SOFR as so determined would be less than the Floor, such rate shall be deemed to be equal to the Floor for the purposes of this Agreement.

"Adjusted Term SOFR Rate" shall mean, for any Interest Period, an interest rate per annum equal to (a) the Term SOFR Rate for such Interest Period, *plus* (b)(i) in the case of a one-month Interest Period, 0.10%, (ii) in the case of a three-month Interest Period, 0.15% or (iii) in the case of a six-month Interest Period, 0.25%; provided that if the Adjusted Term SOFR Rate as so determined would be less than the Floor, such rate shall be deemed to be equal to the Floor for the purposes of this Agreement.

"Administrative Agent" shall have the meaning set forth in the first paragraph of this Agreement.

"Administrative Agent Fee Letter" shall mean the Fee Letter, dated as of June 10, 2022 among Parent, the Administrative Agent and certain others party thereto.

"Administrative Questionnaire" shall mean an administrative questionnaire in a form supplied by the Administrative Agent.

"Administrator" shall have the meaning given it in the Regulations and Procedures for the International Registry.

"Adverse Proceeding" shall mean any action, suit, proceeding, hearing (in each case, whether administrative or judicial), governmental investigation or arbitration at law or in equity, or before or by any Governmental Authority, domestic or foreign (including any Environmental Claims), whether pending or, to the knowledge of any Loan Party, threatened in writing against or affecting any Loan Party or any property of any Loan Party.

"Affected Financial Institution" shall mean (a) any EEA Financial Institution or (b) any UK Financial Institution.

"Affiliate" shall mean, as to any Person, any other Person which, directly or indirectly, is in control of, is controlled by, or is under common control with, such Person. For purposes of this definition, a Person (a "Controlled Person") shall be deemed to be "controlled by" another Person (a "Controlling Person") if the Controlling Person possesses, directly or indirectly, power to direct or cause the direction of the management and policies of the Controlled Person whether by contract or otherwise; provided that (i) beneficial ownership by any "person" or "group" of 10% or more of the Voting Stock of a Person shall be deemed to be control and (ii) the terms "person," "group" and "beneficial owner" shall have the meanings ascribed to them when such terms are used pursuant to Sections 13(d), Section 14(d) and Rule 13d-3 of the Exchange Act, respectively.

"Affiliated Lender" means, at any time, any Lender that is an Affiliate of a Loan Party at such time.

"Affiliate Transaction" shall have the meaning assigned to such term in Section 6.04(a).

"Agents" shall mean the Administrative Agent, the Joint Lead Arrangers, the Collateral Trustee and the Local Collateral Agents, as applicable.

"Aggregate Exposure" shall mean, with respect to any Lender at any time, an amount equal to (a) until the Closing Date, the aggregate amount of such Lender's Commitments at such time and (b) thereafter, the aggregate then outstanding principal amount of such Lender's Term Loans.

"Aggregate Exposure Percentage" shall mean, with respect to any Lender at any time, the ratio (expressed as a percentage) of such Lender's Aggregate Exposure at such time to the Aggregate Exposure of all Lenders at such time.

"Agreement" shall have the meaning set forth in the first paragraph hereof.

"Air Carrier Entity" shall mean Parent and each other Guarantor that owns or operates Aircraft.

"Aircraft" shall mean any contrivance invented, used, or designed to navigate, or fly in, the air, including, without duplication, the airframes related thereto.

"Aircraft Financing" shall mean (i) any indebtedness, guarantee, finance lease, operating lease, sale and lease back or other financing arrangements (including any bonds, debentures, notes or similar instruments) in respect of or secured by Engines, Spare Parts, Aircraft, airframes or Appliances, Parts, components, instruments, appurtenances, furnishings, other equipment installed on such Engines, Spare Parts, Aircraft, airframes or any other related assets, (ii) any financing arrangements assumed or incurred in connection with the acquisition, construction (including any pre-delivery payments in connection with such acquisition or construction), modifications or improvement of any Engines, Spare Parts, Aircraft, airframes or Appliances, Parts, components, instruments, appurtenances, furnishings, other equipment installed on such Engines, Spare Parts, Aircraft, airframes or any other related assets, and (iii) extensions, renewals and replacements of such financing arrangements under clauses (i) and (ii); provided that, in each case under clauses (i), (ii) or (iii), such financing arrangement, if secured, is secured on a usual and customary basis (which may include the collateralization thereof with cash, Cash Equivalents or letters of credit) as determined by Parent in good faith for such financing arrangement or Indebtedness in respect of Engines, Spare Parts, Aircraft, airframes or Appliances, Parts, components, instruments, appurtenances, furnishings, other equipment installed on such Engines, Spare Parts, Aircraft, airframes or any other related assets.

"Aircraft Financing Related Cargo Business Assets" shall mean assets described in clauses (a) and (b) of the definition of Cargo Business Assets.

"Aircraft Protocol" shall mean the official English language text of the Protocol to the Convention on International Interests in Mobile Equipment on Matters Specific to Aircraft Equipment adopted on November 16, 2001, at a diplomatic conference in Cape Town, South Africa, and all amendments, supplements and revisions thereto, as in effect in the United States or any other applicable jurisdiction, as the case may be.

"Airport Authority" shall mean any city or any public or private board or other body or organization chartered or otherwise established for the purpose of administering, operating or managing airports or related facilities, which in each case is an owner, administrator, operator or manager of one or more airports or related facilities.

"Alternate Base Rate" shall mean, for any day, a rate per annum equal to the greatest of (a) the Prime Rate in effect on such day, (b) the NYFRB Rate in effect on such day *plus* ½ of 1% and (c) the Adjusted Term SOFR Rate for a one month Interest Period as published two U.S. Government Securities Business Days prior to such day (or if such day is not a U.S. Government Securities Business Day, the immediately preceding U.S. Government Securities Business Day) *plus* 1%; provided that for the purpose of this definition, the Adjusted Term SOFR Rate for any day shall be based on the Term SOFR Reference Rate at approximately 5:00 a.m. Chicago time on such day (or any amended publication time for the Term SOFR Reference Rate, as specified by the Term SOFR Administrator in the Term SOFR Reference Rate methodology). Any change in the Alternate Base Rate due to a change in the Prime Rate, the NYFRB Rate or the Adjusted Term SOFR Rate shall be effective from and including the effective date of such change in the Prime Rate, the NYFRB Rate or the Term SOFR Rate, respectively. If the Alternate Base Rate is being used as an alternate rate of interest pursuant to Section 2.17 (for the avoidance of doubt, only until the Benchmark Replacement has been determined pursuant to Section 2.17(b)), then the Alternate Base Rate shall be the greater of clauses (a) and (b) above and shall be determined without reference to clause (c) above. For the avoidance of doubt, if the Alternate Base Rate as determined pursuant to the foregoing would be less than 1.50%, such rate shall be deemed to be 1.50% for purposes of this Agreement.

"Annex No. 2" shall have the meaning set forth in Section 2.13(c).

"Anti-Corruption Laws" shall mean all applicable anti-corruption and anti-bribery laws, rules and regulations of any jurisdiction from time to time, including, without limitation, the U.S. Foreign Corrupt Practices Act of 1977, as amended.

"Anti-Money Laundering Laws" shall mean any and all laws, rules and regulations of any jurisdiction applicable to Parent or its Subsidiaries or Affiliates from time to time concerning or relating to terrorism financing, money laundering or any predicate crime to money laundering, including, without limitation, any applicable provision of the Patriot Act and The Currency and Foreign Transactions Reporting Act (also known as the "Bank Secrecy Act," 31 U.S.C. §§ 5311-5330 and 12 U.S.C. §§ 1818(s), 1820(b) and 1951-1959).

"Appliance" shall mean any instrument, equipment, apparatus, part, appurtenance, or accessory used, capable of being used, or intended to be used, in operating or controlling Aircraft in flight, including a parachute, communication equipment, and another mechanism installed in or attached to an Aircraft during flight, and not a part of an Aircraft or Engine.

"Applicable Margin" shall mean (a) at any time when the Emergence Condition has not been satisfied, the rate per annum determined pursuant to the following: (i) for ABR Loans, 8.75% or (ii) for Term Loans bearing interest based on the Adjusted Term SOFR Rate or Adjusted Daily Simple SOFR, 9.75% and (b) at any time after the Emergence Condition has been satisfied, the rate per annum determined pursuant to the following: (i) for ABR Loans, 8.50% or (ii) for Term Loans bearing interest based on the Adjusted Term SOFR Rate or Adjusted Daily Simple SOFR, 9.50%.

"Appraisal" shall mean (a) the Initial Appraisals, (b) any other appraisal (a "Subsequent Appraisal"), certifying, at the time of determination, in reasonable detail the Appraised Value of the Coverage Assets that are the subject thereof, which is prepared by either, at the option of Parent, (i) an Initial Appraiser and any successor thereof (including any appraiser whose employees or principals previously appraised the relevant Coverage Assets) but solely in respect of asset classes assigned to such Initial Appraiser in the definition thereof or (ii) another independent appraisal firm appointed by Parent and reasonably satisfactory to the Administrative Agent; provided that, (x) in the case of Pledged SGR, the methodology and form of presentation of such Subsequent Appraisal are consistent in all material respects with the methodology and form of presentation of the Initial Appraisal applicable to such type of Coverage Assets, or which, as to any deviations from such methodology (including as to discount rate and terminal value growth rate) and/or form of presentation, are otherwise in form and substance reasonably satisfactory to the Administrative Agent or (y) in the case of assets other than Pledged SGR, the Subsequent Appraisal sets forth the Fair Market Value thereof in a manner consistent with market practice for assets of such type in a manner reasonably satisfactory to the Administrative Agent.

"Appraised Value" shall mean, as of any date of determination, the sum of the aggregate value of all Coverage Assets as of such date, as reflected in the most recent Appraisals delivered to the Administrative Agent in respect of such Coverage Assets in accordance with this Agreement as of that date (for the avoidance of doubt, calculated after giving effect to any additions to or eliminations from the Coverage Assets since the date of delivery of such Appraisal); provided that (i) if any Pledged Slots at an airport have been added to or eliminated from the Coverage Assets since the most recent Appraisal of the Pledged Slots at such airport and such most recent Appraisal assigned differing Appraised Values to Pledged Slots at such airport based on the criteria set forth in such most recent Appraisal, such added or eliminated Pledged Slots at such airport shall, for purposes of determining the Appraised Value of all remaining Pledged Slots at such airport (including any added Pledged Slots as the case may be), be assigned an Appraised Value in accordance with such criteria set forth in such most recent Appraisal (and for clarity, such assignment of Appraised Value to such added or eliminated Pledged Slots shall not otherwise impact the Appraised Value of any other Pledged Slots at such airport) and (ii) when used in reference to any particular Coverage Asset, "Appraised Value" shall mean the value of such Coverage Asset as reflected in such most recent Appraisal of such Coverage Asset; provided that if at the relevant time Parent has not previously delivered to the Administrative Agent an Appraisal of a specific Coverage Asset item (such as a single Route), but has delivered to the Administrative Agent an Appraisal that includes the Appraised Value of a portion of the Coverage Assets (such as all Routes to a particular region) that includes such specific Coverage Asset item, Parent shall allocate the Appraised Value of such specific Coverage Asset item on a reasonable basis, and such allocated amounts shall be the Appraised Value of such specific Coverage Asset item, except that this proviso shall not be applicable in a case where this Agreement or other Loan Document expressly requires that the Borrowers obtain an Appraisal in respect of such specific Coverage Asset item.

"Approved Electronic Platform" shall have the meaning given to such term in Section 8.11.

"Approved Fund" shall have the meaning given to such term in Section 10.02(b).

"Asset Coverage Ratio" shall mean, as of any date, the ratio of (a) the Appraised Value of the Coverage Assets as of such date to (b) the sum of (i) the aggregate principal amount of all Priority Lien Debt as of such date (including, other than for purposes of Section 6.08(a), without duplication of any outstanding principal amounts, the amount of any unfunded commitments under all revolving credit facilities (including the Revolving Credit Agreement) of Parent and its Restricted Subsidiaries) *plus* (ii) without duplication, any Senior Priority Refinancing Indebtedness *plus* (iii) the aggregate outstanding amount of Currency under any Frequent Flyer Program as of such date that has been Disposed by Parent or any Restricted Subsidiary pursuant to a financing arrangement for cash in advance of such Currency being redeemed for goods or services provided by Parent or its Restricted Subsidiaries ("Pre-Sold Currency").

"Asset Coverage Ratio Certificate" shall mean an Officer's Certificate of Parent setting forth in reasonable detail the calculation of the Asset Coverage Ratio.

"Asset Coverage Test" shall have the meaning given to such term in Section 6.08(a).

"Assignment and Acceptance" shall mean an assignment and acceptance entered into by a Lender and an assignee (with the consent of any party whose consent is required by Section 10.02), and accepted by the Administrative Agent, substantially in the form of Exhibit A.

"Available Tenor" shall mean, as of any date of determination and with respect to the then-current Benchmark, as applicable, any tenor for such Benchmark (or component thereof) or payment period for interest calculated with reference to such Benchmark (or component thereof), as applicable, that is or may be used for determining the length of an Interest Period for any term rate or otherwise, for determining any frequency of making payments of interest calculated pursuant to this Agreement as of such date and not including, for the avoidance of doubt, any tenor for such Benchmark that is then-removed from the definition of "Interest Period" pursuant to Section 2.17(e).

"Aviation Authorities" shall mean (a) the *Dirección General de Aeronáutica Civil* of Chile and any successor organization and each other Governmental Authority or other Person who shall from time to time be vested with the control and supervision of, or have jurisdiction over, the registration, airworthiness and operation of Aircraft or other matters relating to civil aviation in Chile; (b) the FAA; and/or (c) any other Governmental Authority which, from time to time, has control or supervision of civil aviation.

"Backstop Commitment Agreements" shall mean, collectively, (a) the Creditor Backstop Commitment Agreement and (b) the Shareholder Backstop Commitment Agreement.

"Bail-In Action" shall mean the exercise of any Write-Down and Conversion Powers by the applicable Resolution Authority in respect of any liability of an Affected Financial Institution.

"Bail-In Legislation" shall mean (a) with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law, regulation rule or requirement for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule and (b) with respect to the United Kingdom, Part I of the United Kingdom Banking Act 2009 (as amended from time to time) and any other law, regulation or rule applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (other than through liquidation, administration or other insolvency proceedings).

"Bankruptcy Code" shall mean Title 11 of the United States Code (11 U.S.C. § 101 et seq.), as it has been, or may be, amended, from time to time.

"Bankruptcy Court" shall mean the United States Bankruptcy Court for the Southern District of New York (together with any other court having jurisdiction over any of the Chapter 11 Cases or any proceeding therein from time to time).

"Bankruptcy Event" shall mean, with respect to any Person, after September 29, 2020, such Person becomes the subject of a bankruptcy or insolvency proceeding (including any creditor contest (*concurso de acreedores or concurso preventivo*)), or initiates or institutes a process to reach a pre-bankruptcy or pre-insolvency process with its creditors the effects of which could, in the reasonable determination of the Administrative Agent, have effects similar to those of bankruptcy or insolvency proceedings, or has had a receiver, conservator, trustee, administrator, custodian, assignee or supervisor for the benefit of creditors or similar Person charged with the reorganization or liquidation of its business appointed for it, or, in the good faith determination of the Administrative Agent, has taken any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any such proceeding or appointment; provided that a Bankruptcy Event shall not result solely by virtue of any ownership interest, or the acquisition of any ownership interest, in such Person by a Governmental Authority or instrumentality thereof; provided, further, that such ownership interest does not result in or provide such Person with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Person (or such Governmental Authority or instrumentality) to reject, repudiate, disavow or disaffirm any contracts or agreements made by such Person.

"Bankruptcy Law" shall mean the Bankruptcy Code or any similar U.S. federal or state law for the relief of debtors.

"Bankruptcy Maturity Event" shall mean, to the extent the Conversion Date has not occurred prior to such date, the earliest of: (a) December 2, 2023, (b) the date of the conversion of any of the Chapter 11 Cases to a case under Chapter 7 of the Bankruptcy Code unless otherwise consented to in writing by the Required Lenders; (c) the date on which the Bankruptcy Court dismisses any of the Chapter 11 Cases, unless otherwise consented to in writing by the Required Lenders and (d) the date of the consummation of a sale of all, substantially all or a material portion of the Collateral, unless otherwise consented to in writing by the Required Lenders.

"Bankruptcy Rules" shall mean the Federal Rules of Bankruptcy Procedure and local rules of the Bankruptcy Court, each as amended, and applicable to the Chapter 11 Cases.

"Benchmark" shall mean, initially, with respect to any (i) RFR Loan, the Daily Simple SOFR or (ii) Term Benchmark Loan, the Term SOFR Rate; provided that if a Benchmark Transition Event, and the related Benchmark Replacement Date have occurred with respect to the Daily Simple SOFR or the Term SOFR Rate, as applicable, or the then-current Benchmark, then "Benchmark" shall mean the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to Section 2.17(b).

"Benchmark Replacement" shall mean, for any Available Tenor, the first alternative set forth in the order below that can be determined by the Administrative Agent for the applicable Benchmark Replacement Date:

(a) the Adjusted Daily Simple SOFR; or

(b) the sum of: (i) the alternate benchmark rate that has been selected by the Administrative Agent and Parent as the replacement for the then-current Benchmark for the applicable Corresponding Tenor giving due consideration to (A) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (B) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement for the then-current Benchmark for dollar-denominated syndicated credit facilities at such time in the United States and (ii) the related Benchmark Replacement Adjustment.

If the Benchmark Replacement as determined pursuant to clause (a) or (b) above would be less than the Floor, the Benchmark Replacement will be deemed to be the Floor for the purposes of this Agreement and the other Loan Documents.

"Benchmark Replacement Adjustment" shall mean, with respect to any replacement of the then-current Benchmark with an Unadjusted Benchmark Replacement for any applicable Interest Period and Available Tenor for any setting of such Unadjusted Benchmark Replacement, the spread adjustment, or method for calculating or determining such spread adjustment (which may be a positive or negative value or zero) that has been selected by the Administrative Agent and Parent for the applicable Corresponding Tenor giving due consideration to (a) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body on the applicable Benchmark Replacement Date and/or (b) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for U.S. dollar-denominated syndicated credit facilities at such time.

"Benchmark Replacement Conforming Changes" shall mean, with respect to any Benchmark Replacement and/or any Term Benchmark Loan, any technical, administrative or operational changes (including changes to the definition of "Alternate Base Rate," the definition of "Business Day," the definition of "U.S. Government Securities Business Day," the definition of "Interest Period," timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, the length of lookback periods, the applicability of breakage provisions and other technical, administrative or operational matters) that the Administrative Agent, in consultation with Parent, decides may be appropriate to reflect the adoption and implementation of any such Benchmark and to permit the administration thereof by the Administrative Agent in a manner substantially consistent with market practice (or, if the Administrative Agent decides that adoption of any portion of such market practice is not administratively feasible or if the Administrative Agent determines that no market practice for the administration of such Benchmark exists, in such other manner of administration as the Administrative Agent, in consultation with Parent, decides is reasonably necessary in connection with the administration of this Agreement and the other Loan Documents).

"Benchmark Replacement Date" shall mean, with respect to any Benchmark, the earliest to occur of the following events with respect to such then-current Benchmark:

(a) in the case of clause (a) or (b) of the definition of "Benchmark Transition Event," the later of (i) the date of the public statement or publication of information referenced therein and (ii) the date on which the administrator of such Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide all Available Tenors of such Benchmark (or such component thereof); or

(b) in the case of clause (c) of the definition of "Benchmark Transition Event," the first date on which such Benchmark (or the published component used in the calculation thereof) has been determined and announced by the regulatory supervisor for the administrator of such Benchmark (or such component thereof) to be no longer representative; provided that such non-representativeness will be determined by reference to the most recent statement or publication referenced in such clause (c) and even if any Available Tenor of such Benchmark (or such component thereof) continues to be provided on such date.

For the avoidance of doubt, (i) if the event giving rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination and (ii) the "Benchmark Replacement Date" will be deemed to have occurred in the case of clause (a) or (b) with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

"Benchmark Transition Event" shall mean, with respect to any Benchmark, the occurrence of one or more of the following events with respect to the then-current Benchmark:

(a) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such administrator has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof), permanently or indefinitely; provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof);

(b) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), the Federal Reserve Board, the NYFRB, the Term SOFR Administrator, an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such component), in each case, which states that the administrator of such Benchmark (or such component) has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof) permanently or indefinitely; provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof); or

(c) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that all Available Tenors of such Benchmark (or such component thereof) are no longer, or as of a specified future date will no longer be, representative.

For the avoidance of doubt, a "Benchmark Transition Event" will be deemed to have occurred with respect to any Benchmark if a public statement or publication of information set forth above has occurred with respect to each then-current Available Tenor of such Benchmark (or the published component used in the calculation thereof).

"Benchmark Unavailability Period" shall mean, with respect to any Benchmark, the period (if any) (a) beginning at the time that a Benchmark Replacement Date pursuant to clause (a) or (b) of that definition has occurred if, at such time, no Benchmark Replacement has replaced such then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 2.17 and (b) ending at the time that a Benchmark Replacement has replaced such then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 2.17.

"Beneficial Ownership Certification" shall mean a customary certification regarding beneficial ownership or control of any Borrower required by the Beneficial Ownership Regulation.

"Beneficial Ownership Regulation" shall have the meaning set forth in Section 10.13.

"Benefit Plan" shall mean any U.S. Benefit Plan, any Non-U.S. Government Scheme or Arrangement and any Non-U.S. Plan, in each case, established, maintained or contributed to by any Loan Party or under which any Loan Party has any liability, contingent or otherwise.

"Board of Directors" shall mean (a) with respect to a corporation, the board of directors of the corporation or any committee thereof duly authorized to act on behalf of such board; (b) with respect to a partnership, the Board of Directors of the general partner of the partnership; (c) with respect to a limited liability company, the managing member or members, manager or managers or any controlling committee of managing members or managers thereof; and (d) with respect to any other Person, the board, committee or administrator of such Person serving a similar function.

"Borrowers" shall have the meaning set forth in the first paragraph of this Agreement.

"Borrowing" shall mean the incurrence, conversion or continuation of Loans of a single tranche and Type made from all of the relevant Lenders of such tranche on a single date and having, in the case of Term Benchmark Loans, a single Interest Period.

"Brazilian Engine Mortgage" shall have the meaning assigned to such term in the Collateral Trust Agreement.

"Brazilian Local Collateral Agent" shall have the meaning assigned to such term in the Collateral Trust Agreement.

"Brazilian Local Reorganization Proceeding" shall mean a judicial reorganization (*re-cuperação judicial*) or an extrajudicial reorganization (*recuperação extrajudicial*), in each case, before a Brazilian civil court, pursuant to Federal Law No. 11,101, dated February 9, 2005, as amended and regulated with respect to any of the direct or indirect Subsidiaries of Parent formed or organized pursuant to the laws of the Federative Republic of Brazil.

"Business Day" shall mean any day other than a Saturday, Sunday or other day on which commercial banks in New York City, State of New York, United States of America or Santiago, Chile are authorized or required by law to remain closed; provided that, in addition to the foregoing, a "Business Day" shall refer to a "U.S. Government Securities Business Day" (a) in relation to RFR Loans and any interest rate settings, fundings, disbursements, settlements or payments of any such RFR Loan, or any other dealings of such RFR Loan and (b) in relation to Loans referencing the Adjusted Term SOFR Rate and any interest rate settings, fundings, disbursements, settlements or payments of any such Loans referencing the Adjusted Term SOFR Rate or any other dealings of such Loans referencing the Adjusted Term SOFR Rate.

"Cape Town Convention" shall mean the official English language text of the Convention on International Interests in Mobile Equipment, adopted on November 16, 2001 at a diplomatic conference in Cape Town, South Africa, and all amendments, supplements and revisions thereto, as in effect in the United States or any other applicable jurisdiction, as the case may be.

"Cape Town Treaty" shall mean, collectively, (a) the Cape Town Convention, (b) the Aircraft Protocol, and (c) all rules and regulations (including but not limited to the Regulations and Procedures for the International Registry) adopted pursuant thereto and all amendments, supplements and revisions thereto.

"Capital Lease Obligation" shall mean, at the time any determination is to be made, the amount of the liability in respect of a capital lease that would at that time be required to be capitalized and reflected as a liability on a balance sheet prepared in accordance with IFRS as in effect immediately prior to the adoption of IFRS 16 (Leases), and the Stated Maturity thereof shall be the date of the last payment of rent or any other amount due under such lease prior to the first date upon which such lease may be prepaid by the lessee without payment of a penalty.

"Capital Stock" shall mean:

(1) in the case of a corporation, corporate stock;

(2) in the case of an association or business entity or exempted company, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock;

(3) in the case of a partnership or limited liability company, partnership interests (whether general or limited) or membership interests; and

(4) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person, but excluding from all of the foregoing any debt securities convertible into Capital Stock, whether or not such debt securities include any right of participation with Capital Stock.

"Cargo Business Assets" shall mean (a) all intercompany Aircraft leases in respect of freighter Aircraft used in the cargo business of Parent and its Restricted Subsidiaries, (b) all intercompany contracts providing rights to use the belly of passenger Aircraft for the cargo business of Parent and its Restricted Subsidiaries, (c) all accounts receivable in respect of the cargo business of Parent and its Restricted Subsidiaries and (d) all owned and leased real estate assets used in the cargo business of Parent and its Restricted Subsidiaries; provided that, for purposes of calculating the Asset Coverage Ratio and the Total Asset Coverage Ratio, the Cargo Business Assets shall not include any of the foregoing assets described in clauses (a) through (d) above to the extent owned or acquired by a Non-Guarantor Acquired Airline.

"Carve-Out" shall have the meaning given to it in the Final DIP Order.

"Cash Equivalents" shall mean each of the following:

(a) direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States (or by any agency thereof to the extent such obligations are backed by the full faith and credit of the United States), in each case maturing within one (1) year from the date of acquisition thereof;

(b) each Acceptable Letter of Credit;

(c) investments in commercial paper maturing within 365 days from the date of acquisition thereof and having, at such date of acquisition, a rating of at least A-2 (or the equivalent thereof) from S&P or P-2 (or the equivalent thereof) from Moody's;

(d) investments in certificates of deposit (including investments made through an intermediary, such as the certificated deposit account registry service), banker's acceptances, time deposits, eurodollar time deposits and overnight bank deposits maturing within one (1) year from the date of acquisition thereof issued or guaranteed by or placed with, and money market deposit accounts issued or offered by, any domestic office of any commercial bank of recognized standing organized under the laws of the United States or any State thereof that has a combined capital and surplus and undivided profits of not less than [*]

(e) fully collateralized repurchase agreements with a term of not more than six (6) months for underlying securities that would otherwise be eligible for investment;

(f) investments in money in an investment company registered under the Investment Company Act of 1940, as amended, or in pooled accounts or funds offered through mutual funds, investment advisors, banks and brokerage houses which invest its assets in obligations of the type described in clauses (a) through (e) above. This could include, but not be limited to, money market funds or short-term and intermediate bonds funds;

(g) money market funds that (i) comply with the criteria set forth in SEC Rule 2a-7 under the Investment Company Act of 1940, as amended, (ii) are rated AAA (or the equivalent thereof) by S&P and Aaa (or the equivalent thereof) by Moody's and (iii) have portfolio assets of at least $5.0 billion;

(h) securities with maturities of one (1) year or less from the date of acquisition issued or fully guaranteed by any state, commonwealth or territory of the United States, by any political subdivision or taxing authority of any such state, commonwealth or territory or by any foreign government, the securities of which state, commonwealth, territory, political subdivision, taxing authority or foreign government (as the case may be) are rated at least A- by S&P or A3 by Moody's;

(i) any other securities or pools of securities that are classified under IFRS as Cash Equivalents or short-term investments on a balance sheet; and

(j) instruments or investments denominated in any currency that have a comparable tenor and credit quality to those referred to above (as determined by the Parent in good faith) and (x) are customarily utilized in the countries in which such instrument is used or investment is made or (y) are consistent with the cash management practices of the Parent (as determined by Parent in good faith).

"Cash Flow Statement and Notes" shall have the meaning given to such term in Section 5.01(a).

"Cash Management Order" shall mean that *Final Order (I) Authorizing Continued Use of Cash Management System, (II) Authorizing the Continuation of Intercompany and Affiliate Transactions, (III) Granting Administrative Priority Status to Postpetition Intercompany and Applicable Affiliate Claims, (IV) Waiving Compliance with Restrictions Imposed by Section 345 of the Bankruptcy Code, and (V) Authorizing Continued Use of Prepetition Bank Accounts, Payment Methods, and Existing Business Forms* (Docket No. 430), as subsequently amended by that certain *Amended Final Order (I) Authorizing Continued Use of Cash Management System, (II) Authorizing the Continuation of Intercompany and Affiliate Transactions, (III) Granting Administrative Priority Status to Postpetition Intercompany and Applicable Affiliate Claims, (IV) Waiving Compliance with Restrictions imposed by Section 345 of the Bankruptcy Code, and (V) Authorizing Continued use of Prepetition Bank Accounts, Payment Methods and Existing Business Forms*, entered on October 12, 2020 (Docket No. 1185), and as further amended from time to time.

"Cayman Companies Act" shall mean the Companies Act (Revised) of the Cayman Islands.

"Cayman JPLs" shall mean the joint provisional liquidators appointed by the Grand Court of the Cayman Islands with regard to LATAM Finance Limited and Peuco Finance Limited pursuant to the Cayman JPL Applications.

"Cayman JPL Applications" shall mean the applications pursuant to section 104(3) of the Cayman Companies Act for the appointment of the Cayman JPLs in furtherance of the Chapter 11 Cases.

"Change in Law" shall mean, after the Closing Date, (a) the adoption or taking effect of any law, rule, regulation or treaty, (b) any change in any law, rule, regulation or treaty or in the administration, interpretation, implementation or application thereof by any Governmental Authority or (c) the making or issuance of any request, rule, guideline or directive (whether or not having the force of law) by any Governmental Authority; provided that notwithstanding anything herein to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (y) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a "Change in Law," regardless of the date enacted, adopted or issued.

[*]

"Chapter 11 Case" or "Chapter 11 Cases" shall mean the filing by the Obligors on the applicable Petition Date of voluntary petitions for relief under Chapter 11 of the Bankruptcy Code in the Bankruptcy Court.

"Chilean Debtors" shall mean collectively Parent, HoldCo I.S.A., Lan Cargo S.A., Fast Air Almacenes de Carga S.A., Latam Travel Chile II S.A., Lan Cargo Inversiones S.A., Holdco Colombia I SpA, Holdco Colombia II SpA, Transporte Aéreo S.A., Inversiones Lan S.A., Lan Pax Group S.A., Technical Training LATAM S.A. and Holdco Ecuador S.A.

"Chilean Engine Pledge" shall have the meaning assigned to such term in the Collateral Trust Agreement.

"Chilean Income Tax Law" shall mean the income tax law of Chile (*Ley sobre Impuesto a la Renta*), contained in Decree Law No. 824 of 1974.

"Chilean Local Reorganization Proceeding" shall mean a *Procedimiento de Reorganización Judicial de la Empresa Deudora* or a proceeding seeking an *Acuerdo de Reorganización Simplificado*, in either case, before a Chilean civil court, pursuant to the Chilean Insolvency and Reorganization Law No. 20,720 (*Ley de Insolvencia y Reemprendimiento*) with respect to the Chilean Debtors.

"Chilean Recognition Proceeding" shall mean the proceeding conducted before the Second Civil Court of Santiago, Chile titled LATAM Airlines Group S.A./ Technical Training Latam S.A., Rol N° C-8.553-2020, concerning the recognition in Chile of the Chapter 11 Cases as foreign main insolvency proceedings pursuant to the Chilean Insolvency and Reorganization Law No. 20,720 (*Ley de Insolvencia y Reemprendimiento*) with respect to LATAM Airlines Group S.A., Lan Cargo S.A., Fast Air Almacenes de Carga S.A., Latam Travel Chile II S.A., Lan Cargo Inversiones S.A., Holdco Colombia I SpA, Holdco Colombia II SpA, Transporte Aéreo S.A., Inversiones Lan S.A., Lan Pax Group S.A., Technical Training LATAM S.A. and Holdco Ecuador S.A.

"Chilean Securities Market Act" shall mean Chilean *Ley 18,045 sobre Mercado de Valores*.

"Chilean Stamp Tax" shall mean impuesto de timbres y estampillas established by Decree Law No. 3475 of year 1980, *Ley Sobre Impuesto de Timbres y Estampillas*, as amended.

"Class," when used in reference to any Commitment, Loan or Borrowing, shall refer to whether such Loan, or the Loans comprising such Borrowing, or the Loans that would be disbursed under such Commitment, are Initial Term Loans or any Incremental Term Loans.

"Closing Date" shall mean the date on which this Agreement has been executed and the conditions precedent set forth in Section 4.01 have been satisfied or waived.

"Closing Date Make Whole Premium" shall mean an amount reasonably determined by the Administrative Agent in accordance with accepted financial practice equal to (i) 2.0% of the principal amount of the prepaid, repaid, redeemed, paid, refinanced or accelerated Initial Term Loans plus (ii) all required interest payable on the aggregate principal amount of such Initial Term Loans from the date of the applicable prepayment, repayment, redemption, payment, refinancing or acceleration through and including the first anniversary of the Closing Date, computed using an assumed interest rate equal to (x) the Adjusted Term SOFR Rate (including the Floor thereto) for an Interest Period of three months (determined using the Term SOFR Reference Rate at approximately 5:00 a.m. Chicago time, two U.S. Government Securities Business Days prior to the date of the applicable prepayment, repayment, redemption, payment, refinancing or acceleration) plus (y) the Applicable Margin for Term Benchmark Loans that are Initial Term Loans in effect as of the date of the applicable prepayment, repayment, redemption, payment, refinancing or acceleration, discounted from each applicable interest payment date to the date of such prepayment, repayment, redemption, payment, refinancing or acceleration using a discount rate equal to the sum of the Treasury Rate one Business Day prior to the date of prepayment, repayment, redemption, payment, refinancing or acceleration plus 0.50%.

"Closing Date Material Adverse Effect" shall mean a material adverse effect on, and/or any condition, development, change, circumstance or event that, taken alone or together, has resulted in, or would reasonably be expected to result in, a material adverse effect on (a) the business, assets, properties, liabilities, operations, financial condition or prospects of the Loan Parties, taken as a whole or (b) the ability of the Loan Parties to perform their obligations under (or to implement the transactions contemplated by) the Reorganization Plan, the Backstop Commitment Agreements, this Agreement, any material Loan Documents or any other material agreement (in the case of this clause (b), that is not reasonably capable of timely being avoided, reversed, rescinded or overturned), other than, in each case, to the extent arising from or attributable to the following: (i) the filing of the Chapter 11 Cases and the events typically resulting from the filing of the Chapter 11 Cases, including the filing of the Reorganization Plan and the other documents contemplated thereby, or any action required by the Reorganization Plan that is made in compliance with the Bankruptcy Code, (ii) the filing of the Non-U.S. Cases and the Brazilian Local Reorganization Proceeding and the events typically resulting from the filing of such cases, (iii) any epidemic, pandemic, or disease outbreak, including but not limited to COVID-19 and any evolutions thereof, (iv) any change in global, national or regional political conditions (including hostilities, acts of war, sabotage, terrorism, military actions, protests, riots or other civil unrest, or any escalation or material worsening of such matters existing or underway as of the date of this Agreement) or in the general business, market, financial, legal, tax or economic conditions affecting the industries, regions, countries and markets in which the Loan Parties operate, including in any change in U.S. or applicable foreign economies or securities, currencies or financial markets, changes in commodity prices including fuel prices and oil prices, force majeure events, "acts of God," (v) changes in applicable law or IFRS in the United States or Chile or (vi) natural disasters or declarations of national emergencies in the United States or Chile; provided that the exceptions in clauses (ii) through (v) shall not apply to the extent such described change, event, development or circumstance has a disproportionately adverse effect on the Loan Parties, taken as a whole, as compared to other companies in the industries, regions and markets in which the Loan Parties and their Subsidiaries operate.

"Code" shall mean the U.S. Internal Revenue Code of 1986, as amended from time to time.

"Collateral" shall mean all assets and properties (real and personal) of the Loan Parties now owned or hereafter acquired upon which Liens have been granted to the Collateral Trustee or a Local Collateral Agent, as applicable, to secure the Obligations or any other Priority Lien Obligations, including without limitation any Additional Collateral and all of the "Collateral" as defined in (or such other equivalent term in the Collateral Documents), and pledged pursuant to, the Collateral Documents (but excluding all such assets and properties released from such Liens pursuant to the applicable Collateral Document), together with all proceeds of the foregoing (including, without limitation, proceeds from Dispositions of the foregoing).

"Collateral Documents" shall mean, collectively, the Pledge and Security Agreement, the Non-U.S. Pledge Agreements, Non-U.S. IP Security Agreements, the Receivables Pledge Agreements, the Collateral Trust Agreement (and each Reaffirmation Agreement, Loan Party Joinder, Local Collateral Agent Joinder and/or Secured Debt Joinder under and as defined therein), the Junior Lien Intercreditor Agreement, the Local Collateral Agency Agreements and the Intellectual Property Security Agreements and any other instrument or agreement (which is designated as a Collateral Document therein) executed and delivered by any Loan Party to the Administrative Agent, the Collateral Trustee or any Local Collateral Agent, in favor of the Secured Parties or in respect of the priorities in the Collateral, including with respect to any Additional Collateral, and any financing statement or other instrument or document required to be filed or recorded to perfect or register or record the Priority Lien, in each case, as amended modified renewed, restated or replaced, in whole or in part, from time to time, in accordance with its terms and so long as such agreement, instrument or document shall not have been terminated in accordance with its terms; provided that prior to the Conversion Date, the Collateral Documents shall also include the Final DIP Order, the Junior DIP Intercreditor Agreement, the Engine Collateral Documents, the Real Estate Mortgages and any Deposit Account Control Agreement required hereunder or under the other Loan Documents, each of which document in this proviso shall be automatically terminated upon the occurrence of the Conversion Date.

"Collateral Taxes" shall have the meaning set forth in Section 10.04(e).

"Collateral Trust Agreement" shall mean that certain Collateral Trust Agreement dated as of the Closing Date, among the Borrowers, the other Loan Parties from time to time party thereto, the Administrative Agent, the Revolver Administrative Agent, the 2027 Bridge Loan Administrative Agent, the 2029 Bridge Loan Administrative Agent, the Collateral Trustee, each Local Collateral Agent from time to time party thereto and each other Secured Debt Representative (as defined in the Collateral Trust Agreement) from time to time party thereto, substantially in the form attached hereto as Exhibit K, as the same may be amended, restated, modified, supplemented, extended or amended and restated from time to time in accordance with the terms thereof.

"Collateral Trustee" shall have the meaning set forth in the first paragraph of this Agreement.

"Collateral Trustee Fee Letter" shall mean that certain Fee Letter dated as of August 24, 2022, among the Borrowers and the Collateral Trustee.

"Colombian Engine Pledge" shall have the meaning assigned to such term in the Collateral Trust Agreement.

"Colombian Recognition Proceeding" shall mean the recognition proceeding conducted before the Superintendence of Companies of Colombia, under legal record 20641 of 2020, whereby the Chapter 11 Cases have been recognized as foreign main insolvency proceedings pursuant to Title III of Law No. 1116 of 2006 by court order proffered in a 12 June of 2020 hearing.

"Commitment" shall mean, as to any Lender, the Term Loan Commitment of such Lender.

"Commitment Date Reorganization Plan" shall mean the *Joint Plan of Reorganization of LATAM Airlines Group, S.A., et al. Under Chapter 11 of the Bankruptcy Code* [Docket No. 5331], without giving effect to any amendment, supplement or modification thereto.

"Commodity Exchange Act" shall mean the Commodity Exchange Act (7 U.S.C. §1 et seq.), as amended from time to time, and any successor statute.

"Conditions to Conversion" shall have the meaning set forth in the definition of Conversion Date.

"Confirmation Order" shall mean the *Order (I) Confirming Debtors' Joint Plan of Reorganization of LATAM Airlines Group S.A. et al. Under Chapter 11 of the Bankruptcy Code and (II) Granting Related Relief* [Docket No. 5754] entered by the Bankruptcy Court on June 18, 2022, as amended, supplemented or modified from time to time after entry thereof in accordance with the terms hereto.

"Consolidated Liquidity" shall mean, as of any date, the sum of (i) the Unrestricted Cash Amount as of such date, (ii) the aggregate principal amount committed and available to be drawn by Parent and its Restricted Subsidiaries (taking into account all borrowing base limitations, collateral coverage requirements and other restrictions on borrowing in effect as of such date) under all revolving credit facilities (including the Revolving Credit Agreement) of Parent and its Restricted Subsidiaries and (iii) the net proceeds, as determined by the Borrower in good faith (after giving effect to any expected repayment of existing indebtedness using such proceeds) of any offerings of "securities" (as defined under the Securities Act) in (a) a public offering registered under the Securities Act, or (b) an offering not required to be registered under the Securities Act (including, without limitation, a private placement under section 4(a)(2) of the Securities Act, an exempt offering pursuant to Rule 144A and/or Regulation S of the Securities Act and an offering of exempt securities) of Parent or any of its Restricted Subsidiaries that has priced but has not yet closed (until the earliest of the closing thereof, the termination thereof without closing or the date that falls five (5) Business Days after the initial scheduled closing date thereof).

"Consolidated Net Income" shall mean, with respect to any specified Person for any period, the aggregate of the net income (or loss) of such Person and its Restricted Subsidiaries for such period, on a consolidated basis (excluding the net income (or loss) of any Unrestricted Subsidiary of such Person), determined in accordance with IFRS and without any reduction in respect of preferred stock dividends; provided that:

(1) all net after tax extraordinary, non-recurring or unusual gains or losses and all gains or losses realized in connection with the Disposition of securities by such Person or the early extinguishment of Indebtedness of such Person, together with any related provision for Taxes on any such gain, will be excluded;

(2) the net income of any Unrestricted Subsidiary or any other Person that is not the specified Person or a Restricted Subsidiary or that is accounted for by the equity method of accounting will be included for such period only to the extent of the amount of dividends or similar distributions paid in cash to the specified Person or a Restricted Subsidiary of the specified Person;

(3) the net income of any Restricted Subsidiary will be excluded to the extent that the declaration or payment of dividends or similar distributions by that Restricted Subsidiary of that net income is not at the date of determination permitted (x) without any prior governmental approval (that has not been obtained) or (y) directly or indirectly, by operation of the terms of its charter or any agreement, instrument, judgment, decree, order, statute, rule or governmental regulation applicable to that Restricted Subsidiary or its stockholders;

(4) the cumulative effect of a change in accounting principles on such Person will be excluded;

(5) any non-cash compensation expense recorded from grants by such Person of stock appreciation or similar rights, stock options or other rights to officers, directors or employees, will be excluded;

(6) the effect on such Person of any non-cash items resulting from any amortization, write-up, writedown or write-off of assets (including intangible assets, goodwill and deferred financing costs) in connection with any acquisition, Disposition, merger, consolidation or similar transaction or any other non-cash impairment charges incurred subsequent to the Closing Date resulting from the application of Financial Accounting Standards Board Accounting Standards Codifications 205 – Presentation of Financial Statements, 350 – Intangibles – Goodwill and Other, 360 – Property, Plant and Equipment and 805 – Business Combinations or, to the extent applicable, the equivalent standard under IFRS (excluding any such non-cash item to the extent that it represents an accrual of or reserve for cash expenditures in any future period except to the extent such item is subsequently reversed), will in each case be excluded;

(7) any provision for income tax reflected on such Person's financial statements for such period will be excluded to the extent such provision exceeds the actual amount of taxes paid in cash during such period by such Person and its consolidated Subsidiaries;

(8) any gain (or loss) attributable to the mark to market movement in the valuation of hedging obligations or other derivative instruments pursuant to FASB Accounting Standards Codification 815-Derivatives and Hedging or mark to market movement of other financial instruments pursuant to FASB Accounting Standards Codification 825 – Financial Instruments or, to the extent applicable, the equivalent standard under IFRS, will be excluded; provided that any cash payments or receipts relating to transactions realized in a given period shall be taken into account in such period;

(9) any gain (or loss) on asset sales, disposals or abandonments (other than asset sales, disposals or abandonments in the ordinary course of business) or income (or loss) from closed or discontinued operations (but if such operations are classified as discontinued due to the fact that they are subject to an agreement to Dispose of such operations, only when and to the extent such operations are actually Disposed of) will be excluded; and

(10) any non-cash gain (or loss) related to currency remeasurements of Indebtedness (including the net loss or gain resulting from Currency Agreements and revaluations of intercompany balances or any other currency-related risk), unrealized or realized net foreign currency translation or transaction gains or losses impacting net income will be excluded.

"Consolidated Total Assets" shall mean, as of any date of determination, the sum of the amounts that would appear on a consolidated balance sheet of Parent and its consolidated Restricted Subsidiaries as the total assets of Parent and its consolidated Restricted Subsidiaries in accordance with IFRS.

"Controlled Account" shall mean any Deposit Account of a Loan Party that is subject to a Deposit Account Control Agreement, including, but not limited to, the Disbursement Account.

"Controlling Representative" shall have the meaning assigned to such term in the Collateral Trust Agreement.

"Conversion Anniversary Date" shall mean the date that is one year after the Conversion Date.

"Conversion Date" shall mean the date all the conditions on Annex D (such conditions, the "Conditions to Conversion") are satisfied or waived in accordance with Section 10.08.

"Conversion Date Certificate" shall mean a certificate in substantially the form attached hereto as Exhibit F.

"Conversion Date Indebtedness" shall mean Priority Lien Debt in an aggregate principal amount not to exceed [*] which (a) Indebtedness is incurred solely to either (i) make payments required to unsecured creditors pursuant to the Reorganization Plan in connection with the Conversion Date or (ii) refinance any payment made pursuant to clause (i) above or (b) is Permitted Refinancing Indebtedness in respect of any Priority Lien Debt incurred on the Closing Date.

"Corresponding Tenor" shall mean with respect to any Available Tenor, as applicable, either a tenor (including overnight) or an interest payment period having approximately the same length (disregarding business day adjustment) as such Available Tenor.

"Coverage Assets" shall mean (a) the Frequent Flyer Program Assets of the Loan Parties, (b) the Cargo Business Assets of the Loan Parties, (c) Intellectual Property constituting Collateral, (d) Pledged Slots, Pledged Routes and Pledged Gate Leaseholds, in each case held at Eligible Airports, and (e) any Additional Collateral not covered by the foregoing clauses.

"Creditor Backstop Commitment Agreement" shall mean that certain Backstop Commitment Agreement, dated as of January 12, 2022, by and among Parent, each of its direct and indirect debtor subsidiaries that have filed Chapter 11 Cases and certain creditors in their capacity as backstop parties party thereto, as may be amended, restated, modified, supplemented, extended or amended and restated from time to time in accordance with the terms thereof; provided that, for purpose of determining the satisfaction of the Conditions to Conversion, the Creditor Backstop Commitment Agreement referred to therein shall be such agreement as in effect on June 10, 2022.

"Creditors' Committee" shall mean the official committee of unsecured creditors appointed in any of the Chapter 11 Cases on June 5, 2020.

"Currency" shall mean miles, points and/or other units that are a medium of exchange constituting a convertible, virtual and private currency that is tradeable property and that can be sold or issued to persons.

"Currency Agreement" shall mean any foreign exchange contract, currency swap agreement or other similar agreement or arrangement.

"Daily Simple SOFR" shall mean, for any day (a "SOFR Rate Day"), a rate per annum equal to SOFR for the day (such day "SOFR Determination Date") that is five (5) U.S. Government Securities Business Day prior to (i) if such SOFR Rate Day is a U.S. Government Securities Business Day, such SOFR Rate Day or (ii) if such SOFR Rate Day is not a U.S. Government Securities Business Day, the U.S. Government Securities Business Day immediately preceding such SOFR Rate Day, in each case, as such SOFR is published by the SOFR Administrator on the SOFR Administrator's Website; provided that if Daily Simple SOFR as so determined would be less than the Floor, such rate shall be deemed to be equal to the Floor for the purposes of this Agreement. Any change in Daily Simple SOFR due to a change in SOFR shall be effective from and including the effective date of such change in SOFR without notice to the Borrowers.

"Debtor Relief Law" shall mean the Bankruptcy Code and all other liquidation, compromise, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, corporate or similar laws of the United States or other applicable jurisdictions from time to time in effect.

"Default" shall mean any event that, unless cured or waived, is, or with the passage of time or the giving of notice or both would be, an Event of Default.

"Defaulting Lender" shall mean, at any time, any Lender that (a) has failed, within two (2) Business Days of the date required to be funded or paid by it hereunder, to fund or pay (x) any portion of the Loans or (y) any other amount required to be paid by it hereunder to the Administrative Agent or any other Lender (or its banking Affiliates), unless, in the case of clause (x) above, such Lender notifies the Administrative Agent and Parent in writing that such failure is the result of such Lender's good faith determination that a condition precedent to funding (specifically identified and including the particular default, if any) has not been satisfied, (b) has notified Parent, the Administrative Agent or any other Lender in writing, or has made a public statement to the effect, that it does not intend or expect to comply with any of its funding obligations under this Agreement (unless such writing or public statement indicates that such position is based on such Lender's good faith determination that a condition precedent (specifically identified and including the particular default, if any) to funding a loan under this Agreement cannot be satisfied), (c) has failed, within three (3) Business Days after request by the Administrative Agent or Parent, acting in good faith, to provide a confirmation in writing from an authorized officer or other authorized representative of such Lender that it will comply with its obligations (and is financially able to meet such obligations) to fund prospective Loans under this Agreement, which request shall only have been made after the conditions precedent to borrowings have been met; provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon the Administrative Agent's, such other Lender's or Parent's, as applicable, receipt (with a copy to the Administrative Agent, as applicable) of such confirmation in form and substance satisfactory to it and the Administrative Agent, or (d) has become, or has had its Parent Company become, the subject of a Bankruptcy Event or a Bail-In Action; provided that a Lender shall not be a Defaulting Lender solely by virtue of the ownership or acquisition of any Equity Interest in that Lender or its Parent Company thereof by a Governmental Authority so long as such ownership interest does not result in or provide such Lender with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Lender (or such Governmental Authority) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender. If the Administrative Agent determines that a Lender is a Defaulting Lender under any of clauses (a) through (d) above, such Lender will be deemed to be a Defaulting Lender upon notification of such determination by the Administrative Agent to the Borrowers and the Lenders.

"Deferred Asset" shall have the meaning assigned to such term in the Pledge and Security Agreement.

"Delta Airlines" shall mean Delta Air Lines, Inc., a Delaware corporation.

"Deposit Account" shall have the meaning assigned to such term in the Pledge and Security Agreement.

"Deposit Account Control Agreement" shall have the meaning assigned to such term in the Pledge and Security Agreement.

"Designated Guarantor" shall have the meaning assigned to such term in Section 5.12(c).

"DIP Budget" shall mean, the most recently approved at such time: (a) 13-week cash flow forecast of receipts and disbursements for the period from the Closing Date setting forth projected cash flows and disbursements (the "Initial Approved DIP Budget") and (b) updated 13-week cash flow forecast of receipts and disbursements projected to be made at the end of each four-week period for the then-remaining term of this Term Loan Facility, which shall, in each case, include detailed line item receipts and expenditures, including the aggregate amount of Professional Fees and expenses for Professional Persons, together with appropriate supporting schedules and information and an explanation of any change from the DIP Budget then in effect (each, an "Updated DIP Budget"). From and after the Closing Date, each Updated DIP Budget shall be in form and substance substantially similar to the DIP Budgets provided under the Existing DIP Facility or otherwise in form and substance acceptable to the Administrative Agent and the Required Lenders.

"DIP Budget Variance Report" shall have the meaning set forth in Section 5.01(l)(ii).

"DIP Intercreditor Agreement" shall have the meaning assigned to such term in the Collateral Trust Agreement.

"Disbursement Account" shall mean that certain deposit account number ending 9980 maintained by Parent at JPMorgan Chase Bank, N.A.

"Disposition" shall mean, with respect to any property, any sale (including conditional sale), lease, sale and leaseback, conveyance, transfer or other disposition thereof (including by means of a Restricted Payment or an Investment). The terms "Dispose", "Disposes" and "Disposed of" shall have correlative meanings.

"Disqualified Lender" shall mean (a) any Defaulting Lender, (b) any Person that is a competitor of Parent or its Subsidiaries or an Affiliate of such competitor, in each case that is either (x) separately identified in writing by Parent to the Administrative Agent or (y) is reasonably identifiable as an Affiliate of a competitor identified pursuant to clause (x) above solely on the basis of similarity of its name or (c) any Low Tax Jurisdiction Entity.

"Disqualified Stock" shall mean any Capital Stock that, by its terms (or by the terms of any security into which it is convertible, or for which it is exchangeable, in each case at the option of the holder of the Capital Stock), or upon the happening of any event, matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise (other than as a result of a change of control or asset sale), is convertible or exchangeable for Indebtedness or Disqualified Stock, or is redeemable at the option of the holder of the Capital Stock, in whole or in part (other than as a result of a change of control or asset sale), on or prior to the date that is 91 days after the Latest Maturity Date then in effect. Notwithstanding the preceding sentence, any Capital Stock that would constitute Disqualified Stock solely because the holders of the Capital Stock have the right to require Parent to repurchase such Capital Stock upon the occurrence of a change of control or an asset sale will not constitute Disqualified Stock if the terms of such Capital Stock provide that Parent may not repurchase or redeem any such Capital Stock pursuant to such provisions unless such repurchase or redemption complies with Section 6.01 hereof. The amount of Disqualified Stock deemed to be outstanding at any time for purposes of this Agreement will be the maximum amount that Parent and its Restricted Subsidiaries may become obligated to pay upon the maturity of, or pursuant to any mandatory redemption provisions of, such Disqualified Stock, exclusive of accrued dividends.

"Dollar Equivalent" means, at any time, (a) with respect to any amount denominated in Dollars, such amount and (b) with respect to any amount denominated in any other currency, the equivalent amount thereof in Dollars as determined in accordance with Section 1.06 hereof.

"Dollars" and "$" shall mean lawful money of the United States of America.

"DOT" shall mean the U.S. Department of Transportation and any successor thereto.

"Dutch Auction" shall mean an auction of Term Loans conducted pursuant to Section 10.02(i) to allow the Borrower to purchase Term Loans at a discount to par value and on a non-pro rata basis, in each case in accordance with the applicable Dutch Auction Procedures.

"Dutch Auction Procedures" shall mean, with respect to a purchase of Term Loans by the Borrower pursuant to Section 10.02(i), Dutch auction procedures to be reasonably agreed upon by the Borrower and the Administrative Agent in connection with any such purchase.

"EEA Financial Institution" shall mean (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

"EEA Member Country" shall mean any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

"EEA Resolution Authority" shall mean any public administrative authority or any person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

"Electronic Signature" shall mean an electronic sound, symbol, or process attached to, or associated with, a contract or other record and adopted by a Person with the intent to sign, authenticate or accept such contract or record.

"Eligible Airport" shall mean John F. Kennedy International Airport, Heathrow Airport or any other airport proposed by Parent reasonably acceptable to the Administrative Agent.

"Eligible Assignee" shall mean (a) a Lender, or any Affiliate of, or Approved Fund with respect to, a Lender or (b) a finance company, insurance company or other financial institution or fund, in each case reasonably acceptable to the Administrative Agent, and whose becoming an assignee would not constitute or give rise to a non-exempt "prohibited transaction" under Section 4975 of the Code or Section 406 of ERISA; provided that (i) Eligible Assignee shall not include any Disqualified Lender or a Low Tax Jurisdiction Entity and (ii) except as set forth in Section 10.02(i), no Loan Party or any Affiliate of a Loan Party shall constitute an Eligible Assignee.

"Emergence Condition" means the occurrence of the Conversion Date on or prior to February 23, 2023.

"Emergence Make Whole Premium" shall mean an amount reasonably determined by the Administrative Agent in accordance with accepted financial practice equal to all required interest payable on the aggregate principal amount of such Initial Term Loans from the date of the applicable prepayment, repayment, redemption, payment, refinancing or acceleration through and including the second anniversary of the Closing Date, computed using an assumed interest rate equal to (x) the Adjusted Term SOFR Rate (including the Floor thereto) for an Interest Period of three months (deter-mined using the Term SOFR Reference Rate at approximately 5:00 a.m. Chicago time, two U.S. Government Securities Business Days prior to the date of the applicable prepayment, repayment, redemption, payment, refinancing or acceleration plus (y) the Applicable Margin for Term Benchmark Loans that are Initial Term Loans in effect as of the date of the applicable prepayment, re-payment, redemption, payment, refinancing or acceleration, discounted from each applicable interest payment date to the date of such prepayment, repayment, redemption, payment, refinancing or acceleration using a discount rate equal to the sum of the Treasury Rate one Business Day prior to the date of prepayment, repayment, redemption, payment, refinancing or acceleration plus 0.50%.

"Engine" shall mean an engine used, or intended to be used, to propel an Aircraft, including a Part, appurtenance, and accessory of such Engine and any records relating to such Engine.

"Engine Collateral Documents" shall have the meaning set forth in the Collateral Trust Agreement.

"Engine Mortgage" shall mean, as the context may require a Chilean Engine Pledge, Colombian Engine Pledge, Peruvian Engine Pledge or Brazilian Engine Mortgage.

"Environmental Claim" shall mean any written notice, claim, proceeding, notice of proceeding, investigation, demand, abatement order or other order or directive by any Person or Governmental Authority alleging or asserting liability with respect to any Loan Party or the property of such Loan Party, as the case may be, arising out of, based on, in connection with or resulting from (a) the actual or alleged presence, Release or threatened Release of any Hazardous Materials, (b) a violation of Environmental Law, or (c) any actual or alleged injury or threat of injury to human health or safety (solely to the extent related to exposure to Hazardous Materials), natural resources or the environment.

"Environmental Laws" shall mean all applicable laws (including common law), statutes, rules, regulations, codes, ordinances, orders, decrees, judgments, injunctions or legally binding agreements issued, promulgated or entered into by or with any Governmental Authority, relating to the environment, pollution, human health and safety (solely to the extent related to exposure to Hazardous Materials), or natural resources.

"Environmental Liability" shall mean any liability (including any liability for damages, natural resource damage, costs of environmental investigation, remediation or monitoring or costs, fines or penalties) resulting from or based upon (a) a violation of Environmental Law, (b) the presence or the arrangement for disposal of any Hazardous Materials, (c) exposure to any Hazardous Materials, (d) the Release or threatened Release of any Hazardous Materials into the environment or (e) any contract, agreement, or lease pursuant to which liability is assumed or imposed with respect to any of the foregoing.

"Environmental Permit" shall mean any permit, approval, identification number, license or other authorization required to be held by any Loan Party under any Environmental Law.

"Equity Interests" shall mean Capital Stock and all warrants, options or other rights to acquire Capital Stock (but excluding any debt security that is convertible into, or exchangeable for, Capital Stock).

"ERISA" shall mean the Employee Retirement Income Security Act of 1974, as amended from time to time, and the rules and regulations promulgated thereunder.

"ERISA Affiliate" shall mean any trade or business (whether or not incorporated) that, together with any Loan Party, is (i) treated as a single employer under Section 414(b) or (c) of the Code or, solely for purposes of Section 302 of ERISA and Section 412 of the Code, is treated as a single employer under Section 414 of the Code and (ii) under common control, within the meaning of Section 4001(a)(14) of ERISA.

"EU Bail-In Legislation Schedule" shall mean the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor person), as in effect from time to time.

"Event of Default" shall have the meaning given to such term in Section 7.01.

"Event of Loss" shall mean, with respect to any Collateral, any of the following events: (i) the destruction of or damage to such property that renders repair uneconomic or that renders such property permanently unfit for normal use; (ii) any damage or loss to or other circumstance with respect to such property that results in an insurance settlement with respect to such property on the basis of a total loss, or a constructive or arranged total loss; (iii) the confiscation or nationalization of, or requisition of title to such property by any Governmental Authority; (iv) the theft or disappearance of such property that shall have resulted in the loss of possession of such property by any Loan Party for a period in excess of thirty (30) days; or (v) the seizure of, detention of or requisition for use of, such property by any Governmental Authority that shall have resulted in the loss of possession of such property by any Loan Party and such requisition for use shall have continued beyond the earlier of (A) sixty (60) days and (B) the date of receipt of insurance or condemnation proceeds with respect thereto.

An Event of Loss shall be deemed to have occurred:

(a) in the case of an actual total loss, at 12 midnight (London time) on the actual date the relevant Collateral was lost;

(b) in the case of any of the events described in paragraph (i) of the definition of Event of Loss above (other than an actual total loss), upon the date of occurrence of such destruction, damage or rendering unfit;

(c) in the case of any of the events described in paragraph (ii) of the definition of Event of Loss above (other than an actual total loss), the date and time at which either a total loss is subsequently admitted by the insurers or a competent court or arbitration tribunal issues a judgment to the effect that a total loss has occurred;

(d) in the case of any of the events referred to in paragraph (iii) of the definition of Event of Loss above, upon the occurrence thereof; and

(e) in the case of any of the events referred to in paragraphs (iv) and (v) of the definition of Event of Loss above, upon the expiration of the period of time specified therein.

"Exchange Act" shall mean the Securities Exchange Act of 1934, as amended.

"Exchange Rate" means, on any day, with respect to conversions from any Non-U.S. Currency to Dollars, (i) the rate of exchange for the purchase of Dollars with such Non-U.S. Currency last provided by Reuters on the Business Day (New York City time) immediately preceding the date of determination or (ii) if at the time of any such determination, no such rate pursuant to clause (i) is being provided, then (x) Administrative Agent, may use any reasonable method it deems applicable to determine such rate, and such determination shall be conclusive absent manifest error or (y) if such Exchange Rate is being determined by the Borrowers for the purpose of determining compliance under Articles VI or VII, Parent may, at its election, use any customary method that it reasonably determines in good faith is an appropriate substitute to determine such rate and shall promptly notify the Administrative Agent of such substitute. The Administrative Agent shall promptly provide Parent with the then current Exchange Rate used by the Administrative Agent upon Parent's request therefor, and Parent shall promptly provide the Administrative Agent with the then current Exchange Rate used by Parent upon the Administrative Agent's request therefor.

"Excluded Aircraft Subsidiary" shall mean (a) any Subsidiary involved or contemplated to be involved in an Aircraft Financing, where substantially all of the assets of such Subsidiary consists of an interest in Aircraft (including airframes), Engines, Spare Parts, intercompany obligations, cash and/or Cash Equivalents and that owns no Significant Assets other than Aircraft Financing Related Cargo Business Assets as a result of the relevant Subsidiary being a party to an intercompany lease or contract and (b) any Subsidiary that owns the Equity Interest in one or more Subsidiaries referred to in clause (a) and no other material assets.

"Excluded Assets" shall have the meaning provided in the Pledge and Security Agreement.

"Excluded Contributions" shall mean net cash proceeds received by Parent after the Conversion Date from:

(1) contributions to its common equity capital (other than from any Subsidiary); or

(2) the sale (other than to a Subsidiary or to any management equity plan or stock option plan or any other management or employee benefit plan or agreement of Parent or any Subsidiary) of Qualifying Equity Interests,

in each case designated as Excluded Contributions pursuant to an Officer's Certificate executed on or around the date such capital contributions are made or the date such Equity Interests are sold, as the case may be. Excluded Contributions will not be considered to be net proceeds of Qualifying Equity Interests for purposes of Section 6.01(a)(iv)(3)(C) hereof.

"Excluded Subsidiary" shall mean any Subsidiary of Parent (a) that is not or ceases to be a Subsidiary in which at least 85% of its capital stock is owned by Parent or another Subsidiary of Parent, other than due to a minority interest required to comply with a local ownership requirement; provided that this clause (a) shall not apply to [*], and any other Restricted Subsidiary of Parent that the Parent may elect to exclude from time to time from the application of this clause (a) by written notice to the Administrative Agent (which election may be subsequently revoked by Parent from time to time by written notice to the Administrative Agent), (b) that is prohibited or restricted by applicable law, or regulation from being or becoming a Guarantor, (c) that is subject to any contract or other restrictions existing prior to the Closing Date or the date such entity is acquired by Parent or a Restricted Subsidiary of Parent, as applicable, that prohibits such Subsidiary from providing a Guarantee of the Obligations, (d) for which Parent and the Administrative Agent mutually agree that the granting or maintenance of a Guarantee by such Subsidiary would result in material adverse tax consequences to a Borrower or any of its Restricted Subsidiaries, (e) that is a captive insurance company, special purpose entity, securitization, receivables subsidiary, not-for-profit subsidiary, or Excluded Aircraft Subsidiary, (f) that is a Non-Guarantor Acquired Airline, or (g) at the election of Parent by written notice to the Administrative Agent, [*], or any other Restricted Subsidiary of Parent that owns Significant Assets, in the good faith determination of Parent, (1) in an aggregate amount not to exceed [*] and (2) together with all other Restricted Subsidiaries excluded pursuant to this clause (g), in an aggregate amount not to exceed [*] (provided that any such election pursuant to this clause (g) may be subsequently revoked and reallocated to any other Restricted Subsidiary from time to time); provided, further, that "Excluded Subsidiary" shall not include any Designated Guarantor that becomes a Loan Party pursuant to Section 5.12 for as long as such Subsidiary remains a Designated Guarantor.

"Excluded Taxes" shall mean, with respect to the Administrative Agent, any Lender or any other recipient of any payment to be made hereunder or under any Loan Document (collectively, "Tax Indemnitees"), (a) any Taxes based on (or measured by) its net income, profits or capital or any franchise taxes, imposed (i) by the jurisdiction under the laws of which such recipient is organized or in which its principal office is located or, in the case of any Lender, in which its applicable lending office is located or (ii) that are Other Connection Taxes, (b) any branch profits Taxes or any similar Tax imposed by any other jurisdiction in which such recipient is located, (c) any withholding Tax that is attributable to a recipient's failure to deliver the documentation described in Section 2.13(h) or Section 2.13(i), (d) any U.S. withholding Tax that is imposed by reason of FATCA, and (e) any withholding Taxes that are imposed by Chile, the United States or the jurisdiction of a Lender's lending office imposed on amounts payable to or for the account of such Lender that are attributable to the Lender's designation of a new lending office except to the extent that, pursuant to Section 2.13 additional amounts with respect to such Taxes were payable to such Lender immediately prior to such Lender's designation of such new lending office.

"Existing DIP Facility" shall mean that certain Amended and Restated Super-Priority Debtor-in-Possession Term Loan Agreement, dated as of April 8, 2022 among Parent, the other Loan Parties party thereto, the lenders party thereto, JPMorgan Chase Bank, N.A., as administrative agent and collateral agent, and certain others party thereto.

"Existing Environmental Proceedings" shall mean the following:

(i) Civil inquiry (No. 013.2018.002610) initiated by the State of Paraiba Public Prosecutor's Office to investigate the lack of certain environmental license(s) to undertake potentially polluting activities;

(ii) Civil inquiry (No. 14/02) started by the State of São Paulo Public Prosecutor's Office to investigate allegedly irregular vegetation suppression. Compensatory measures were already implemented, based on an adjustment conduct term entered into among TAM S.A. or its subsidiaries, the State of São Paulo Public Prosecutor's Office and other involved parties;

(iii) Civil Class Action (No. 0005425-75.2007.403.6100) filed by a residential-related association (Association of Residents Friends of Moema), against TAM S.A. or its subsidiaries, the Brazilian Federal Government, Agência Nacional de Aviação Civil (ANAC) of Brazil, the Brazilian Airport Infrastructure Company ("INFRAERO", in Brazilian acronym), the City of São Paulo, and other airline companies, challenging certain activities undertaken at Congonhas airport in the City of São Paulo, State of São Paulo, particularly with respect to matters relating to operating hours and noise emission;

(iv) Proceeding (No. 02027.000448/2016-26) in connection with land/underground water contamination at the Congonhas airport in the city of São Paulo, State of São Paulo, in connection with which TAM S.A. or its subsidiaries has been the subject of administrative fines imposed by the State of São Paulo Environmental Protection Agency ("CETESB," for its acronym in Portuguese); and

(v) Certain expired or pending environmental licenses, as listed below on Schedule 1.01(a).

"Extended Term Loan" shall have the meaning given to such term in Section 2.23(a)(ii).

"Extension Amendment" shall have the meaning given to such term in Section 2.23(c).

"FAA" shall mean the Federal Aviation Administration of the United States of America and any successor thereto.

"Fair Market Value" shall mean the value that would be paid by a willing buyer to an unaffiliated willing seller in a transaction not involving distress or necessity of either party, determined in good faith by the board of directors or an officer of Parent (unless otherwise provided in this Agreement); provided that the board of directors or officer of Parent, as applicable, shall be permitted to consider the circumstances existing at such time (including, without limitation, economic or other conditions affecting the U.S. airline industry generally and any relevant legal compulsion, judicial proceeding or administrative order or the possibility thereof) in determining such Fair Market Value in connection with such transaction; and provided, further, that nothing herein shall be construed as a limitation of the fiduciary duties of the board of directors of Parent pursuant to applicable law.

"FATCA" shall mean Sections 1471 through 1474 of the Code, as of the date of this Agreement, any amended or successor provisions that are substantively comparable thereto and not materially more onerous to comply with, any current or future regulations or official interpretations thereof and any agreements entered into pursuant to Section 1471(b)(1) of the Code and any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreements, treaty or convention among Governmental Authorities and implementing such Sections of the Code.

"Federal Funds Rate" shall mean, for any day, the rate calculated by the NYFRB based on such day's federal funds transactions by depositary institutions (as determined in such manner as the NYFRB shall set forth on the SOFR Administrator's Website from time to time) and published on the next succeeding Business Day by the SOFR Administrator as the federal funds rate; provided that, if the Federal Funds Rate shall be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

"Federal Reserve Board" shall mean the Board of Governors of the Federal Reserve System of the United States.

"Fees" shall mean the fees referred to in Section 2.16.

"Fee Letters" shall mean (a) the Collateral Trustee Fee Letter and (b) the Administrative Agent Fee Letter.

"Final DIP Order" shall mean the *Order (I) Authorizing the Debtors to (A) Obtain DIP and DIP-To-Exit Financing and (B) Grant Superpriority Administrative Expense Claims, and (II) Granting Related Relief* [Docket No. 5791] entered by the Bankruptcy Court on June 24, 2022.

"Final Order" shall mean an order or judgment of the Bankruptcy Court as entered on its docket that has not, in whole or in part, been reversed, vacated, modified, amended or stayed pursuant to any applicable Bankruptcy Law or any other applicable rule of civil or appellate procedure, and as to which the time to appeal, petition for certiorari or seek re-argument or rehearing has expired, or as to which any right to appeal, petition for certiorari or seek re-argument or rehearing has been waived in writing in a manner satisfactory to the parties in interest, or if a notice of appeal, petition for certiorari or motion for re-argument or rehearing was timely filed, the order or judgment has been affirmed by the highest court to which the order or judgment was appealed or from which the re-argument or rehearing was sought, or a certiorari has been denied, and the time to file any further appeal or to petition for certiorari or to seek further re-argument has expired.

"Financial Officer" shall mean, with respect to any Person, the Chief Financial Officer, the Director of Finance or any Vice President with knowledge of the transactions contemplated by this Agreement, of such Person.

"Fitch" shall mean Fitch, Inc., also known as Fitch Ratings, and its successors.

"Five-Year Business Plan" shall mean the five (5) year business plan (2022 to 2026) of the Loan Parties, as updated from time to time by the Loan Parties and delivered to the Administrative Agent and the Lenders.

"Flood Insurance Laws" means, collectively, (i) the National Flood Insurance Reform Act of 1994 (which comprehensively revised the National Flood Insurance Act of 1968 and the Flood Disaster Protection Act of 1973) as now or hereafter in effect or any successor statute thereto, (ii) the Flood Disaster Reform Act of 2004 as now or hereafter in effect or any successor statute thereto, and (iii) the Biggert-Waters Flood Insurance Reform Act of 2012 as now or hereafter in effect or any successor statute thereto.

"Floor" shall mean, the benchmark rate floor, if any, provided in this Agreement initially (as of the execution of this Agreement, the modification, amendment or renewal of this Agreement or otherwise), with respect to the Adjusted Term SOFR Rate or the Adjusted Daily Simple SOFR, as applicable. For the avoidance of doubt the initial Floor for each of Adjusted Term SOFR Rate or the Adjusted Daily Simple SOFR shall not be less than 0.50%.

"Frequent Flyer Program" shall mean any customer loyalty program available to individuals that is operated, owned or controlled, directly or indirectly, by Parent or any of its Restricted Subsidiaries and which loyalty program grants members in such program Currency based on a member's purchasing behavior and that entitles a member to accrue and redeem such Currency for a benefit or reward, including flights and/or other goods and services.

"Frequent Flyer Program Agreement" shall mean all currently existing, future and successor co-branding agreements, partnering agreements, airline-to-airline frequent flyer program agreements or similar agreements related to or entered into in connection with a Frequent Flyer Program.

"Frequent Flyer Program Assets" shall mean (a) all Frequent Flyer Program Agreements, (b) Intellectual Property owned or purported to be owned, or later developed or acquired and owned or purported to be owned, by Parent or any of its Restricted Subsidiaries and required or necessary to operate a Frequent Flyer Program, (c) customer data (i) owned, or later developed or acquired and owned or purported to be owned, by Parent or any of its Restricted Subsidiaries and (ii) used, generated or produced as part of a Frequent Flyer Program (including a list of all members and profile data for each member), (d) all currently existing or future intercompany agreements governing the sale, transfer or redemption of Currency under any Frequent Flyer Program ("Intercompany Frequent Flyer Agreements") and (e) accounts receivable in respect of any Frequent Flyer Program, including accounts receivable arising under Frequent Flyer Program Agreements or Intercompany Frequent Flyer Agreements; provided that, for purposes of calculating the Asset Coverage Ratio and the Total Asset Coverage Ratio, as of any date of determination, the Frequent Flyer Program Assets shall not include any of the foregoing assets described in clauses (a) through (e) above to the extent owned or acquired by a Non-Guarantor Acquired Airline as of such date.

"Fuel Hedging Agreement" shall mean any spot, forward or option fuel price protection agreements and other types of fuel hedging agreements or economically similar arrangements designed to protect against or manage exposure to fluctuations in fuel prices.

"Funds Flow Direction Letter" shall mean that certain direction letter, dated as of the Closing Date, executed by the Borrowers, which instructs the Administrative Agent as to the flow of loan proceeds on the Closing Date.

"Gate Leasehold" shall mean, at any time, all of the right, title, privilege, interest and authority, now held or hereafter acquired, of a Loan Party in connection with the right to use or occupy holdroom and passenger boarding and deplaning space in an airport terminal at any airport at which such Loan Party conducts scheduled operations.

"Governmental Authority" shall mean the government of Chile, the United States of America, Peru, Colombia, Ecuador, Brazil and any other nation or any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank organization, or other entity exercising executive, legislative, judicial, taxing or regulatory powers or functions of or pertaining to government. Governmental Authority shall not include any Person in its capacity as an Airport Authority.

"Guarantee" shall mean a guarantee (other than (a) by endorsement of negotiable instruments for collection or (b) customary contractual indemnities, in each case in the ordinary course of business), direct or indirect, in any manner including, without limitation, by way of a pledge of assets or through letters of credit or reimbursement agreements in respect thereof, of all or any part of any Indebtedness (whether arising by virtue of partnership arrangements, or by agreements to keep-well, to purchase assets, goods, securities or services, to take or pay or to maintain financial statement conditions).

"Guaranteed Obligations" shall have the meaning given to such term in Section 9.01(a).

"Guarantors" shall mean, collectively, each Subsidiary of Parent (including any Designated Guarantor) that is either (i) party hereto on the Closing Date or (ii) becomes a party to the Guarantee contained in Article 9 by executing an Instrument of Assumption and Joinder.

"Guaranty and Security Principles" shall have the meaning assigned to such term in the Collateral Trust Agreement.

"Guaranty Obligations" shall have the meaning given to such term in Section 9.01(a).

"Hazardous Materials" shall mean (a) all explosive or radioactive substances or wastes, (b) all hazardous or toxic substances or wastes, (c) all other pollutants, including petroleum, petroleum products, petroleum by-products, petroleum breakdown products, petroleum distillates, asbestos, asbestos containing materials, polychlorinated biphenyls, radon gas, and infectious or medical wastes and (d) all other substances or wastes of any nature that are regulated pursuant to, or could reasonably be expected to give rise to liability under any Environmental Law.

"Hedging Agreement" shall mean any Interest Rate Agreement, any Currency Agreement, any Fuel Hedging Agreement and any other derivative or hedging contract, agreement, confirmation or other similar transaction or arrangement that is entered into by any Loan Party, including any commodity or equity exchange, swap, collar, cap, floor, adjustable strike cap, adjustable strike corridor, cross-currency swap or forward rate agreement, spot or forward foreign currency or commodity purchase or sale, listed or over-the-counter option or similar derivative right related to any of the foregoing, non-deliverable forward or option, foreign currency swap agreement, currency exchange rate price hedging arrangement or other arrangement designed to protect against fluctuations in interest rates or currency exchange rates, commodity, currency or securities values, or any combination of the foregoing agreements or arrangements.

"Hedging Obligations" shall mean obligations under or with respect to Hedging Agreements.

"IATA" shall mean the International Air Transport Association and any successor thereto.

"IFRS" shall mean the International Financial Reporting Standards.

"Incremental Term Loan Commitment" shall have the meaning given to such term in Section 2.22(a).

"Incremental Term Loans" shall have the meaning given to such term in Section 2.22(c)(i).

"Indebtedness" shall mean, with respect to any specified Person, any indebtedness of such Person (excluding advance ticket sales, accrued expenses and trade payables), whether or not contingent:

(1) in respect of borrowed money;

(2) evidenced by bonds, notes, debentures or similar instruments or letters of credit (or reimbursement agreements in respect thereof);

(3) in respect of banker's acceptances;

(4) representing Capital Lease Obligations;

(5) representing the balance deferred and unpaid of the purchase price of any property or services due more than eighteen (18) months after such property is acquired or such services are completed, but excluding in any event trade payables arising in the ordinary course of business;

(6) representing any Hedging Obligations; or

(7) representing Disqualified Stock,

if and to the extent any of the preceding items (other than letters of credit and Hedging Obligations) would appear as a liability upon a balance sheet of the specified Person prepared in accordance with IFRS. In addition, the term "Indebtedness" includes all Indebtedness of others secured by a Lien on any asset of the specified Person (whether or not such Indebtedness is assumed by the specified Person) and, to the extent not otherwise included, the Guarantee by the specified Person of any Indebtedness of any other Person. Indebtedness shall be calculated without giving effect to the effects of IFRS 9, Chapter 6 – Hedge Accounting (or any successor provision thereto) and related interpretations to the extent such effects would otherwise increase or decrease an amount of Indebtedness for any purpose under this Agreement as a result of accounting for any embedded derivatives created by the terms of such Indebtedness.

"Indemnified Taxes" shall mean Taxes (other than Excluded Taxes) imposed on or with respect to any payments, accruals, or amounts deemed paid by or on account of any obligation of any Borrower or any Guarantor under this Agreement or any other Loan Document.

"Indemnitee" shall have the meaning given to such term in Section 10.04(b).

"Initial Appraisals" shall mean, collectively, the report of (a) BK Associates, Inc., dated as of February 14, 2022 setting forth the Appraised Value of the Cargo Business Assets of the Loan Parties; (b) BK Associates, Inc., dated as of February 11, 2022 setting forth the Appraised Value of the Frequent Flyer Program Assets of the Loan Parties; (c) Ocean Tomo, LLC, dated as of February 17, 2022 setting forth the Appraised Value of Intellectual Property of the Loan Parties; (d) mba Aviation, dated as of December 23, 2021 setting forth the Appraised Value of certain Routes in Brazil; (e) ICF SH&E Limited, dated as of December 17, 2021 setting forth the Appraised Value of certain Slots and Routes; f) mba Aviation, dated as of December 23, 2021 setting forth the Appraised Value of certain Routes in Peru; (g) mba Aviation, dated as of December 23, 2021 setting forth the Appraised Value of certain Routes in Chile; (h) mba Aviation, dated as of December 23, 2021 setting forth the Appraised Value of certain Routes in Colombia; (i) mba Aviation, dated as of December 17, 2021 setting forth the Appraised Value of certain Slots and (j) AVITAS, Inc., dated as of February 8, 2022 setting forth the Appraised Value of certain Aircrafts and Engines, in each case, as delivered to the Administrative Agent by Parent pursuant to Section 4.01.

"Initial Appraisers" shall mean, collectively, (a) BK Associates, Inc. (as it relates to appraisals of any Cargo Business Assets or any Frequent Flyer Program Assets); (b) Ocean Tomo, LLC, (as it relates to any Intellectual Property); (c) mba Aviation (as it relates to Slots and Routes); (d) ICF SH&E Limited (as it related to Slots and Routes); and (e) AVITAS, Inc. (as it relates to Aircrafts and Engines).

"Initial Approved DIP Budget" shall have the meaning set forth in the definition of "DIP Budget."

"Initial Obligors" shall mean each Borrower and each other Loan Party that filed a voluntary petition for relief under Chapter 11 of the Bankruptcy Code on May 26, 2020.

"Initial Term Loans" shall mean the Loans incurred by the Borrowers on the Closing Date in an amount not to exceed the aggregate amount of the Term Loan Commitments set forth on Annex A attached hereto.

"Installment" shall have the meaning given to such term in Section 2.08(a).

"Instrument of Assumption and Joinder" shall mean that certain joinder agreement in the form of Exhibit C hereto

"Instruments" shall have the meaning given to such term in the Pledge and Security Agreement.

"Intellectual Property" shall have the meaning given to such term in the Pledge and Security Agreement.

"Intellectual Property Security Agreement" shall have the meaning given to such term in the Pledge and Security Agreement.

"Intercompany Note" shall mean a subordinated global promissory note among the Loan Parties and certain other Restricted Subsidiaries that are not Loan Parties substantially in the form of Exhibit E.

"Interest Election Request" shall mean a request by the Borrowers to convert or continue a Borrowing in accordance with Section 2.04, which shall be substantially in the form of Exhibit J or any other form approved by the Administrative Agent.

"Interest Payment Date" shall mean (a) with respect to any ABR Loan, the last day of each March, June, September and December and the Maturity Date, (b) with respect to any RFR Loan, (1) each date that is on the numerically corresponding day in each calendar month that is one month after the Borrowing of such Loan (or, if there is no such numerically corresponding day in such month, then the last day of such month) and (2) the Maturity Date, and (c) with respect to any Term Benchmark Loan, the last day of each Interest Period applicable to the Borrowing of which such Loan is a part and, in the case of a Term Benchmark Borrowing with an Interest Period of more than three months' duration, each day prior to the last day of such Interest Period that occurs at intervals of three months' duration after the first day of such Interest Period, and the Maturity Date.

"Interest Period" shall mean, with respect to any Term Benchmark Borrowing, the period commencing on the date of such Borrowing and ending on the numerically corresponding day in the calendar month that is one, three or six months thereafter (in each case, subject to the availability for the Benchmark applicable to the relevant Loan or Commitment), as the Borrowers may elect; provided that (a) if any Interest Period would end on a day other than a Business Day, such Interest Period shall be extended to the next succeeding Business Day unless such next succeeding Business Day would fall in the next calendar month, in which case such Interest Period shall end on the next preceding Business Day, (b) any Interest Period that commences on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the last calendar month of such Interest Period) shall end on the last Business Day of the last calendar month of such Interest Period and (b) no tenor that has been removed from this definition pursuant to Section 2.17(e) shall be available for specification in such Loan Request or Interest Election Request. For purposes hereof, the date of a Borrowing initially shall be the date on which such Borrowing is made and thereafter shall be the effective date of the most recent conversion or continuation of such Borrowing.

"Interest Rate Agreement" shall mean any interest rate protection agreement, interest rate future agreement, interest rate option agreement, interest rate swap agreement, interest rate cap agreement, interest rate collar agreement, interest rate hedge agreement, option or future contract or other similar agreement or arrangement.

"International Interest" shall mean an "international interest" as defined in the Cape Town Treaty.

"International Registry" shall mean the "International Registry" as defined in the Cape Town Treaty.

"Investments" shall mean, with respect to any Person, all direct or indirect investments made from and after the Closing Date by such Person in other Persons (including Affiliates) in the forms of loans (including Guarantees), capital contributions or advances (but excluding advance payments and deposits for goods and services and similar advances to officers, employees and consultants made in the ordinary course of business), purchases or other acquisitions for consideration of Indebtedness, Equity Interests or other securities of other Persons, together with all items that are or would be classified as investments on a balance sheet prepared in accordance with IFRS. If Parent or any other Restricted Subsidiary sells or otherwise Disposes of any Equity Interests of any direct or indirect Restricted Subsidiary after the Closing Date such that, after giving effect to any such sale or Disposition, such Person is no longer a Restricted Subsidiary, Parent will be deemed to have made an Investment on the date of any such sale or Disposition equal to the Fair Market Value of Parent's Investments in such Subsidiary that were not sold or Disposed of in an amount determined as provided in Section 6.01 hereof. Notwithstanding the foregoing, any Equity Interests retained by Parent or any of its Subsidiaries after a Disposition or dividend of assets or Capital Stock of any Person in connection with any partial "spin-off" of a Subsidiary or similar transactions shall not be deemed to be an Investment. The acquisition by Parent or any Restricted Subsidiary after the Closing Date of a Person that holds an Investment in a third Person will be deemed to be an Investment by Parent or such Restricted Subsidiary in such third Person in an amount equal to the Fair Market Value of the Investments held by the acquired Person in such third Person in an amount determined as provided in Section 6.01 hereof. Except as otherwise provided in this Agreement, the amount of an Investment will be determined at the time the Investment is made and without giving effect to subsequent changes in value.

"Joint Bookrunners" shall mean the parties listed as "Joint Bookrunners" on the cover of this Agreement.

"Joint Lead Arrangers" shall mean the parties listed as "Joint Lead Arrangers" on the cover of this Agreement.

"Junior DIP Facility" shall have the meaning assigned to such term in the DIP Intercreditor Agreement.

"Junior DIP Loan Documents" shall have the meaning assigned to such term in the DIP Intercreditor Agreement.

"Junior Lien Indebtedness" shall mean any Indebtedness incurred by a Loan Party that is secured by all or a portion of the Collateral on a junior lien basis to the Liens on the Collateral securing the Obligations; provided that (a) such Indebtedness is subordinated in right of payment to the Obligations pursuant to the Junior Lien Intercreditor Agreement or otherwise on terms reasonably satisfactory to the Administrative Agent; provided that, for clarity, any Permitted Refinancing Indebtedness in respect of Priority Lien Debt (or any successive Permitted Refinancing Indebtedness) may be *pari passu* in right of payment to the Obligations, (b) the Liens on Collateral, if any, securing such Indebtedness are junior to the Liens on the Collateral securing the Obligations pursuant to the Junior Lien Intercreditor Agreement or otherwise on terms reasonably satisfactory to the Administrative Agent, (c) such Indebtedness matures no earlier than the Latest Maturity Date in effect at the time of incurrence of such Indebtedness, (d) such Indebtedness has a Weighted Average Life to Maturity no shorter than the Weighted Average Life to Maturity of the Loans outstanding hereunder with the longest Weighted Average Life to Maturity at the time of incurrence of such Indebtedness, (e) is not subject to any Guarantee by any Person other than a Loan Party and (f) such Indebtedness is secured only by Collateral.

"Junior Lien Intercreditor Agreement" shall have the meaning assigned to such term in the Collateral Trust Agreement.

"Latest Maturity Date" shall mean, at any date of determination, the latest maturity or expiration date applicable to any Loan or Commitment hereunder at such time.

"Lease Subordination Agreement" shall have the meaning assigned to such term in the Collateral Trust Agreement.

"Lenders" shall have the meaning set forth in the first paragraph of this Agreement.

"Liabilities" shall mean any losses, claims (including intraparty claims), demands, damages or liabilities of any kind.

"Lien" shall mean, with respect to any asset, any mortgage, lien, pledge, charge, security interest or similar encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected under applicable law (but excluding any lease, sublease, use or license agreement or similar arrangement by any Loan Party described in clauses (g) or (h) of the definition of "Permitted Disposition"), including any conditional sale or other title retention agreement, any option or other agreement to sell or give a security interest in and, except in connection with any Qualified Receivables Transaction, any agreement to give any financing statement under the UCC (or equivalent statutes) of any jurisdiction.

"Loan Documents" shall mean this Agreement, the Collateral Documents, the Fee Letters, any Promissory Notes, the Intercompany Note and any other instrument or agreement designated as a Loan Document therein executed and delivered by a Borrower or a Guarantor to the Administrative Agent, the Collateral Trustee, any Local Collateral Agent or any Lender, in each case, as the same may be amended, restated, modified, supplemented, extended or amended and restated from time to time in accordance with the terms hereof.

"Loan Parties" shall mean each Borrower and any Guarantor party hereto from time to time.

"Loan Request" shall mean a request by the Borrowers, executed by a Financial Officer of each Borrower, for a Loan in accordance with Section 2.02 in substantially the form of Exhibit B.

"Loans" shall mean the Term Loans.

"Local Collateral Agency Agreements" shall have the meaning assigned to such term in the Collateral Trust Agreement.

"Local Collateral Agents" shall have the meaning assigned to such term in the Collateral Trust Agreement.

"Low Tax Jurisdiction Entity" shall mean any Person resident in a territory or jurisdiction deemed to have a preferential tax regime within the meaning of Article 41 H of the Chilean Income Tax Law or any subsequent regulations governing the definition of "low tax jurisdiction" for the purposes of Article 41 F of the Chilean Income Tax Law.

"Margin Stock" shall have the meaning given to such term in Section 3.09(a).

"Material Adverse Effect" shall mean a material adverse effect on (a) the consolidated business, operations or financial condition of Parent and its Restricted Subsidiaries, taken as a whole, (b) the validity or enforceability of any material Loan Documents or the material rights or remedies of the Agents and the Lenders thereunder or (c) the ability of the Loan Parties, collectively, to pay the Obligations or otherwise perform their material obligations under the Loan Documents.

"Material Cargo Business Contract" shall have the meaning given to such term in the Pledge and Security Agreement.

"Material Indebtedness" shall mean Indebtedness of the Borrowers and/or Guarantors (other than the Loans) outstanding under the same agreement in a principal amount exceeding [*].

"Material Pledged Routes" shall mean the [*] Routes of the Loan Parties with the highest revenues from ticket revenues during the [*] calendar year.

"Material Pledged Slots" shall mean, the Slots of any Loan Party held at John F. Kennedy International Airport and London Heathrow Airport.

"Maturity Date" shall mean the date upon which this Term Loan Facility will mature on the earliest to occur of any of the following: (a) the Scheduled Maturity Date; (b) the date of acceleration or termination of any Obligations under this Term Loan Facility, in each case, pursuant to an Event of Default or (c) a Bankruptcy Maturity Event.

"Minimum Chilean Dividends" shall have the meaning given to such term in Section 6.01(b)(13).

"Minimum Extension Condition" shall have the meaning given to such term in Section 2.23(b).

"MNPI" shall mean material non-public information (within the meaning of the U.S. Federal, state or other applicable securities laws) with respect to the Loan Parties and their Affiliates or their securities.

"Moody's" shall mean Moody's Investors Service, Inc. and its successors.

"Mortgaged Collateral" shall mean all of the "Collateral" as defined in any Engine Mortgage or the "Real Property" as defined in the U.S. Real Estate Mortgage.

"Net Proceeds" shall mean (i) with respect to any incurrence of Indebtedness, the cash received by any Loan Party in respect of such incurrence net of fees, commissions, taxes, costs and expenses incurred in connection therewith and (ii) the aggregate cash and Cash Equivalents received by Parent or any of its Restricted Subsidiaries in respect of any Disposition (including, without limitation, any cash or Cash Equivalents received in respect of or upon the sale or other disposition of any non-cash consideration received in any Disposition) or Recovery Event, net of: (a) the direct costs and expenses relating to such Disposition and incurred by Parent or a Restricted Subsidiary (including the sale or disposition of such non-cash consideration) or any such Recovery Event, including, without limitation, legal, accounting and investment banking fees, and sales commissions, and any relocation expenses incurred as a result of the Disposition or Recovery Event, (b) any Taxes paid or payable as a result of the Disposition or Recovery Event, in each case, after taking into account any available tax credits or deductions and any tax sharing arrangements; (c) any reserve for adjustment or indemnification obligations in respect of the sale price of such asset or assets established in accordance with IFRS; (d) any portion of the purchase price from a Disposition placed in escrow pursuant to the terms of such Disposition (either as a reserve for adjustment of the purchase price, or for satisfaction of indemnities in respect of such Disposition) until the termination of such escrow; (e) with respect to (i) any Disposition of Significant Assets that are not Collateral or (ii) any Recovery Event in respect of Significant Assets that are not Collateral, any portion of the aggregate cash and Cash Equivalents received by Parent or any of its Restricted Subsidiaries in respect of such Disposition that are required to be applied to any contractual arrangement permitted by this Agreement or any financing arrangement that is secured by such Significant Assets, and (f) with respect to any Disposition prior to the Conversion Date, amounts for payment of the outstanding principal amount of, premium or penalty, if any, and interest on any claim allowed by the Bankruptcy Court in the Chapter 11 Cases relating to Indebtedness or any other obligation (other than the Obligations, any other Priority Lien Debt and the Indebtedness outstanding under the Junior DIP Loan Documents) that is secured by a Permitted Priority Lien on the Collateral subject to such Disposition and that is required to be repaid under the terms thereof as a result of such Disposition.

"Net Proceeds Amount" shall have the meaning given to such term in Section 2.09(a).

"No Undisclosed MNPI Representation" by a Person shall mean a representation that such Person is not in possession of any MNPI (other than MNPI that the Person in whose favor such representation is made has elected not to receive).

"Non-Defaulting Lender" shall mean, at any time, a Lender that is not a Defaulting Lender.

"Non-Extending Lender" shall have the meaning given to such term in Section 10.08(f).

"Non-Guarantor Acquired Airline" shall mean any Restricted Subsidiary acquired by Parent after the Conversion Date that owns a passenger airline and is not principally a cargo business for so long as such Restricted Subsidiary operates its cargo business and its Frequent Flyer Program business separately from, and on an arms' length basis with, Parent.

"Non-Recourse Debt" shall mean Indebtedness:

(1) as to which neither Parent nor any of its Restricted Subsidiaries (A) provides credit support of any kind (including any undertaking, agreement or instrument that would constitute Indebtedness) or (B) is directly or indirectly liable as a guarantor or otherwise; and

(2) as to which the holders of such Indebtedness do not otherwise have recourse to the stock or assets of Parent or any of its Restricted Subsidiaries (other than the Equity Interests of an Unrestricted Subsidiary).

"Non-U.S. Aviation Authority" shall mean any non-U.S. governmental, quasi-governmental, regulatory or other agency, public corporation or private entity that exercises jurisdiction over the issuance or authorization (a) to serve any non-U.S. point on any flights that any Loan Party is serving at any time and/or to conduct operations related to routes or gates that constitute Significant Assets and/or (b) to hold and operate any Non-U.S. Route or Slots at any time.

"Non-U.S. Cases" shall mean the Cayman JPL Applications, the Chilean Recognition Proceeding, the Colombian Recognition Proceeding and the Peruvian Preventivo.

"Non-U.S. Currency" shall mean any currency other than Dollars.

"Non-U.S. Government Scheme or Arrangement" shall have the meaning given to such term in Section 3.15(e).

"Non-U.S. Intellectual Property" shall have the meaning assigned to such term in the Pledge and Security Agreement.

"Non-U.S. IP Registration Office" shall have the meaning assigned to such term in the Pledge and Security Agreement.

"Non-U.S. IP Security Agreement" shall have the meaning assigned to such term in the Pledge and Security Agreement.

"Non-U.S. person" shall mean a person or entity that is not a U.S. person (as defined in Regulation S under the Securities Act), is not acquiring the Obligations for the account or benefit of a U.S. person and is acquiring the Obligations in an offshore transaction meeting the requirements of Regulation S.

"Non-U.S. Plan" shall have the meaning given to such term in Section 3.15(e).

"Non-U.S. Pledge Agreements" shall have the meaning assigned to such term in the Collateral Trust Agreement.

"Non-U.S. Route or Slot" shall mean any Slot of any Person at any airport outside the United States that is an origin and/or destination point.

"NYFRB" shall mean the Federal Reserve Bank of New York.

"NYFRB Rate" shall mean, for any day, the greater of (a) the Federal Funds Rate in effect on such day and (b) the Overnight Bank Funding Rate in effect on such day (or for any day that is not a Business Day, for the immediately preceding Business Day); provided that if none of such rates are published for any day that is a Business Day, the term "NYFRB Rate" shall mean the rate for a federal funds transaction quoted at 11:00 a.m. on such day received by the Administrative Agent from a federal funds broker of recognized standing selected by it; provided, further, that if any of the aforesaid rates as so determined be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

"Obligations" shall mean the unpaid principal of and interest on (including interest accruing after the maturity of the Loans and interest accruing after the filing of any petition of bankruptcy, or the commencement of any insolvency, reorganization or like proceeding, relating to a Borrower, whether or not a claim for post-filing or post-petition interest is allowed in such proceeding), the Loans, whether direct or indirect, absolute or contingent, due or to become due, or now existing or hereafter incurred, which arise under this Agreement or any other Loan Document, whether on account of principal, interest, fees, indemnities, out-of-pocket costs, and expenses (including all fees, charges and disbursements of counsel to the Administrative Agent or any Lender that are required to be paid by any Borrower pursuant hereto) or otherwise.

"Obligors" shall mean, collectively, the Initial Obligors and the Additional Obligors.

"OFAC" shall mean the U.S. Department of Treasury's Office of Foreign Assets Control.

"Officer" shall mean, with respect to any Person, the Chairman of the Board, the Chief Executive Officer, the President, the Director, the Chief Operating Officer, the Chief Financial Officer, the Treasurer, any Assistant Treasurer, the Controller, the Secretary or any Vice-President of such Person.

"Officer's Certificate" shall mean a certificate signed on behalf of Parent by an Officer of Parent.

"OID" shall have the meaning given to such term in Section 2.22(c)(iii).

"Other Connection Taxes" shall mean, with respect to any Tax Indemnitee, any Taxes imposed as a result of a present or former connection between such recipient and the jurisdiction imposing such Taxes (other than a connection arising from such Tax Indemnitee's having executed, delivered, enforced, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, or engaged in any other transaction pursuant to, or enforced, this Agreement or any Loan Document, or sold or assigned an interest in this Agreement or any Loan Document).

"Other Taxes" shall mean any and all present or future Chilean Stamp Tax, court stamp, stamp, mortgage, intangible, recording, filing, or documentary taxes or any other similar, charges or similar levies arising from any payment made hereunder or from the execution, performance, delivery, registration of or enforcement of, the receipt or perfection of a security interest under, or otherwise with respect to, this Agreement or any other Loan Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to Section 2.15).

"Overnight Bank Funding Rate" shall mean, for any day, the rate comprised of both overnight federal funds and overnight eurodollar transactions denominated in Dollars by U.S.-managed banking offices of depository institutions, as such composite rate shall be determined by the SOFR Administrator as set forth on the SOFR Administrator's Website from time to time, and published on the next succeeding Business Day by the SOFR Administrator as an overnight bank funding rate.

"Parent" shall have the meaning set forth in the introductory paragraph hereto.

"Parent Company" shall mean, with respect to a Lender, the bank holding company (as defined in Federal Reserve Board Regulation Y), if any, of such Lender, and/or any Person owning, beneficially or of record, directly or indirectly, a majority of the shares of such Lender.

"Participant" shall have the meaning given to such term in Section 10.02(d).

"Participant Register" shall have the meaning given to such term in Section 10.02(d).

"Parts" shall mean all Appliances, parts, modules, accessories, furnishings and instruments, appurtenances and other equipment (including all inflight equipment, buyer-furnished and buyer-designated equipment) of whatever nature which may from time to time be incorporated or installed in or attached to any Aircraft or any Engine, and including all such parts removed from an Aircraft or Engine, so long as title thereto either (i) remains vested in the owner of such parts (provided that such owner is not a Loan Party) or (ii) is subject to the Lien of any applicable financing party, in each case until such parts have been replaced in accordance with the terms of any applicable lease or financing or security agreement.

"Passenger Accounts Receivable" shall mean any Account of Parent and its Restricted Subsidiaries arising as a result of the passenger business of Parent and its Restricted Subsidiaries (and not, for the avoidance of doubt, arising out of the cargo business of Parent and its Restricted Subsidiaries or any Frequent Flyer Program).

"Patriot Act" shall mean the USA Patriot Act, Title III of Pub. L. 107-56, signed into law on October 26, 2001 and any subsequent legislation that amends or supplements such Act or any subsequent legislation that supersedes such Act.

"Payment" has the meaning assigned to it in Section 8.13(c).

"Payment in Full" shall mean, with respect to any obligations, that such obligations have been paid, performed or discharged in full in cash (and if no obligations are specified, the reference shall be to the Obligations). "Paid in Full" shall have a correlative meaning.

"Payment Notice" has the meaning assigned to it in Section 8.13(c)(i).

"Permits" shall have the meaning set forth in Section 3.02.

"Permitted Business" shall mean any business that is the same as, or reasonably related, ancillary, supportive or complementary to, the business in which Parent and its Restricted Subsidiaries are engaged on the date of this Agreement.

"Permitted DIP Disposition" shall have the meaning set forth in Annex B.

"Permitted DIP Liens" shall have the meaning assigned thereto on Annex B.

"Permitted Disposition" shall mean any of the following:

(a) Disposition of cash or Cash Equivalents in exchange for other cash or Cash Equivalents;

(b) (i) Dispositions of accounts receivable, inventory or other current assets (including defaulted receivables but excluding any accounts receivable, inventory or current assets constituting Additional Collateral) in the ordinary course of business or consistent with past or industry practice and (ii) the conversion of accounts receivable to notes receivable or other Dispositions of accounts receivable or rights to payment in connection with the collection or compromise thereof, or as part of any bankruptcy or reorganization process (including any discount or forgiveness in connection with the foregoing);

(c) sales or other Dispositions of surplus, obsolete, negligible or uneconomical assets no longer used in the business of the Borrowers and the other Loan Parties; provided that any such sale or disposition, as applicable, is made in the ordinary course of business consistent with past practices and does not materially and adversely affect the business of Parent and its Restricted Subsidiaries, taken as a whole;

(d) Dispositions of Significant Assets among the Loan Parties (including any Person that shall become a Loan Party simultaneous with such Disposition in the manner contemplated by Section 5.12) to the extent the interests of the Secured Parties in the Collateral are not adversely affected in any material respect after giving effect to such Disposition;

(e) the Disposition or abandonment of Slots and Gate Leaseholds; provided that such Disposition or abandonment is (i) in the ordinary course of business consistent with past practices and does not materially and adversely affect the business of Parent and its Restricted Subsidiaries, taken as a whole, (ii) is reasonably determined by Parent to relate to Slots and Gate Leaseholds of *de minimis* value or surplus to Parent's needs or (iii) is required by a Governmental Authority;

(f) exchange of Pledged Slots in the ordinary course of business that in Parent's reasonable judgment are of reasonably equivalent value (so long as such new Pledged Slots remain at all times subject to a Lien with the same priority and level of perfection as was the case immediately prior to such exchange (and are otherwise subject only to Permitted Liens));

(g) any other lease or sublease of, or use or license agreements with respect to, assets and properties that constitute Slots or Gate Leaseholds in the ordinary course of business and swap agreements or similar arrangements with respect to Slots in the ordinary course of business and which lease, sublease, use or license agreement or swap agreement or similar arrangement (A) has a term of one year or less, or does not extend beyond two comparable IATA traffic seasons (and contains no option to extend beyond either of such periods), (B) has a term (including any option period) longer than allowed in clause (A); provided, however, that (x) in the case of each transaction pursuant to this clause (B), an Officer's Certificate is delivered to the Administrative Agent concurrently with or promptly after the applicable Loan Party's entering into any such transaction that (i) immediately after giving effect to such transaction the Asset Coverage Test would be satisfied (excluding, for purposes of calculating such ratio, the proceeds of such transaction and the intended use thereof), (ii) the Collateral Trustee's Liens on Collateral subject to such lease, sublease, use, license agreement or swap or similar arrangement are not materially adversely affected (it being understood that no Permitted Lien shall be deemed to have such an effect) and (iii) no Event of Default exists at the time of such transaction, and (y) immediately after giving effect to any transaction pursuant to this clause (B), the aggregate Appraised Value of Collateral subject to transactions covered by this clause (B) shall not exceed [*]; provided that the foregoing cap shall not apply to the extent such lease, sublease, use or license agreement or swap agreement or similar arrangement is required or advisable (as reasonably determined by the Borrower) to preserve and keep in full force and effect its rights in such Slot or Gate Leasehold, (C) is for purposes of operations by another airline operating under a brand associated with the Parent or otherwise operating routes under a joint business arrangement or at the Parent's direction under a code share agreement, capacity purchase agreement, pro-rate agreement or similar arrangement between such airline and the Parent, or (D) is subject and subordinated to the rights (including remedies) of the Collateral Trustee under the applicable Collateral Documents on terms reasonably satisfactory to the Administrative Agent;

(h) the lease or sublease of assets and properties in the ordinary course of business; provided that, if such Significant Assets constitute Collateral, the rights of the lessee or sublessee shall be subordinated to the rights (including remedies) of the Collateral Trustee under the applicable Collateral Document on terms reasonably satisfactory to the Administrative Agent;

(i) sales of Equity Interests in Restricted Subsidiaries to comply with local regulatory requirements, subject to the requirements of Section 2.09;

(j) Dispositions of Currency in respect of a Frequent Flyer Program pursuant to financing arrangements for liquidity purposes or pursuant to co-branding arrangements; provided that (i) such financing arrangement or co-branding arrangement is in the ordinary course of business and (ii) immediately after giving effect to such Disposition the Asset Coverage Test would be satisfied on a Pro Forma Basis;

(k) in each case, in the ordinary course of business, (i) the termination or amendment of leases, subleases, use or license agreements and (ii) the termination or amendment of agreements, arrangements or balances between and among Parent and its Restricted Subsidiaries (including paying, transferring, contributing, forgiving or cancelling balances incurred pursuant to any such intercompany agreements or arrangements);

(l) in each case, in the ordinary course of business or in connection with any Aircraft Financing, intercompany agreements between and among Parent and its Restricted Subsidiaries with respect to (i) Aircraft, Engines, Spare Parts, Appliances or Parts, in each case not constituting Significant Assets and (ii) Aircraft Financing Related Cargo Business Assets;

(m) transactions that involve assets having an aggregate Appraised Value of less than [*] (such aggregate amount to be calculated on a cumulative basis from the Closing Date);

(n) any Disposition or other transaction permitted by Section 6.09(a) (other than clauses (v) or (vi) thereof); and

(o) any Permitted Lien.

"Permitted Holders" shall mean any of [*].

"Permitted Investments" shall mean:

(1) any Investment in Parent or in a Restricted Subsidiary of Parent;

(2) any Investment in cash or Cash Equivalents;

(3) any Investment by Parent or any Restricted Subsidiary of Parent in a Person, if as a result of such Investment:

(A) such Person becomes a Restricted Subsidiary of Parent; or

(B) such Person, in one transaction or a series of related and substantially concurrent transactions, is merged, consolidated or amalgamated with or into, or transfers or conveys substantially all of its assets to, or is liquidated into, Parent or a Restricted Subsidiary of Parent;

(4) any Investment made as a result of the receipt of non-cash consideration from a Disposition of assets;

(5) any acquisition of assets or Capital Stock in exchange for the issuance of Qualifying Equity Interests;

(6) any Investments received in compromise or resolution of (A) obligations of trade creditors or customers that were incurred in the ordinary course of business of Parent or any of its Restricted Subsidiaries, including pursuant to any plan of reorganization or similar arrangement upon the bankruptcy or insolvency of any trade creditor or customer or (B) litigation, arbitration or other disputes;

(7) Investments represented by Hedging Obligations;

(8) loans or advances to officers, directors or employees made in the ordinary course of business of Parent or any Restricted Subsidiary of Parent in an aggregate principal amount not to exceed [*] at any one time outstanding;

(9) prepayment of any Loans in accordance with the terms and conditions of this Agreement or prepayment of any other Priority Lien Debt;

(10) any Guarantee of Indebtedness other than a Guarantee of Indebtedness of an Affiliate of Parent that is not a Restricted Subsidiary of Parent;

(11) any Investment existing on, or made pursuant to binding commitments existing on, the Closing Date and any Investment consisting of an extension, modification or renewal of any Investment existing on, or made pursuant to a binding commitment existing on, the Closing Date; provided that the amount of any such Investment may be increased (A) as required by the terms of such Investment as in existence on the Closing Date or (B) as otherwise permitted under this Agreement;

(12) Investments acquired after the Closing Date as a result of the acquisition by Parent or any Restricted Subsidiary of Parent of another Person, including by way of a merger, amalgamation or consolidation with or into Parent or any of its Restricted Subsidiaries in a transaction that is not prohibited by Section 6.09 hereof after the Closing Date to the extent that such Investments were not made in contemplation of such acquisition, merger, amalgamation or consolidation and were in existence on the date of such acquisition, merger, amalgamation or consolidation;

(13) the acquisition by a Receivables Subsidiary in connection with a Qualified Receivables Transaction of Equity Interests of a trust or other Person established by such Receivables Subsidiary to effect such Qualified Receivables Transaction; and any other Investment by Parent or a Subsidiary of Parent in a Receivables Subsidiary or any Investment by a Receivables Subsidiary in any other Person in connection with a Qualified Receivables Transaction;

(14) Investments constituting (i) accounts receivable or accounts payable, (ii) deposits, prepayments and other credits to suppliers, and/or (iii) in the form of advances made to distributors, suppliers, licensors and licensees, in each case, made in the ordinary course of business and consistent with the past practices;

(15) Investments in connection with outsourcing initiatives in the ordinary course of business;

(16) Investments having an aggregate Fair Market Value (measured on the date each such Investment was made and without giving effect to subsequent changes in value other than a reduction for all returns of principal in cash and capital dividends in cash), when taken together with all Investments made pursuant to this clause (16) that are at the time outstanding, not to exceed [*] of the Consolidated Total Assets of Parent and its Restricted Subsidiaries at the time of such Investment;

(17) Investments in Restricted Subsidiaries as required under the laws of the jurisdiction of formation of each of such Subsidiaries to avoid liquidation under such laws;

(18) Investments in any Affiliate in an aggregate amount not to exceed [*] in any one calendar month for all such Investments pursuant to this subclause and, in each case, to pay employee severance, taxes, permits, government charges or wind-down costs in respect of such Affiliate; and

(19) Investments constituting or related to Aircraft Financings.

"Permitted Liens" shall mean:

(1) Priority Liens held by the Collateral Trustee or a Local Collateral Agent, as applicable, securing the Indebtedness permitted by Section 6.02(a) and Related Obligations in respect thereof;

(2) Liens on the Collateral securing Junior Lien Indebtedness incurred pursuant to Section 6.02(b) and all other Related Obligations; provided that all such junior Liens shall rank junior to the Liens securing the Obligations subject to the Junior Lien Intercreditor Agreement or otherwise on terms reasonably satisfactory to the Administrative Agent;

(3) Liens for Taxes, assessments or governmental charges or claims that are not yet delinquent or that are being contested in good faith by appropriate proceedings promptly instituted and diligently concluded; provided that any reserve or other appropriate provision as is required in conformity with IFRS has been made therefor;

(4) Liens imposed by law, including carriers', warehousemen's, landlord's and mechanics' Liens, in each case, incurred in the ordinary course of business;

(5) Liens arising by operation of law in connection with judgments, attachments or awards which do not, in the aggregate, constitute an Event of Default hereunder;

(6) Liens existing as the Closing Date and, to the extent securing Indebtedness greater than or equal to [*], listed on Schedule 1.01(f) hereto; and any modifications, replacements, renewals or extensions thereof; provided that (A) such modified, replacement, renewal or extension Lien does not extend to any additional property other than (1) after-acquired property that is affixed or incorporated into the property covered by such Lien and (2) proceeds and products thereof and (B) such modifications, replacement, renewal or extension does not increase the amount secured or change any direct or contingent obligor in respect thereof;

(7) any overdrafts and related liabilities arising from treasury, netting, depository and cash management services or in connection with any automated clearing house transfers of funds, in each case as it relates to cash or Cash Equivalents, if any;

(8) licenses, sublicenses, leases and subleases by any Loan Party as they relate to any Additional Collateral to the extent (A) such licenses, sublicenses, leases or subleases do not interfere in any material respect with the business of Parent and its Restricted Subsidiaries, taken as a whole, and in each case, such license, sublicense, lease or sublease is to be subject and subordinate to the Liens granted to the Collateral Trustee pursuant to the Collateral Documents, and in each case, would not result in a Material Adverse Effect or (B) otherwise expressly permitted by the Collateral Documents;

(9) salvage or similar rights of insurers;

(10) pledges and deposits made in the ordinary course of business in compliance with workers' compensation, unemployment insurance and other social security laws or regulations, or Liens in connection with workers' compensation, unemployment insurance or other social security, old age pension or public liability obligations which are not delinquent or which are being contested in good faith by appropriate action and for which adequate reserves have been maintained in accordance with IFRS;

(11) customary rights of set-off and liens arising by operation of law or by the terms of documents or contracts of banks or other financial institutions in relation to the ordinary maintenance and administration of Deposit Accounts or securities accounts;

(12) non-exclusive licenses and sublicenses, whether written, oral or implied, to Intellectual Property granted in the ordinary course of business and consistent with past practice that do not materially interfere with the ordinary conduct of the business of the Loan Parties;

(13) Liens incurred in the ordinary course of business of Parent or any Restricted Subsidiary of Parent with respect to obligations that do not exceed in the aggregate [*] at any one time outstanding;

(14) leases, subleases, interchanges, use agreements, license agreements and/or swap agreements constituting "Permitted Dispositions";

(15) in the case of any Gate Leaseholds, any interest or title of a licensor, sublicensor, lessor, sublessor or airport operator under any lease, license or use agreement;

(16) in each case as it relates to Aircraft, Engine, Spare Parts, Appliances or Parts that may be pledged as Additional Collateral from time to time (any such pledged Additional Collateral, "Pledged Aircraft, Engine, Spare Parts, Appliances or Parts Collateral"), Liens solely on Engines, Spare Parts, Appliances, Parts, components, instruments, appurtenances, furnishings and other equipment (other than the Pledged Aircraft, Engine, Spare Parts, Appliances or Parts Collateral) (x) installed on such Pledged Aircraft, Engine, Spare Parts, Appliances or Parts Collateral and (y) separately financed by a Loan Party, to secure such financing;

(17) customary Liens securing the Indebtedness permitted under Section 6.02(h) in accordance with the terms thereof; provided that, such Liens are limited to the fixed or capital assets that are acquired, constructed or improved by such Indebtedness;

(18) easements, zoning restrictions, licenses, title restrictions, rightsofway and similar encumbrances on real property imposed by law or incurred or granted by Parent or any Restricted Subsidiary in the ordinary course of business that do not materially detract from the value of the affected property or materially interfere with the ordinary conduct of business of Parent or any Restricted Subsidiary;

(19) to the extent Parent or any of its Restricted Subsidiaries is an obligor in respect of any Aircraft Financing, pledges of, collateral assignments of or other Liens securing such Aircraft Financing on any lease, sublease, interchange, license, contract, arrangement or agreement related to such financed Aircraft, Engine or Spare Parts, including Aircraft Financing Related Cargo Business Assets to which Parent or such Restricted Subsidiary, as applicable, is a party; and/or

(20) with respect to the equity pledge agreement in respect of TAM Linhas Aéreas S.A.'s shares, the fiduciary lien created by the equity fiduciary lien agreement over the shares held in TAM Linhas Aéreas S.A., considering the listing of assets (*arrolamento de bens*) in connection with the Administrative Proceeding No. 13855.720079/2014-93, as required by article 12 of Federal Revenue Office Normative Ruling (Instrução Normativa RFB) No. 2,091, dated June 22, 2022;

provided that until a perfected Lien has been provided to the Collateral Trustee or a Local Collateral Agent, as applicable, in respect of any Deferred Asset, no consensual Lien shall be granted in respect of any such Deferred Asset.

"Permitted Person" shall mean (i) any Person (including any "person" as that term is used in Section 13(d)(3) of the Exchange Act) which owns or operates, directly or indirectly through a contractual arrangement, a Permitted Business, or (ii) any Subsidiary of such Person.

"Permitted Priority Liens" shall mean valid, perfected and unavoidable Liens that were in existence immediately prior to the Petition Date or that are perfected as permitted by Section 546(b) of the Bankruptcy Code.

"Permitted Refinancing Indebtedness" shall mean any Indebtedness (or commitments in respect thereof) of Parent or any of its Restricted Subsidiaries issued in exchange for, or the proceeds of which are used to renew, refund, extend, refinance, replace, defease or discharge other Indebtedness (the "Refinanced Indebtedness") of Parent or any of its Restricted Subsidiaries (other than intercompany Indebtedness); provided that:

(1) the principal amount (or accreted value, if applicable) of such Permitted Refinancing Indebtedness does not exceed the original principal amount (or accreted value, if applicable) when initially incurred of the Refinanced Indebtedness (*plus* all accrued interest on the Indebtedness and the amount of all fees and expenses, including premiums, incurred in connection therewith); provided that, with respect to any such Permitted Refinancing Indebtedness that is refinancing secured Indebtedness and is secured by the same collateral, the principal amount (or accreted value, if applicable) of such Permitted Refinancing Indebtedness shall not exceed the greater of (x) the preceding amount and (y) the Fair Market Value of the assets securing such Permitted Refinancing Indebtedness (taking into account any other Indebtedness secured on a *pari passu* or senior basis by such assets);

(2) such Permitted Refinancing Indebtedness has a maturity date no earlier than the maturity date of the Refinanced Indebtedness;

(3) such Permitted Refinancing Indebtedness has a Weighted Average Life to Maturity that is equal to or greater than the Weighted Average Life to Maturity of the Refinanced Indebtedness;

(4) if the Refinanced Indebtedness is subordinated in right of payment to the Loans, such Permitted Refinancing Indebtedness is subordinated in right of payment to the Loans on terms at least as favorable to the Lenders as those contained in the documentation governing the Refinanced Indebtedness;

(5) no Restricted Subsidiary that is not a Loan Party shall be an obligor with respect to such Permitted Refinancing Indebtedness unless such Restricted Subsidiary was an obligor with respect to the Refinanced Indebtedness; and

(6) such Permitted Refinancing Indebtedness is incurred no later than 36 months after the date on which the Refinanced Indebtedness is actually repaid or discharged by Parent or any of its Restricted Subsidiaries.

"Permitted Sale Leaseback" shall have the meaning assigned thereto on Annex B.

"Person" shall mean any natural person, corporation, division of a corporation, partnership, limited liability company, trust, joint venture, association, company, estate, unincorporated organization, Airport Authority or Governmental Authority or any agency or political subdivision thereof.

"Peruvian Engine Pledge" shall have the meaning assigned to such term in the Collateral Trust Agreement.

"Peruvian Preventivo" shall mean the Peruvian "preventive proceeding" filed on May 26, 2020 with the Institute for the Defense of Competition and Intellectual Property with respect to LATAM Airlines Perú S.A.

"Petition Date" shall mean, with respect to the Initial Obligors, May 26, 2020, the date of commencement of their Chapter 11 Cases, and, with respect to the Additional Obligors, July 9, 2020, the date of commencement of their Chapter 11 Cases.

"Plan" shall mean any of (a) an "employee benefit plan" (as defined in Section 3(3) of ERISA) that is subject to Title I of ERISA, (b) a "plan" as defined in and subject to Section 4975 of the Code and (c) any Person whose assets include (for purposes of the Plan Asset Regulations or otherwise for purposes of Title I of ERISA or Section 4975 of the Code) the assets of any such "employee benefit plan" or "plan".

"Plan Asset Regulations" shall mean 29 CFR § 2510.3-101 et seq., as modified by Section 3(42) of ERISA.

"Pledge and Security Agreement" shall mean that certain Priority Lien Pledge and Security Agreement dated as of the Closing Date by and among the Collateral Trustee and the Loan Parties, substantially in the form attached as Exhibit E to the Collateral Trust Agreement, as amended, restated, modified, supplemented, extended or amended and restated from time to time.

"Pledged Engines" shall have the meaning given to it in the Pledge and Security Agreement.

"Pledged Gate Leaseholds" shall have the meaning given to it in the Pledge and Security Agreement.

"Pledged Routes" shall mean, to the extent not excluded as Excluded Assets, all Routes owned by any Loan Party.

"Pledged SGR" shall mean the Pledged Slots, Pledged Gate Leaseholds and Pledged Routes.

"Pledged Slots" shall have the meaning given to it in the Pledge and Security Agreement.

"Pledged Spare Parts" shall have the meaning given to it in the Pledge and Security Agreement.

"Post-Closing Guarantor" shall mean any Subsidiary of Parent that becomes a Guarantor after the Closing Date.

"Prepayment Percentage" shall mean 100%.

"Pre-Petition Indebtedness" shall have the meaning set forth in Annex B hereto.

"Prime Rate" shall mean the rate of interest last quoted by The Wall Street Journal as the "Prime Rate" in the U.S. or, if The Wall Street Journal ceases to quote such rate, the highest per annum interest rate published by the Federal Reserve Board in Federal Reserve Statistical Release H.15 (Selected Interest Rates) as the "bank prime loan" rate or, if such rate is no longer quoted therein, any similar rate quoted therein (as determined by the Administrative Agent) or any similar release by the Federal Reserve Board (as determined by the Administrative Agent). Each change in the Prime Rate shall be effective from and including the date such change is publicly announced or quoted as being effective.

"Priority Lien" shall mean a Lien granted pursuant to a Collateral Document to the Collateral Trustee or any Local Collateral Agent, at any time, upon any property of any Loan Party to secure any Priority Lien Obligations, including the Liens granted to the Collateral Trustee and each Local Collateral Agent in connection with this Agreement, the Revolving Credit Agreement, the 2027 Bridge Loan Credit Agreement and the 2029 Bridge Loan Credit Agreement.

"Priority Lien Debt" shall mean:

(a) Indebtedness of the Loan Parties under (i) the 2027 Bridge Loan Credit Agreement, any 2027 Exchange Notes Indenture, and any agreement or instrument pursuant to which any 2027 Securities secured by all or a portion of the Collateral on a *pari passu* basis with the Obligations are issued, in an aggregate principal amount not to exceed $750.0 million under this clause (a)(i), (ii) the 2029 Bridge Loan Credit Agreement, any 2029 Exchange Notes Indenture, and any agreement or instrument pursuant to which any 2029 Securities secured by all or a portion of the Collateral on a *pari passu* basis with the Obligations are issued, in an aggregate principal amount not to exceed $750.0 million under this clause (a)(ii) and (iii) any Permitted Refinancing Indebtedness in respect of any Indebtedness incurred pursuant to clause (a)(i) or (ii) (or any successive Permitted Refinancing Indebtedness) that is secured by all or a portion of the Collateral on a *pari passu* basis with the Obligations;

(b) (i) Indebtedness of the Loan Parties under the Revolving Credit Facility (including letters of credit and reimbursement obligations with respect thereto) in an aggregate principal amount not to exceed [*] at any time outstanding, and (ii) on and after the Conversion Date, additional Indebtedness of Parent under the Revolving Credit Facility (including letters of credit and reimbursement obligations with respect thereto) or any other revolving facility in an aggregate principal amount not to exceed [*] at any time outstanding in addition to any Indebtedness incurred pursuant to clause (i) of this paragraph (b); provided that, after giving Pro Forma Effect to the issuance or incurrence of any such Indebtedness incurred pursuant to this clause (ii), the aggregate amount of all Priority Lien Debt, and without duplication, Senior Priority Refinancing Indebtedness (including, in each case, without duplication of any outstanding principal amounts, the amount of any unfunded commitments under a revolving credit facility as of such date) would not exceed the greater of (A) [*] and (B) such an amount that would cause the Asset Coverage Ratio to be equal to [*], and (iii) any Permitted Refinancing Indebtedness (disregarding clauses (2) and (3) of such defined term) in respect of any Indebtedness incurred pursuant to clause (b)(i) or (ii) (or any successive Permitted Refinancing Indebtedness) that is secured by all or a portion of the Collateral on a *pari passu* basis with the Obligations; provided that all Indebtedness incurred under this clause (b) in the form of revolving Indebtedness may be senior or superpriority in right of payment from the Collateral to the Obligations;

(c) (i) Indebtedness of the Loan Parties under this Agreement and (ii) any Permitted Refinancing Indebtedness in respect of any Indebtedness incurred pursuant to clause (c)(i) (or any successive Permitted Refinancing Indebtedness) that is secured by all or a portion of the Collateral on a *pari passu* basis with the Obligations; and

(d) (i) any other Total Funded Debt of the Loan Parties that is secured by all or a portion of the Collateral on a *pari passu* basis with the Obligations; provided that (1) after giving Pro Forma Effect to the issuance or incurrence of any such Indebtedness, the aggregate principal amount of the sum of all Priority Lien Debt, and, without duplication, Senior Priority Refinancing Indebtedness (including, in each case, without duplication of any outstanding principal amounts, the amount of any unfunded commitments under a revolving credit facility as of such date) would not exceed the greater of (A) [*] and (B) such an amount that would cause the Asset Coverage Ratio to be equal to [*], and (2) other than with respect to Conversion Date Indebtedness, no Indebtedness may be incurred under this clause (d) prior to the Conversion Anniversary Date and (ii) any Permitted Refinancing Indebtedness in respect of any Indebtedness incurred pursuant to clause (d)(i) (and any successive Permitted Refinancing Indebtedness) that is secured by all or a portion of the Collateral on a *pari passu* basis with the Obligations.

"Priority Lien Obligations" shall have the meaning given to the term "Secured Obligations" in the Collateral Trust Agreement.

"Priority Lien Secured Parties" shall have the meaning given to the term "Secured Parties" in the Collateral Trust Agreement.

"Priority Pledged Engine" shall mean those Engines set forth on Schedule 5.5 to the Pledge and Security Agreement.

"Priority Pledged Equity Interests" shall mean those Pledged Equity Interests (as defined in the Pledge and Security Agreement and any similar term defined in the Non-U.S. Pledge Agreements) subject to a Priority Lien as set forth in the Pledge and Security Agreement and the Non-U.S. Pledge Agreements, as applicable.

"Pro Forma Basis," "Pro Forma Compliance" and "Pro Forma Effect" means, in connection with determining whether any Disposition, Investment or other Restricted Payment, or repayment and/or incurrence of Indebtedness (each a "Pro Forma Event") is permitted by reference to the Asset Coverage Ratio, Total Asset Coverage Ratio, Asset Coverage Test or Consolidated Liquidity, that such calculations shall be determined by Parent in good faith after giving pro forma effect to each Pro Forma Event (and any transactions related thereto).

"Process Agent" shall have the meaning set forth in Section 3.17.

"Professional Fees" shall mean the fees and reimbursable expenses of a Professional Person, solely to the extent such fees have been approved by the Bankruptcy Court.

"Professional Person" shall mean a person who is an attorney, financial advisor, accountant, appraiser, monitor, auctioneer or other professional person and who is retained, with Bankruptcy Court approval, by (a) the Loan Parties pursuant to any one or more of Sections 327 328(a) and 363 of the Bankruptcy Code or (b) the Creditors' Committee pursuant to Section 1103(a) of the Bankruptcy Code.

"Professional User" shall have the meaning given it in the Regulations and Procedures for the International Registry.

"Promissory Note" shall have the meaning set forth in Section 2.08(e).

"PTE" shall mean a prohibited transaction class exemption issued by the U.S. Department of Labor, as any such exemption may be amended from time to time.

"Qatar Group" shall mean Qatar Airways Group Q.C.S.C., a company incorporated under the laws of the State of Qatar with commercial registration number 16070 and having its principal place of business at Qatar Airways Tower One, Airport Road, P.O. Box 22550, Doha, Qatar.

"Qualified Receivables Transaction" shall mean any transaction or series of transactions entered into by Parent or any of its Subsidiaries pursuant to which Parent or any of its Subsidiaries (a) sells, conveys or otherwise transfers to (x) a Receivables Subsidiary or any other Person (in the case of a transfer by Parent or any of its Subsidiaries) or (y) any other Person (in the case of a transfer by a Receivables Subsidiary), or (b) grants a security interest in any Passenger Accounts Receivable, whether now existing or arising in the future, of Parent or any of its Subsidiaries, and any assets related thereto including, without limitation, all Equity Interests and other investments in the Receivables Subsidiary, all collateral securing such Passenger Accounts Receivable, all contracts and all Guarantees or other obligations in respect of such Passenger Accounts Receivable, proceeds of such Passenger Accounts Receivable and other assets which are customarily transferred or in respect of which security interests are customarily granted in connection with asset securitization transactions involving accounts receivable, other than assets that constitute Collateral or proceeds of Collateral.

"Qualifying Equity Interests" shall mean Equity Interests of Parent other than Disqualified Stock.

"RCF Loan Agreement" shall mean that certain credit and guaranty agreement dated as of March 29, 2016 by and among Parent, as borrower, Citibank, N.A, as administrative agent, the guarantors from time to time party thereof, the collateral agents from time to time party thereto, and the lenders from time to time party thereto, as amended, restated, amended and restated, supplemented or otherwise modified from time to time.

"RCF Spare Parts Replacement Liens" shall have the meaning set forth in Annex B.

"Real Estate" shall have the meaning set forth in Section 5.01(k).

"Real Estate Mortgages" shall have the meaning set forth in the Collateral Trust Agreement.

"Receivables Pledge Agreements" shall have the meaning set forth in the Collateral Trust Agreement.

"Receivables Subsidiary" shall mean a Subsidiary of Parent which engages in no activities other than in connection with the financing of Passenger Accounts Receivable and which is designated by the Board of Directors of Parent (as provided below) as a Receivables Subsidiary; provided that (a) no portion of its Indebtedness or any other obligations (contingent or otherwise) (1) is guaranteed by Parent or any Restricted Subsidiary of Parent that is not a Receivables Subsidiary (other than comprising a pledge of the Capital Stock or other interests in such Receivables Subsidiary (an "incidental pledge"), and excluding any Guarantees of obligations (other than the principal of, and interest on, Indebtedness) pursuant to representations, warranties, covenants and indemnities entered into in the ordinary course of business in connection with a Qualified Receivables Transaction), (2) is recourse to or obligates Parent or any Restricted Subsidiary of Parent in any way other than through an incidental pledge or pursuant to representations, warranties, covenants, indemnities or other obligations that are usual and customary for a limited recourse financing in the applicable jurisdiction in connection with a Qualified Receivables Transaction or (3) subjects any property or asset of Parent or any Subsidiary of Parent that is not a Receivables Subsidiary (other than Passenger Accounts Receivable and related assets as provided in the definition of "Qualified Receivables Transaction"), directly or indirectly, contingently or otherwise, to the satisfaction thereof, other than pursuant to representations, warranties, covenants and indemnities entered into in the ordinary course of business in connection with a Qualified Receivables Transaction, (b) with which neither Parent nor any other Restricted Subsidiary of Parent that is not a Receivables Subsidiary has any material contract, agreement, arrangement or understanding (other than pursuant to the Qualified Receivables Transaction) other than (i) on terms no less favorable to Parent or such Subsidiary than those that might be obtained at the time from Persons who are not Affiliates of Parent, and (ii) fees payable in the ordinary course of business in connection with servicing Passenger Accounts Receivable and (c) with which neither Parent nor any other Subsidiary of Parent has any obligation to maintain or preserve such Subsidiary's financial condition, other than a minimum capitalization in customary amounts, or to cause such Subsidiary to achieve certain levels of operating results. Any such designation by the Board of Directors of a Parent will be evidenced to the Administrative Agent by filing with the Administrative Agent a certified copy of the resolution of the Board of Directors of Parent giving effect to such designation and an Officer's Certificate certifying that such designation complied with the foregoing conditions.

"Recovery Event" shall mean any settlement of or payment in respect of any property or casualty insurance claim or any condemnation proceeding in respect of Significant Assets or any Event of Loss.

"Reference Date" shall mean the thirtieth (30th) Business Day after each of March 31st and September 30th of each calendar year (commencing with March 31, 2023).

"Reference Time" with respect to any setting of the then-current Benchmark shall mean (a) if such Benchmark is the Term SOFR Rate, 5:00 a.m. (Chicago time) on the day that is two U.S. Government Securities Business Days preceding the date of such setting, (b) if the RFR for such Benchmark is Daily Simple SOFR, then four Business Days prior to such setting or (c) if such Benchmark is none of the Term SOFR Rate or Daily Simple SOFR, the time determined by the Administrative Agent in its reasonable discretion.

"Refinanced Term Loans" shall have the meaning set forth in Section 2.24(a).

"Refinancing Amendment" shall mean an amendment to this Agreement executed by each of (a) the Borrowers and the other Loan Parties, (b) the Administrative Agent and (c) each Lender that agrees to provide any portion of the Replacement Term Loans being incurred pursuant thereto, in accordance with Section 2.24.

"Register" shall have the meaning set forth in Section 10.02(b)(iv).

"Regulations and Procedures for the International Registry" shall mean the official English language text of the International Registry Procedures and Regulations issued by the Supervisory Authority (as defined in the Cape Town Convention) pursuant to the Aircraft Protocol.

"Related Obligations" shall mean, with respect to any Indebtedness, any principal (including reimbursement obligations with respect to letters of credit whether or not drawn), interest (including interest accruing after the maturity of such Indebtedness and interest accruing after the filing of any petition of bankruptcy, or the commencement of any insolvency, reorganization or like proceeding, relating to the borrower or issuer thereof, whether or not a claim for post-filing or post-petition interest is allowed in such proceeding), premium (if any), fees, indemnifications, reimbursements, expenses and other liabilities, in each case payable under the documentation governing such Indebtedness.

"Related Parties" shall mean, with respect to any specified Person, such Person's Affiliates and the respective directors, officers, partners, members, employees, agents and advisors of such Person and such Person's Affiliates.

"Release" shall mean spilling, leaking, pumping, pouring, emitting, emptying, discharging, migrating, injecting, escaping, leaching, dumping, or disposing of any Hazardous Material into the environment.

"Relevant Governmental Body" shall mean the Federal Reserve Board or the NYFRB, the Term SOFR Administrator, as applicable, or a committee officially endorsed or convened by the Federal Reserve Board or the NYFRB, or any successor thereto.

"Relevant Rate" shall mean (i) with respect to any Term Benchmark Borrowing, the Adjusted Term SOFR Rate or (ii) with respect to any RFR Borrowing, the Adjusted Daily Simple SOFR, as applicable.

"Reorganization Plan" shall mean the *Joint Plan of Reorganization of LATAM Airlines Group, S.A., et al. Under Chapter 11 of the Bankruptcy Code* [Docket No. 5753], as amended, supplemented or modified in accordance with the provisions thereto (but without giving effect to any amendment, supplement or modification that is materially adverse to the Lenders to which the Required Lenders have not consented).

"Replacement Term Loans" shall have the meaning set forth in Section 2.24(a).

"Required Class Lenders" shall mean, with respect to any Class of Term Loans, the Term Lenders having more than 50% of all outstanding Term Loans of such Class.

"Required Lenders" shall mean, at any time, Lenders holding more than 50% of (a) until the Closing Date, the Term Loan Commitments then in effect and (b) thereafter, the aggregate principal amount of all Term Loans outstanding. The outstanding Loans and Commitments of any Defaulting Lender shall be disregarded in determining the "Required Lenders" at any time.

"Resolution Authority" shall mean an EEA Resolution Authority or, with respect to any UK Financial Institution, a UK Resolution Authority.

"Restricted Investment" shall mean an Investment other than a Permitted Investment.

"Restricted Payments" shall have the meaning set forth in Section 6.01(a).

"Restricted Subsidiary" of a Person shall mean any Subsidiary of the referent Person that is not an Unrestricted Subsidiary; provided that, if a referent Person is not specified, then the referent Person shall be Parent.

"Revised Claims Procedures Order" shall mean the Revised Order Pursuant to 11 U.S.C. § 105(a) and Fed. R. Bankr. P. 3007 (I) Establishing Claims Objection and Notice Procedures and (II) Granting Related Relief (ECF No. 3624) entered by the Bankruptcy Court on November 19, 2021.

"Revolver Administrative Agent" shall have the meaning given to such term in the Collateral Trust Agreement.

"Revolving Credit Agreement" shall have the meaning given to such term in the Collateral Trust Agreement.

"Revolving Credit Facility" shall mean the credit facility established under the Revolving Credit Agreement in favor of Parent in accordance with the terms set forth therein or in the other Revolving Loan Documents.

"Revolving Loan Documents" shall mean the "Loan Documents" as defined in the Revolving Credit Agreement.

"RFR Borrowing" shall mean, as to any Borrowing, the RFR Loans comprising such Borrowing.

"RFR Loan" shall mean a Loan that bears interest at a rate based on the Adjusted Daily Simple SOFR.

"Routes" shall mean the authority of Parent or, if applicable, another Loan Party, pursuant to Title 49 or other applicable law, to operate scheduled service between a specifically designated pair of terminal points and intermediate points, if any, including applicable frequencies, exemption and certificate authorities, including at any time of determination, any route authority identified on Schedule 5.2 of the Pledge and Security Agreement as such Schedule may be amended or modified from time to time in accordance with the terms hereof and "Route" shall mean any of such route authorities as the context requires, in each case whether or not such route authority is utilized at such time by a Borrower or a Loan Party and including, without limitation, any other route authority held by a Loan Party pursuant to certificates, orders, notices and approvals issued to a Loan Party from time to time, but in each case solely to the extent relating to such route authority.

"S&P" shall mean S&P Global Ratings, and its successors.

"Sale of a Loan Party" shall mean, with respect to any Significant Asset, an issuance, sale, lease, conveyance, transfer or other disposition of the Capital Stock of the applicable Loan Party that owns such Significant Asset other than (1) an issuance of Equity Interests by a Loan Party to Parent or another Restricted Subsidiary of Parent, and (2) an issuance of directors' qualifying shares.

"Sanctioned Country" shall have the meaning given to such term in Section 3.16(b).

"Sanctioned Person" shall have the meaning given to such term in Section 3.16(b).

"Sanctions" shall have the meaning given to such term in Section 3.16(b).

"Scheduled Maturity Date" shall mean.

"SEC" shall mean the U.S. Securities and Exchange Commission.

"Second Conversion Anniversary Date" shall mean the date that is two years after the Conversion Date.

"Secured Parties" shall mean, collectively, the Administrative Agent, the Collateral Trustee, the Local Collateral Agents, the Lenders and all other holders of Obligations.

"Securities Act" shall mean the Securities Act of 1933, as amended.

"Senior Priority Refinancing Indebtedness" shall mean any Permitted Refinancing Indebtedness in respect of Priority Lien Debt (and any successive Permitted Refinancing Indebtedness) other than any Permitted Refinancing Indebtedness that is subordinated in right of payment to the Obligations on terms reasonably satisfactory to the Administrative Agent.

"Shareholder Backstop Commitment Agreement" shall mean that certain Backstop Commitment Agreement dated as of January 12, 2022, by and among Parent, each of its direct and indirect debtor subsidiaries that have filed Chapter 11 Cases and certain shareholders of Parent in their capacity as backstop parties party thereto, as may be amended, restated, modified, supplemented, extended or amended and restated from time to time in accordance with the terms thereof; provided that, for purpose of determining the satisfaction of the Conditions to Conversion, the Shareholder Backstop Commitment Agreement referred to therein shall be such agreement as in effect on June 10, 2022.

"Significant Assets" shall mean (a) the Collateral, (b) the Coverage Assets and (c) any other Slots, Gate Leaseholds and Routes.

"Slot" shall mean, at any date of determination, the right and operational authority to conduct one landing or take-off operation at a specific time or during a specific time period at an airport and including, without limitation, slots, arrival authorizations and operating authorizations, whether pursuant to FAA or DOT regulations or orders pursuant to Title 14, Title 49 or other federal statutes or regulations now or hereinafter in effect, but excluding in all cases any slot that was obtained by a Person from another air carrier pursuant to an agreement and is held by such Person on a temporary basis.

"SOFR" shall mean a rate equal to the secured overnight financing rate as administered by the SOFR Administrator.

"SOFR Administrator" shall mean the NYFRB (or a successor administrator of the secured overnight financing rate).

"SOFR Administrator's Website" shall mean the website of the Federal Reserve Bank of New York, currently at http://www.newyorkfed.org, or any successor source for the secured overnight financing rate identified as such by the SOFR Administrator from time to time.

"SOFR Determination Date" shall have the meaning specified in the definition of "Daily Simple SOFR."

"SOFR Loan" shall have the meaning given to such term in Section 2.25.

"SOFR Rate Day" shall have the meaning specified in the definition of "Daily Simple SOFR."

"Spare Engine Loan Agreement" shall mean that certain Amended and Restated Loan Agreement, dated as of June 29, 2018, by and among Parent, acting through its Florida Branch, as borrower, Crédit Agricole Corporate and Investment Bank, as lender, arranger, agent, and security agent, and the other lenders party thereto, as modified, replaced or refinanced from time to time.

"Spare Parts" shall mean all accessories, appurtenances or Parts of an Aircraft (except an Engine), Parts of an Engine, or Parts of an Appliance, in each case that are to be installed at a later time in an Aircraft, Engine or Appliance.

"Specified Jurisdiction" shall mean the United States, any state of the United States, the District of Columbia, Luxembourg, the Netherlands or any other jurisdiction mutually agreed by Parent and the Administrative Agent.

"Stated Maturity" shall mean, with respect to any installment of interest or principal on any series of Indebtedness, the date on which the payment of interest or principal was scheduled to be paid in the documentation governing such Indebtedness as of the Closing Date, and will not include any contingent obligations to repay, redeem or repurchase any such interest or principal prior to the date originally scheduled for the payment thereof.

"Statement of Changes in Equity" shall have the meaning given to such term in Section 5.01(a).

"Statement of Comprehensive Income" shall have the meaning given to such term in Section 5.01(a).

"Statement of Financial Position" shall have the meaning given to such term in Section 5.01(a).

"Subject Company" shall have the meaning set forth in Section 6.09(a).

"Subsidiary" shall mean, in respect of any specified Person, any corporation, association, partnership or other business entity of which more than 50% of the total Voting Power of shares of Capital Stock or other interests (including partnership interests) entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by such Person.

"Superpriority Claim" shall mean a claim against an Obligor in any of the Chapter 11 Cases which is an administrative expense claim having priority and right to payment over all other administrative expenses and unsecured claims against such Obligor of any kind or nature, whether now existing or hereafter arising, including all administrative expenses of the kind specified in or arising or ordered under sections 105, 326, 328, 330, 331, 503(b), 506(c), 507(a), 507(b), 546(c), 726, 1113 and 1114 of the Bankruptcy Code.

"Tax Indemnitee" shall have the meaning set forth in the definition of "Excluded Taxes."

"Tax Return" shall mean any return, report, form, claim for refund, information return, declaration, statement, schedule or other similar document (including but not limited to any related or supporting information, schedule or attachment thereto and estimated or amended returns, reports, forms, information returns, declarations, statements or schedules) relating to Taxes.

"Taxes" shall mean any and all present or future taxes, levies, imposts, duties, assessments, fees, deductions, charges or withholdings imposed by any Governmental Authority including any interest, additions to tax or penalties applicable thereto.

"Term Benchmark" shall mean, when used in reference to any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, are bearing interest at a rate determined by reference to the Adjusted Term SOFR Rate.

"Term Benchmark Tranche" shall mean the collective reference to Term Benchmark Loans under the Term Loan Facility the then current Interest Periods with respect to all of which begin on the same date and end on the same later date (whether or not such Loans shall originally have been made on the same day).

"Term Lender" shall mean each Lender having a Term Loan Commitment or, as the case may be, an outstanding Term Loan.

"Term Loan" shall mean the Initial Term Loans and any other Class of Term Loan hereunder.

"Term Loan Commitment" shall mean the commitment of each Term Lender to make Term Loans hereunder and, in the case of the Initial Term Loans, in an aggregate principal amount equal to the amount set forth under the heading "Term Loan Commitment" opposite its name in Annex A hereto or in the Assignment and Acceptance pursuant to which such Term Lender became a party hereto, as the same may be changed from time to time pursuant to the terms hereof. The aggregate amount of the Term Loan Commitments as of the Closing Date is $750.0 million. The Term Loan Commitments as of the Closing Date are for Initial Term Loans.

"Term Loan Extension" shall have the meaning given to such term in Section 2.23(a).

"Term Loan Extension Offer" shall have the meaning given to such term in Section 2.23(a).

"Term Loan Extension Offer Date" shall have the meaning given to such term in Section 2.23(a)(i).

"Term Loan Facility" shall mean the credit facility established under this Agreement in favor of the Borrowers in accordance with the terms set forth herein or in the other Loan Documents and pursuant to which the Commitments are established.

"Term SOFR Administrator" shall mean the CME Group Benchmark Administration Limited (CBA) as administrator of the forward-looking term Secured Overnight Financing Rate (SOFR) (or a successor administrator).

"Term SOFR Determination Day" shall have the meaning assigned to it under the definition of Term SOFR Reference Rate.

"Term SOFR Rate" shall mean, with respect to any Term Benchmark Borrowing and for any tenor comparable to the applicable Interest Period, the Term SOFR Reference Rate at approximately 5:00 a.m., Chicago time, two U.S. Government Securities Business Days prior to the commencement of such Interest Period, as such rate is published by the Term SOFR Administrator.

"Term SOFR Reference Rate" shall mean for any day and time (such day, the "Term SOFR Determination Day"), with respect to any Term Benchmark Borrowing denominated in Dollars and for any tenor comparable to the applicable Interest Period, the rate per annum published by the Term SOFR Administrator and identified by the Administrative Agent as the forward-looking term rate based on SOFR. If by 5:00 pm (New York City time) on such Term SOFR Determination Day, the "Term SOFR Reference Rate" for the applicable tenor has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Rate has not occurred, then, so long as such day is otherwise a U.S. Government Securities Business Day, the Term SOFR Reference Rate for such Term SOFR Determination Day will be the Term SOFR Reference Rate as published in respect of the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate was published by the Term SOFR Administrator, so long as such first preceding U.S. Government Securities Business Day is not more than five (5) U.S. Government Securities Business Days prior to such Term SOFR Determination Day.

"Title 49" shall mean Title 49 of the United States Code, which, among other things, recodified and replaced the U.S. Federal Aviation Act of 1958, and the rules and regulations promulgated pursuant thereto, and any subsequent legislation that amends, supplements or supersedes such provisions.

"Total Asset Coverage Ratio" shall mean, as of any date, the ratio of (a) the Appraised Value of the Coverage Assets as of such date to (b) the sum of (i) the aggregate principal amount of all Priority Lien Debt as of such date (including, without duplication of any outstanding principal amounts, the amount of any unfunded commitments under all revolving credit facilities (including the Revolving Credit Agreement) of Parent and its Restricted Subsidiaries as of such date) *plus* (ii) the aggregate principal amount of all Junior Lien Indebtedness (including, without duplication of any outstanding principal amounts, the amount of any unfunded commitments under a revolving credit facility as of such date) plus (iii) without duplication, the aggregate principal amount of all Permitted Refinancing Indebtedness in respect of Priority Lien Debt or Junior Lien Indebtedness as of such date (including, in each case, without duplication of any outstanding principal amounts, the amount of any unfunded commitments under a revolving credit facility constituting such Permitted Refinancing Indebtedness as of such date) *plus* (iv) the aggregate outstanding amount of Pre-Sold Currency.

"Total Funded Debt" shall mean, as of any date, the outstanding principal amount of all funded third-party Indebtedness for borrowed money of Parent and its Restricted Subsidiaries determined on a consolidated basis (excluding, for the avoidance of doubt, any Aircraft or Engine leases or other lease obligations), as reflected on a balance sheet of Parent and its Restricted Subsidiaries prepared in accordance with IFRS.

"Transactions" shall mean (a) the execution, delivery and performance by the Loan Parties of this Agreement and the other Loan Documents to which they may be a party, (b) the creation of the Liens on the Collateral in favor of the Collateral Trustee or the Local Collateral Agents, as applicable, for the benefit of the Secured Parties, (c) the incurrence of the commitments and the borrowing of the Loans (as defined in the Revolving Credit Agreement) under the Revolving Credit Agreement and the borrowing of the 2027 Bridge Loans, the 2029 Bridge Loans and the term loans under the Junior DIP Facility, (d) the use of the proceeds of the Indebtedness referred to in clause (c), including the satisfaction in full of the obligations under the Existing DIP Facility and (e) the borrowing of the Loans hereunder and the use of proceeds thereof.

"Treasury Rate" shall mean, as of the date of any repayment, prepayment, redemption or acceleration of Term Loans or the Term Loans becoming due and payable, the yield to maturity as of such date of U.S. Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available at least one Business Day prior to such day of repayment, prepayment, redemption or acceleration or such date such Term Loan became due and payable (or, if such Statistical Release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from such date of repayment, prepayment, redemption or acceleration to the first anniversary of the Closing Date (in the case of the Closing Date Make Whole Premium) or the second anniversary of the Closing Date (in the case of the Emergence Make Whole Premium); provided that if such period is less than one year, the weekly average yield on actually traded U.S. Treasury securities adjusted to a constant maturity of one year will be used.

"Type," when used in reference to any Term Loan or Borrowing, refers to whether the rate of interest on such Term Loan or on the Term Loans comprising such Borrowing, as determined by reference to the Adjusted Term SOFR Rate, the Alternate Base Rate or the Adjusted Daily Simple SOFR.

"U.S. Benefit Plan" shall mean any "employee benefit plan" (as defined in Section 3(3) of ERISA) that is subject to Title I or Title IV of ERISA or Section 412 of the Code or Section 302 of ERISA.

"U.S. Government Securities Business Day" shall mean any day except for (i) a Saturday, (ii) a Sunday or (iii) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities.

"U.S. Real Estate Mortgage" shall mean an agreement, including, but not limited to, a mortgage, deed of trust, leasehold mortgage, leasehold deed of trust or any other document, as amended, restated, modified, supplemented, extended or amended and restated from time to time, creating and evidencing a Lien in favor of the Collateral Trustee on that certain real property leased by Loan Party and set forth on Schedule 1.1(c) to the Collateral Trust Agreement.

"UCC" shall mean the Uniform Commercial Code or any successor provision thereof as the same may from time to time be in effect in the State of New York or the Uniform Commercial Code or any successor provision thereof (or similar code or statute) of another jurisdiction, to the extent it may be required to apply to the perfection or priority of any Lien on any item or items of Collateral.

"UK Financial Institution" shall mean any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended from time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any person falling within IFPRU 11.6 of the FCA Handbook (as amended from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

"UK Resolution Authority" shall mean the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

"Unadjusted Benchmark Replacement" shall mean the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.

"Uninsured Liabilities" shall mean any losses, damages, costs, expenses and/or, liabilities (including any losses, damages, costs, expenses or liabilities resulting from property damage or casualty, general liability, workers' compensation claims and business interruption) incurred by any Borrower or any Guarantor which are not covered by insurance, but with respect to which insurance coverage is commercially available to Persons engaged in the same or similar business as the Borrowers and the Guarantors.

"Unrestricted Cash Amount" means, (a) on any date of determination, as determined in accordance with IFRS (where applicable), the aggregate amount of unrestricted cash and Cash Equivalents owned by the Parent or any Restricted Subsidiary as shown on a balance sheet prepared in accordance with IFRS and (b) cash and Cash Equivalents owned by the Parent or any Restricted Subsidiary restricted in favor of any Secured Party to secure the Obligations (it being understood such cash and Cash Equivalents may also secure other Secured Obligations (as defined in the Pledge and Security Agreement)).

"Unrestricted Subsidiary" shall mean any Subsidiary of Parent that is designated by the Board of Directors of Parent as an Unrestricted Subsidiary if that designation would not cause a Default or Event of Default and no Default or Event of Default exists at the time of such designation; provided that if a Restricted Subsidiary is designated as an Unrestricted Subsidiary, the aggregate Fair Market Value of all outstanding Investments owned by Parent and its Restricted Subsidiaries in the Subsidiary designated as an Unrestricted Subsidiary will be deemed to be an Investment made as of the time of the designation, which Investment is permitted at that time under Section 6.01. Any designation of an Unrestricted Subsidiary shall be made pursuant to a resolution of the Board of Directors, but only if such Subsidiary:

(1) has no Indebtedness other than Non-Recourse Debt;

(2) other than as permitted by Section 6.04 hereof, is not party to any agreement, contract, arrangement or understanding with Parent or any Restricted Subsidiary of Parent unless the terms of any such agreement, contract, arrangement or understanding are no less favorable to Parent or such Restricted Subsidiary than those that might be obtained at the time from Persons who are not Affiliates of Parent;

(3) is a Person with respect to which neither Parent nor any of its Restricted Subsidiaries has any direct or indirect obligation (A) to subscribe for additional Equity Interests or (B) to maintain or preserve such Person's financial condition or to cause such Person to achieve any specified levels of operating results;

(4) has not guaranteed or otherwise directly or indirectly provided credit support for any Indebtedness of Parent or any of its Restricted Subsidiaries;

(5) has substantially simultaneously with any such designation, been similarly designated under the documents governing any outstanding Priority Lien Debt, the Junior DIP Facility (if outstanding) and any outstanding Junior Lien Indebtedness;

(6) after giving effect to such designation, the Asset Coverage Ratio shall be greater than or equal to [*];

(7) does not own any assets or properties that constitute Collateral; and

(8) does not own assets or properties, taken together with the assets and properties owned by existing Unrestricted Subsidiaries (and Restricted Subsidiaries that substantially simultaneously with such designation shall also be designated as Unrestricted Subsidiaries), in excess [*]

The Board of Directors of Parent may at any time designate any Unrestricted Subsidiary to be a Restricted Subsidiary; provided that (x) no Default or Event of Default would be in existence following such designation, (y) after giving effect to such designation, the Asset Coverage Ratio shall be greater than or equal to [*] and (z) all Liens of such Unrestricted Subsidiary outstanding immediately following such designation would, if incurred at such time, have been permitted to be incurred for all purposes of this Agreement.

"Updated DIP Budget" shall have the meaning set forth in the definition of "DIP Budget."

"Use" shall mean, with respect to any Hazardous Materials, generation, manufacture, processing, distribution, handling, possession, use, discharge, placement, treatment, disposal, transportation, disposition, removal, abatement, recycling or storage.

"Use or Lose Rule" shall mean with respect to Slots, any applicable utilization requirements issued by the FAA, other Governmental Authorities, any Non-U.S. Aviation Authorities or any Airport Authorities.

"Voting Power" in respect of any Person shall mean the power to vote, or direct the vote of, the Voting Stock of such Person (rather than simply the number of shares of Voting Stock held in respect of such Person).

"Voting Stock" of any specified Person as of any date shall mean the Capital Stock of such Person that is at the time entitled to vote in the election of the Board of Directors of such Person.

"Weighted Average Life to Maturity" shall mean, when applied to any Indebtedness at any date, the number of years obtained by dividing:

(1) the sum of the products obtained by multiplying (A) the amount of each then remaining installment, sinking fund, serial maturity or other required payments of principal, including payment at final maturity, in respect of the Indebtedness, by (B) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment; by

(2) the then outstanding principal amount of such Indebtedness.

"Withholding Agent" shall mean each Borrower, each Guarantor and the Administrative Agent.

"Write-Down and Conversion Powers" shall mean (a) with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule, and (b) with respect to the United Kingdom, any powers of the applicable Resolution Authority under the Bail-In Legislation to cancel, reduce, modify or change the form of a liability of any UK Financial Institution or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers.

Section 1.02. Terms Generally; Classifications of Loans and Borrowings.

(a) The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words "include," "includes" and "including" shall be deemed to be followed by the phrase "without limitation." The word "will" shall be construed to have the same meaning and effect as the word "shall." Unless the context requires otherwise (i) any definition of or reference to any agreement, instrument or other document herein, this Agreement or any other Loan Document shall be construed as referring to such agreement, instrument or other document as from time to time amended, restated, supplemented, extended, amended and restated or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein or in such other Loan Document), (ii) any reference herein to any Person shall be construed to include such Person's permitted successors and assigns, (iii) the words "herein," "hereof" and "hereunder," and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (iv) all references herein to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, this Agreement, unless expressly provided otherwise, (v) the words "asset" and "property" shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights, (vi) "knowledge" or "aware" or words of similar import shall mean, when used in reference to the Borrowers or the Guarantors, the actual knowledge of any Officer and (vii) any reference to any law, rule or regulation herein shall, unless otherwise specified, refer to such law, rule or regulation as amended, modified or supplemented from time to time.

(b) For purposes of this Agreement, Loans may be classified and referred to by Class (e.g., a "Term Loan") or by Type (e.g., a "Term Benchmark Loan" or an "RFR Loan") or by Class and Type (e.g., a "Term Benchmark Term Loan" or an "RFR Term Loan"). Borrowings also may be classified and referred to by Class (e.g., a "Term Borrowing") or by Type (e.g., a "Term Benchmark Borrowing" or an "RFR Borrowing") or by Class and Type (e.g., a "Term Benchmark Term Borrowing" or an "RFR Term Borrowing").

Section 1.03. Accounting Terms; IFRS. Except as otherwise expressly provided herein, all terms of an accounting or financial nature shall be construed in accordance with IFRS, as in effect from time to time; provided that, if Parent notifies the Administrative Agent that the Borrowers request an amendment to any provision hereof to eliminate the effect of any change occurring after the Closing Date in IFRS or in the application thereof on the operation of such provision (or if the Administrative Agent notifies Parent that the Required Lenders request an amendment to any provision hereof for such purpose), regardless of whether any such notice is given before or after such change in IFRS or in the application thereof, then such provision shall be interpreted on the basis of IFRS as in effect and applied immediately before such change shall have become effective until such notice shall have been withdrawn or such provision amended in accordance herewith. Upon any such request for an amendment, the Borrowers, the Required Lenders and the Administrative Agent agree to consider in good faith any such amendment in order to amend the provisions of this Agreement so as to reflect equitably such accounting changes so that the criteria for evaluating Parent's consolidated financial condition shall be the same after such accounting changes as if such accounting changes had not occurred; provided that with respect to the treatment of Capital Lease Obligations or other leases, IFRS shall be applied without regard to any changes to IFRS resulting from the adoption of IFRS 16 (Leases).

Section 1.04. Divisions. For all purposes under the Loan Documents, in connection with any division or plan of division under Delaware law (or any comparable event under a different jurisdiction's laws): (a) if any asset, right, obligation or liability of any Person becomes the asset, right, obligation or liability of a different Person, then it shall be deemed to have been transferred from the original Person to the subsequent Person, and (b) if any new Person comes into existence, such new Person shall be deemed to have been organized and acquired on the first date of its existence by the holders of its Equity Interests at such time.

Section 1.05. Interest Rates; Benchmark Notification. The interest rate on a Loan denominated in dollars may be derived from an interest rate benchmark that may be discontinued or is, or may in the future become, the subject of regulatory reform. Upon the occurrence of a Benchmark Transition Event, Section 2.17 provides a mechanism for determining an alternative rate of interest. The Administrative Agent does not warrant or accept any responsibility for, and shall not have any liability with respect to, the administration, submission, performance or any other matter related to any interest rate used in this Agreement, or with respect to any alternative or successor rate thereto, or replacement rate thereof, including without limitation, whether the composition or characteristics of any such alternative, successor or replacement reference rate will be similar to, or produce the same value or economic equivalence of, the existing interest rate being replaced or have the same volume or liquidity as did any existing interest rate prior to its discontinuance or unavailability. The Administrative Agent and its affiliates and/or other related entities may engage in transactions that affect the calculation of any interest rate used in this Agreement or any alternative, successor or alternative rate (including any Benchmark Replacement) and/or any relevant adjustments thereto, in each case, in a manner adverse to the Borrowers. The Administrative Agent may select information sources or services in its reasonable discretion to ascertain any interest rate used in this Agreement, any component thereof, or rates referenced in the definition thereof, in each case pursuant to the terms of this Agreement, and shall have no liability to the Borrowers, any Lender or any other person or entity for damages of any kind, including direct or indirect, special, punitive, incidental or consequential damages, costs, losses or expenses (whether in tort, contract or otherwise and whether at law or in equity), for any error or calculation of any such rate (or component thereof) provided by any such information source or service.

Section 1.06. Calculations and Tests.

(a) For purposes of any determination under Article VI or any other provision of this Agreement subject to any Dollar limitation, threshold or basket, all amounts incurred, outstanding or proposed to be incurred or outstanding in currencies other than Dollars shall be translated into Dollars at the Exchange Rate (rounded to the nearest currency unit, with 0.5 or more of a currency unit being rounded upward) at the applicable time determined in accordance with this Section 1.06; provided, however, that for purposes of determining compliance with Article VI with respect to any amount in a currency other than Dollars, no Default or Event of Default shall be deemed to have occurred solely as a result of changes in rates of exchange occurring after the time such Indebtedness or Lien is incurred or Investment or other Restricted Payment or Disposition is made, or transaction with an Affiliate is entered into. For purposes of any determination of the Asset Coverage Ratio, the Total Asset Coverage Ratio or Consolidated Liquidity, amounts in currencies other than Dollars shall be translated into Dollars at the currency exchange rates used in preparing the most recently delivered financial statements pursuant to Section 5.01(a) or Section 5.01(b) (adjusted to reflect the currency translation effects, determined in accordance with IFRS, of any Hedging Agreements for currency exchange risks with respect to the applicable currency in effect on the date of determination of the Dollar Equivalent).

(b) It is understood and agreed that any Indebtedness, Lien, Investment or other Restricted Payment, Disposition and/or Affiliate transaction need not be permitted solely by reference to one category of permitted Indebtedness, Lien, Investment or other Restricted Payment, Disposition and/or Affiliate transaction within the same covenant, but may instead be permitted in part under any combination thereof or under any other available exception within the same covenant.

ARTICLE 2.

AMOUNT AND TERMS OF CREDIT

Section 2.01. Commitments of the Lenders; Term Loans.

(a) Closing Date; Term Loan Commitments. Each Term Lender severally, and not jointly with the other Term Lenders, agrees, upon the terms and subject to the conditions herein set forth, to make a term loan denominated in Dollars (each, an "Initial Term Loan" and collectively the "Initial Term Loans") to the Borrowers on the Closing Date in an aggregate principal amount equal to the Term Loan Commitment of such Term Lender on the Closing Date, which Initial Term Loans shall constitute Term Loans for all purposes of this Agreement and shall be repaid in accordance with the provisions of this Agreement. Any amount borrowed under this Section 2.01(a) and subsequently repaid or prepaid may not be reborrowed. Each Term Lender's Term Loan Commitment shall terminate automatically and without further action on the Closing Date after giving effect to the funding by such Term Lender of the Initial Term Loans to be made by it on such date and permanently be reduced to $0 upon the funding of the Commitment on the Closing Date.

(b) Type of Borrowing. Subject to Section 2.17, each Borrowing shall be comprised entirely of ABR Loans or Term Benchmark Loans (or, in accordance with Section 2.17, RFR Loans) as the Borrowers may request in accordance with Section 2.02.

(c) Amount of Borrowing. At the commencement of each Interest Period for any Term Benchmark Borrowing, such Borrowing shall be in an aggregate amount that is in an integral multiple of $1.0 million and not less than $1.0 million. At the time that each ABR Borrowing is made, such Borrowing shall be in an aggregate amount that is an integral multiple of $100,000 and not less than $1.0 million. Borrowings of more than one Type may be outstanding at the same time.

(d) Limitation on Interest Period. Notwithstanding any other provision of this Agreement, the Borrowers shall not be entitled to request, or to elect to convert or continue, any Borrowing of a Term Loan if the Interest Period requested with respect thereto would end after the applicable Maturity Date.

(e) Pro Rata Share. All Initial Term Loans made by Term Lenders on the Closing Date are made ratably according to their respective Aggregate Exposure Percentages, it being understood that no Lender shall be responsible for any default by any other Lender in such other Lender's obligation to make a Loan requested hereunder, nor shall any Commitment of any Lender be increased or decreased as a result of a default by any other Lender in such other Lender's obligation to make a Loan requested hereunder.

Section 2.02. Requests for Loans. Unless otherwise agreed to by the Administrative Agent, to request the Initial Term Loans on the Closing Date, the Borrowers shall notify the Administrative Agent of such request by delivering a Loan Request (a) in the case of a Term Benchmark Borrowing, not later than 11:00 a.m., New York City time, three (3) U.S. Government Securities Business Days before the date of the proposed Borrowing or (b) in the case of an ABR Borrowing, not later than 11:00 a.m., New York City time, one (1) Business Day before the date of the proposed Borrowing. Each such Loan Request shall be irrevocable and shall be signed by the Financial Officer of each Borrower. Each such Loan Request shall specify the following information in compliance with Section 2.01:

(i) the aggregate amount of the requested Loan (which shall comply with Section 2.01(c));

(ii) the date of such Loan, which shall be a Business Day;

(iii) whether such Loan is to be an ABR Loan or a Term Benchmark Loan; and

(iv) in the case of a Term Benchmark Loan, the initial Interest Period to be applicable thereto, which shall be a period contemplated by the definition of the term "Interest Period".

If no election as to the Type of Loan is specified, then the requested Loan shall be an ABR Loan. If no Interest Period is specified with respect to any requested Term Benchmark Loan, then the Borrowers shall be deemed to have selected an Interest Period of one month's duration. Promptly following receipt of the Loan Request in accordance with this Section 2.02, the Administrative Agent shall advise each Term Lender of the details thereof and of the amount of such Term Lender's Term Loan to be made as part of the requested Loan.

Section 2.03. Funding of Loans.

(a) Each Lender shall make each Term Loan required to be made by it hereunder on the Closing Date by wire transfer of immediately available funds by 12:00 p.m., New York City time, or such other time as may be reasonably practicable, to the account of the Administrative Agent most recently designated by it for such purpose by notice to the Lenders. Upon satisfaction or waiver of the applicable conditions precedent specified herein, the Administrative Agent will make the Term Loans available to the Borrowers by promptly crediting the proceeds so received, in like funds, to an account designated by the Borrowers in the applicable borrowing notice.

(b) Unless the Administrative Agent shall have received notice from a Lender prior to the time set forth in Section 2.03(a) that such Lender will not make available to the Administrative Agent such Lender's share of such Loan, the Administrative Agent may assume that such Lender has made such share available on such date in accordance with Section 2.03(a) and may, in reliance upon such assumption, make available to the Borrowers a corresponding amount. In such event, if a Lender has not in fact made its share of the applicable Loan available to the Administrative Agent, then the applicable Lender and the Borrowers severally agree to pay to the Administrative Agent forthwith upon written demand such corresponding amount with interest thereon, for each day from and including the date such amount is made available to the Borrowers to but excluding the date of payment to the Administrative Agent, at (i) in the case of such Lender, the greater of the NYFRB Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation or (ii) in the case of the Borrowers, the interest rate otherwise applicable to such Loan. If such Lender pays such amount to the Administrative Agent, then (x) such amount shall constitute such Lender's Loan included in such Loan and the Borrowers shall not be obligated to repay such amount pursuant to the preceding sentence if not previously repaid and (y) if such amount was previously repaid by the Borrowers, the Administrative Agent shall promptly make a corresponding amount available to the Borrowers.

Section 2.04. Interest Elections.

(a) The Borrowers may elect from time to time to (i) convert ABR Loans to Term Benchmark Loans, (ii) convert Term Benchmark Loans to ABR Loans; provided that any such conversion of Term Benchmark Loans may be made only on the last day of an Interest Period with respect thereto or (iii) continue any Term Benchmark Loan as such upon the expiration of the then current Interest Period with respect thereto.

(b) To make an Interest Election Request pursuant to this Section 2.04, the Borrowers shall notify the Administrative Agent of such election by hand, facsimile or electronic mail delivery of a written Interest Election Request by the time that the Loan Request would be required under Section 2.02 if the Borrowers were requesting a Loan of the Type resulting from such election to be made on the effective date of such election; provided that the initial Interest Election Request may be incorporated into the Loan Request on the Closing Date. Each such Interest Election Request shall be irrevocable.

(c) Each telephonic and written Interest Election Request shall specify the following information in compliance with Section 2.01:

(i) the Borrowing to which such Interest Election Request applies and, if different options are being elected with respect to different portions thereof, the portions thereof to be allocated to each resulting Borrowing (in which case the information to be specified pursuant to clauses (iii) and (iv) below shall be specified for each resulting Borrowing);

(ii) the effective date of the election made pursuant to such Interest Election Request, which shall be a Business Day;

(iii) whether the resulting Borrowing is to be an ABR Borrowing or a Term Benchmark Borrowing; and

(iv) if the resulting Borrowing is a Term Benchmark Borrowing, the Interest Period to be applicable thereto after giving effect to such election, which shall be a period contemplated by the definition of the term "Interest Period".

If any such Interest Election Request requests a Term Benchmark Borrowing but does not specify an Interest Period, then the Borrowers shall be deemed to have selected an Interest Period of one month's duration.

(d) Promptly following receipt of an Interest Election Request, the Administrative Agent shall advise each Lender of the details thereof and of such Lender's portion of each resulting Borrowing.

(e) If the Borrowers fail to deliver a timely Interest Election Request with respect to a Term Benchmark Borrowing prior to the end of the Interest Period applicable thereto, then, unless such Borrowing is repaid as provided herein, at the end of such Interest Period such Borrowing shall be converted to a Term Benchmark Borrowing with a one-month Interest Period. Notwithstanding any contrary provision hereof, if an Event of Default has occurred and is continuing, and upon the request of the Required Lenders, (i) no outstanding Borrowing may be converted to or continued as a Term Benchmark Borrowing and (ii) unless repaid, each Term Benchmark Borrowing (and, if applicable, each RFR Borrowing) shall be converted to an ABR Borrowing at the end of the Interest Period applicable thereto.

Section 2.05. Limitation on Term Benchmark Tranches. Notwithstanding anything to the contrary in this Agreement, all borrowings, conversions and continuations of Term Benchmark Loans and all selections of Interest Periods shall be in such amounts and be made pursuant to such elections so that, (a) after giving effect thereto, the aggregate principal amount of the Term Benchmark Loans comprising each Term Benchmark Tranche shall be equal to $1.0 million or a whole multiple of $1.0 million in excess thereof and (b) no more than ten (10) Term Benchmark Tranches shall be outstanding at any one time.

Section 2.06. Interest on Loans.

(a) Subject to the provisions of Section 2.07, each ABR Loan shall bear interest (computed on the basis of the actual number of days elapsed over a year of 365 days or 366 days in a leap year) at a rate *per annum* equal to the Alternate Base Rate *plus* the Applicable Margin.

(b) Subject to the provisions of Section 2.07, each Term Benchmark Loan shall bear interest (computed on the basis of the actual number of days elapsed over a year of 360 days) at a rate *per annum* equal, during each Interest Period applicable thereto, to the Adjusted Term SOFR Rate for such Interest Period in effect for such Borrowing *plus* the Applicable Margin.

(c) Subject to the provisions of Section 2.07, each RFR Loan shall bear interest (computed on the basis of the actual number of days elapsed over a year of 360 days) at a rate *per annum* to the Adjusted Daily Simple SOFR *plus* the Applicable Margin.

(d) Accrued interest on all Loans shall be payable in arrears on each Interest Payment Date applicable thereto, on the Maturity Date with respect to such Loans and thereafter on written demand and upon any repayment or prepayment thereof (on the amount repaid or prepaid); provided that in the event of any conversion of any Term Benchmark Loan to an ABR Loan or an RFR Loan, accrued interest on such Loan shall be payable on the effective date of such conversion.

Section 2.07. Default Interest. If any Borrower or any Guarantor, as the case may be, shall default in the payment of the principal of or interest on any Loan or in the payment of any other amount becoming due hereunder, whether at stated maturity, by acceleration or otherwise, the Borrowers shall pay interest, to the extent permitted by law, on all unpaid and overdue amounts up to (but not including) the date of actual payment (after as well as before judgment) at a rate per annum (computed on the basis of the actual number of days elapsed over a year of 360 days or, when the Alternate Base Rate is applicable, a year of 365 days or 366 days in a leap year) equal to (a) with respect to the principal amount of any Loan, the rate then applicable for such Borrowings *plus* 2.0%, and (b) in the case of all other amounts, the rate applicable for ABR Loans *plus* 2.0%.

Section 2.08. Amortization of Term Loans; Repayment of Loans; Evidence of Debt.

(a) (i) The principal amounts of the Initial Term Loans shall be repaid, for the ratable account of each Term Lender holding Initial Term Loans, in consecutive quarterly installments (each, an "Installment") of 0.25% of the original aggregate principal amount thereof, on the last Business Day of each March, June, September and December, commencing with the first full fiscal quarter ended after the Conversion Date (or, if the Emergence Condition has not been satisfied, March 31, 2023); provided that such Installments shall be reduced in connection with any voluntary or mandatory prepayments of the Initial Term Loans in accordance with Section 2.09 and Section 2.10, as applicable and (ii) on the Maturity Date, the Borrowers hereby unconditionally promise to pay to the Administrative Agent for the ratable account of each Lender holding Initial Term Loans the then unpaid principal amount of each Initial Term Loan then outstanding, in accordance with the terms herein.

(b) Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of the Borrowers to such Lender resulting from each Loan made by such Lender, including the amounts of principal and interest payable and paid to such Lender from time to time hereunder.

(c) The Administrative Agent shall maintain accounts in which it shall record (i) the amount of each Loan made hereunder, the Type thereof and the Interest Period applicable thereto, (ii) the amount of any principal or interest due and payable or to become due and payable from the Borrowers to each Lender hereunder and (iii) the amount of any sum received by the Administrative Agent hereunder for the account of the Lenders and each Lender's share thereof. Each Borrower shall have the right, upon reasonable notice, to request information regarding the accounts referred to in the preceding sentence.

(d) The entries made in the accounts maintained pursuant to Section 2.08(b) or (c) shall be prima facie evidence of the existence and amounts of the obligations recorded therein; provided that the failure of any Lender or the Administrative Agent to maintain such accounts or any error therein shall not in any manner affect the obligation of the Borrowers to repay the Loans in accordance with the terms of this Agreement.

(e) Any Lender may request that Loans made by it be evidenced by a promissory note, substantially in the form attached hereto as Exhibit D (a "Promissory Note"). In such event, the Borrowers shall as promptly as reasonably possible execute and deliver to such Lender a Promissory Note payable to such Lender (or its permitted assigns). Thereafter, the Loans evidenced by such Promissory Note and interest thereon shall at all times (including after assignment pursuant to Section 10.02) be represented by one or more promissory notes in such form payable to such payee and its registered assigns.

Section 2.09. Mandatory Prepayment of Loans.

(a) Prior to the Conversion Date, within (5) Business Days of receipt by any Loan Party of any Net Proceeds from the incurrence of any Indebtedness of such Loan Party not permitted to be incurred pursuant to Section 6.02, the Borrowers shall deposit 100% of such Net Proceeds into the Disbursement Account or another Controlled Account to be applied (to the extent not otherwise applied pursuant to the immediately succeeding proviso) to repay the Term Loans; provided that, subject to Section 2.09(d), the Borrowers may use a portion of the Net Proceeds to prepay or repurchase any other Indebtedness permitted hereunder and the documentation governing such other Indebtedness requires such a prepayment or repurchase thereof with such Net Proceeds, in each case in an amount not to exceed the product of (1) such Net Proceeds and (2) a fraction, the numerator of which is the outstanding principal amount of such other Indebtedness and the denominator of which is the aggregate outstanding amount of Term Loans and such other Indebtedness.

(b) Within five (5) Business Days after the receipt of any Net Proceeds from (1) a Disposition of Significant Assets (other than a Disposition constituting (x) to the extent the Net Proceeds are received prior to the Conversion Date, a Permitted DIP Disposition and (y) to the extent the Net Proceeds are received on and after the Conversion Date, a Permitted Disposition), (2) on and after the Conversion Date, a Disposition of Collateral referred to in clause (i) of the definition of "Permitted Disposition" (other than a Disposition of a minority stake in the equity of [*]) or (3) a Recovery Event in respect of Significant Assets, in each case, Parent shall apply the Prepayment Percentage of such Net Proceeds:

(i) to invest in or replace, purchase or acquire Significant Assets (or, in the case of Net Proceeds from a Disposition of Collateral or Recovery Event in respect of Collateral, new or additional Collateral), other than an investment in, purchase or acquisition of Significant Assets by a Non-Guarantor Acquired Airline, within 365 days after the sale or other Disposition, or Recovery Event, that generated the Net Proceeds; provided that, Parent will be deemed to have complied with this clause (i) if and to the extent that, within 365 days after the sale or other Disposition, or Recovery Event, that generated the Net Proceeds, Parent or any of its Restricted Subsidiaries has entered into and not abandoned or rejected a binding agreement to acquire, purchase or invest in the assets that would constitute Significant Assets (or Collateral, as applicable) in compliance with this clause (i), and that acquisition, purchase or investment is thereafter completed within 180 days after the end of such 365-day period); or

(ii) to repay the Term Loans (provided that, subject to Section 2.09(d), the Borrowers may elect to use a portion of the Net Proceeds to prepay or repurchase any other Indebtedness that is *pari passu* in right of payment and security with the Term Loans (and to permanently reduce commitments with respect thereto) to the extent such other Indebtedness and the Liens securing the same are permitted hereunder and the documentation governing such other Indebtedness requires such a prepayment or repurchase thereof with such Net Proceeds, in each case in an amount not to exceed the product of (1) such Net Proceeds and (2) a fraction, the numerator of which is the outstanding principal amount of such other Indebtedness and the denominator of which is the aggregate outstanding amount of Term Loans and such other Indebtedness).

Notwithstanding any other provisions of this Section 2.09(b), (A) to the extent any or all of the Net Proceeds of any Disposition by a Restricted Subsidiary or the Net Proceeds of a Recovery Event received by a Restricted Subsidiary are prohibited or delayed by (x) any contractual restriction permitted by this Agreement or (y) any applicable local law (including financial assistance, corporate benefit restrictions on upstreaming of cash intra group and the fiduciary and statutory duties of the directors of such Restricted Subsidiary) from being repatriated or passed on to or used for the benefit of the Borrowers or if Parent has determined in good faith that repatriation of any such amount to the Borrowers would have material adverse tax consequences (including a material acceleration of the point in time when such earnings would otherwise be taxed) with respect to such amount, the portion of such Net Proceeds so affected will not be required to be applied to prepay the Term Loans at the times provided in this Section 2.09(b) but may be retained by the applicable Restricted Subsidiary so long, but only so long, as the applicable contractual restriction or local law will not permit repatriation or the passing on to or otherwise using for the benefit of the Borrowers, or Parent believes in good faith that such material adverse tax consequence would result, and once such repatriation of any of such affected Net Proceeds is permitted under the applicable contractual agreement or local law or Parent determines in good faith such repatriation would no longer have such material adverse tax consequences, such repatriation will be promptly effected and such repatriated Net Proceeds will be promptly (and in any event not later than five Business Days after such repatriation) applied (net of additional taxes payable or reasonably estimated to be payable as a result thereof) to the prepayment of the Term Loans pursuant to this Section 2.09(b) (provided that no such prepayment of the Term Loans pursuant to this Section 2.09(b) shall be required in the case of any such Net Proceeds the repatriation of which Parent believes in good faith would result in material adverse tax consequences, if on or before the date on which such Net Proceeds so retained would otherwise have been required to be applied to reinvestments or prepayments (after giving effect to the reinvestment period therefor), Parent applies an amount equal to the amount of such Net Proceeds to such reinvestments or prepayments as if such Net Proceeds had been received by Parent rather than such Restricted Subsidiary, less the amount of additional taxes that would have been payable or reserved against if such Net Proceeds had been repatriated).

(c) Amounts required to be applied to the prepayment of Loans pursuant to Section 2.09(a) and (b) shall be applied in accordance with Section 2.14(e)(ii). The application of any prepayment pursuant to this Section 2.09 shall be made, first, to ABR Loans and, second, to Term SOFR Loans (or, if applicable RFR Loans). Term Loans prepaid pursuant to this Section 2.09 may not be reborrowed.

(d) To the extent the holders of Indebtedness that is *pari passu* in right of payment and security with the Term Loans decline to have such Indebtedness repurchased, repaid or prepaid with any such Net Proceeds, the declined amount of such Net Proceeds shall promptly (and, in any event, within 10 Business Days after the date of such rejection) be applied to prepay Term Loans in accordance with the terms hereof (to the extent such Net Proceeds would otherwise have been required to be applied if such other *pari passu* Indebtedness was not then outstanding).

(e) All prepayments under this Section 2.09 shall be accompanied by accrued but unpaid interest on the principal amount being prepaid to (but not including) the date of prepayment, plus any accrued and unpaid fees and any losses, costs and expenses, as more fully described in Section 2.12 hereof.

Section 2.10. Optional Prepayment of Loans.

(a) The Borrowers shall have the right, at any time and from time to time, to prepay any Loans, in whole or in part, without premium or penalty (except as set forth in Section 2.10(c) and Section 2.12) (i) with respect to Term Benchmark Loans, upon (A) telephonic notice (followed promptly by written or facsimile notice or notice by electronic mail) to the Administrative Agent or (B) written or facsimile notice (or notice by electronic mail) to the Administrative Agent, in any case received by 1:00 p.m., New York City time, three (3) Business Days prior to the proposed date of prepayment, (ii) with respect to ABR Loans, upon written or facsimile notice (or notice by electronic mail) to the Administrative Agent received by 1:00 p.m., New York City time, one Business Day prior to the proposed date of prepayment and (iii) with respect to RFR Loans, upon (A) telephonic notice (followed promptly by written or facsimile notice or notice by electronic mail) to the Administrative Agent or (B) written or facsimile notice (or notice by electronic mail) to the Administrative Agent, in any case received by 11:00 a.m., New York City time, five (5) Business Days prior to the proposed date of prepayment; provided that ABR Loans may be prepaid on the same day notice is given if such notice is received by the Administrative Agent by 12:00 noon, New York City time; provided further, however, that (A) each such partial prepayment shall be in an amount not less than $1.0 million and in integral multiples of $1.0 million in the case of Term Benchmark Loans and integral multiples of $100,000 in the case of ABR Loans and RFR Loans, (B) no prepayment of Term Benchmark Loans shall be permitted pursuant to this Section 2.10(a) other than on the last day of an Interest Period applicable thereto unless such prepayment is accompanied by the payment of the amounts described in Section 2.12, and (C) no partial prepayment of a Term Benchmark Tranche shall result in the aggregate principal amount of the Term Benchmark Loans remaining outstanding pursuant to such Term Benchmark Tranche being less than $1.0 million.

(b) Any prepayments under Section 2.10(a) shall be applied, at the option of the Borrowers, to prepay the Term Loans of the Term Lenders, in each case to such Classes as the Borrowers shall specify. All such prepayments of Term Loans shall be applied to the installments of the applicable Term Loans as directed by the Borrowers (and absent such direction, in direct order of maturity). All prepayments under Section 2.10(a) shall be accompanied by accrued but unpaid interest on the principal amount being prepaid to (but not including) the date of prepayment, *plus* any payment required by Section 2.10(c), *plus* any Fees and any losses, costs and expenses, as more fully described in Section 2.12 hereof. Term Loans prepaid pursuant to Section 2.10(a) may not be reborrowed.

(c) Notwithstanding anything herein to the contrary:

(i) exclusively in the event of any optional prepayments of the Initial Term Loans incurred on or after the Closing Date at a time when the Emergence Condition has not been satisfied and such optional prepayment is made pursuant to Section 2.10(a) (or in the event of any acceleration of the Term Loans pursuant to Section 7.02) (i) prior to the first anniversary of the Closing Date, the Borrowers shall pay to the applicable Lenders with respect to such Initial Term Loans the Closing Date Make Whole Premium on the aggregate principal amount of the Initial Term Loans being prepaid (or accelerated), and (ii) on or after the first anniversary of the Closing Date and prior to the second anniversary of the Closing Date, the Borrowers shall pay to the applicable Lenders with respect to such Initial Term Loans a prepayment premium of two percent (2%) of the aggregate principal amount of the Initial Term Loans being prepaid (or accelerated), in each case, unless such fee is waived by the applicable Term Lender. No prepayment premium pursuant to this clause (c) shall be payable at any time for any prepayment of Initial Term Loans made by the Borrowers pursuant to Section 2.10(a) on or after the second anniversary of the Closing Date.

(ii) exclusively in the event of any optional prepayments of the Initial Term Loans incurred on or after the Closing Date at a time when the Emergence Condition has been satisfied and such optional prepayment is made pursuant to Section 2.10(a) (or in the event of any acceleration of the Term Loans pursuant to Section 7.02) prior to the second anniversary of the Closing Date, the Borrowers shall pay to the applicable Lenders with respect to such Initial Term Loans the Emergence Make Whole Premium on the aggregate principal amount of the Initial Term Loans being prepaid (or accelerated). No prepayment premium pursuant to this clause (ii) shall be payable at any time for any prepayment of Initial Term Loans made by the Borrowers pursuant to Section 2.10(a) on or after the second anniversary of the Closing Date.

Payment of amounts pursuant to this clause (c) constitutes liquidated damages, not unmatured interest or a penalty, and the actual amount of damages to the Term Lenders as a result of the relevant triggering event, prepayment, repayment or acceleration would be impracticable and extremely difficult to ascertain. Accordingly, the payment of amounts pursuant to this clause (c) is provided by mutual agreement of the Borrowers, the Term Lenders and the Administrative Agent as a reasonable estimation and calculation of such actual lost profits and other actual damages of the Term Lenders. Without limiting the generality of the foregoing, it is understood and agreed that upon the occurrence of any prepayments of Term Loans pursuant to Section 2.10(a) (including any such deemed prepayment in accordance with Section 2.24(f)) or repayment of the Term Loans following acceleration pursuant to Section 7.02 (including, for the avoidance of doubt, the acceleration of claims as a result of the commencement of a proceeding under any Debtor Relief Law, by operation of law or as a result of an automatic acceleration thereunder), the premium payable pursuant to clause (c), shall be automatically and immediately due and payable as though any prepaid or repaid Term Loans were voluntarily prepaid as of such date and shall constitute part of the Obligations secured by the Collateral. The premium payable pursuant to clause (c) shall also be automatically and immediately due and payable if the Term Loans are satisfied or released by foreclosure (whether by power of judicial proceeding or otherwise), deed in lieu of foreclosure or by any other means. EACH BORROWER HEREBY EXPRESSLY WAIVES (TO THE FULLEST EXTENT IT MAY LAWFULLY DO SO) THE PROVISIONS OF ANY PRESENT OR FUTURE STATUTE OR OTHER LAW THAT PROHIBITS OR MAY PROHIBIT THE COLLECTION OF THE FOREGOING PREMIUM IN CONNECTION WITH ANY SUCH EVENTS. The Borrowers and the Loan Parties expressly agree (to the fullest extent it may lawfully do so) that with respect to the premiums payable pursuant to this clause (c) payable under the terms of this Agreement: (i) such premium is reasonable and is the product of an arm's length transaction between sophisticated business parties, ably represented by counsel; (ii) such premium shall be payable notwithstanding the then prevailing market rates at the time payment is made; (iii) there has been a course of conduct between the Administrative Agent, the Term Lenders and the Loan Parties giving specific consideration in this transaction for such agreement to pay the premium payable pursuant to this clause (c); and (iv) the Loan Parties shall be estopped hereafter from claiming differently than as agreed to in this paragraph. The Loan Parties expressly acknowledge that their agreement to pay the premium pursuant to this clause (c) as herein described is a material inducement to the Term Lenders to provide the Commitments and make the Term Loans.

(d) Each notice of prepayment shall specify the prepayment date, the principal amount of the Loans to be prepaid and, in the case of Term Benchmark Loans, the Borrowing or Borrowings pursuant to which made, shall be irrevocable and shall commit the Borrowers to prepay such Loan by the amount and on the date stated therein; provided that, notwithstanding anything to the contrary, any notice of prepayment under this Section 2.10 may state that such notice is conditional upon the effectiveness of other transactions, in which case such notice may be revoked or its effectiveness deferred by the Parent (by notice to the Administrative Agent on or prior to the specified date of prepayment) if such condition is not satisfied. The Administrative Agent shall, promptly after receiving notice from the Borrowers hereunder, notify each Lender of the principal amount of the Loans held by such Lender which are to be prepaid, the prepayment date and the manner of application of the prepayment.

Section 2.11. Increased Costs.

(a) If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended by, any Lender (except any such reserve requirement reflected in the Term SOFR Rate); or

(ii) impose on any Lender any other condition, cost or expense or subject any Lender to any liability in respect of any Taxes (other than Excluded Taxes, Indemnified Taxes, or Other Taxes) imposed on or with respect to any payment made on any Loan under this Agreement;

and the result of any of the foregoing shall be to increase the cost to such Lender of making, converting into, continuing or maintaining any Loan (or of maintaining its obligation to make any such Loan) or to reduce the amount of any sum received or receivable by such Lender hereunder with respect to any Loan (whether of principal, interest or otherwise), then, upon the request of such Lender, the Borrowers will pay to such Lender (without duplication of any other amounts to such Lender under this Agreement or any other Loan Document) such additional amount or amounts as will compensate such Lender for such additional costs incurred or reduction suffered.

(b) If any Lender reasonably determines in good faith that any Change in Law affecting such Lender or such Lender's holding company regarding capital or liquidity requirements has or would have the effect of reducing the rate of return on such Lender's capital or on the capital of such Lender's holding company, if any, as a consequence of this Agreement or the Loans made by such Lender to a level below that which such Lender or such Lender's holding company could have achieved but for such Change in Law (taking into consideration such Lender's policies and the policies of such Lender's holding company with respect to capital adequacy and liquidity), then from time to time the Borrowers will pay to such Lender, as the case may be, such additional amount or amounts, in each case as documented by such Lender to the Borrowers as will compensate such Lender or such Lender's holding company for any such reduction suffered; it being understood that to the extent duplicative of the provisions in Section 2.13, this Section 2.11(b) shall not apply to Taxes.

(c) Solely to the extent arising from a Change in Law, the Borrowers shall pay to each Lender as long as such Lender shall be required to comply with any reserve ratio requirement or analogous requirement of any other central banking or financial regulatory authority imposed in respect of the maintenance of the Commitments or the funding of the Loans, such additional costs (expressed as a percentage per annum and rounded upwards, if necessary, to the nearest five decimal places) equal to the actual costs allocated to such Commitment or Loan by such Lender (as determined by such Lender in good faith, which determination shall be conclusive absent manifest error) which in each case shall be due and payable on each date on which interest is payable on such Loan; provided that the Borrowers shall have received at least fifteen (15) days' prior written notice (with a copy to the Administrative Agent) of such additional interest or cost from such Lender. If a Lender fails to give written notice fifteen (15) days prior to the relevant Interest Payment Date, such additional interest or cost shall be due and payable fifteen (15) days from receipt of such notice.

(d) A certificate of a Lender setting forth the amount or amounts necessary to compensate such Lender or its holding company, as the case may be, as specified in Section 2.11(a) or (b) and the basis for calculating such amount or amounts shall be delivered to the Borrowers and shall be *prima facie* evidence of the amount due; provided, however, that any determination by a Lender of amounts owed pursuant to this Section 2.11 to such Lender due to any such Change in Law shall be made in good faith in a manner generally consistent with such Lender's standard practice. The Borrowers shall pay such Lender the amount due within fifteen (15) days after receipt of such certificate.

(e) Failure or delay on the part of any Lender to demand compensation pursuant to this Section 2.11 shall not constitute a waiver of such Lender's right to demand such compensation; provided that the Borrowers shall not be required to compensate a Lender pursuant to this Section 2.11 for any increased costs or reductions incurred more than 180 days prior to the date that such Lender notifies the Borrowers of the Change in Law giving rise to such increased costs or reductions and of such Lender's intention to claim compensation therefor; provided, further that if the Change in Law giving rise to such increased costs or reductions is retroactive, then the 180-day period referred to above shall be extended to include the period of retroactive effect thereof. The protection of this Section 2.11 shall be available to each Lender regardless of any possible contention as to the invalidity or inapplicability of the law, rule, regulation, guideline or other change or condition which shall have occurred or been imposed.

(f) The Borrowers shall not be required to make payments under this Section 2.11 to any Lender if (A) a claim hereunder arises solely through circumstances peculiar to such Lender and which do not affect commercial banks in the jurisdiction of organization of such Lender generally or (B) the claim arises out of a voluntary relocation by such Lender of its applicable lending office (it being understood that any such relocation effected pursuant to Section 2.15 is not "voluntary").

Section 2.12. Break Funding Payments.

(a) With respect to Loans that are not RFR Loans, in the event of (i) the payment of any principal of any Term Benchmark Loan other than on the last day of an Interest Period applicable thereto (including as a result of an Event of Default or an optional or mandatory prepayment of Loans), (ii) the conversion of any Term Benchmark Loan other than on the last day of the Interest Period applicable thereto, (iii) the failure to borrow, convert, continue or prepay any Term Benchmark Loan on the date specified in any notice delivered pursuant hereto or (iv) the assignment of any Term Benchmark Loan other than on the last day of the Interest Period applicable thereto as a result of a request by a Borrower pursuant to Section 2.15 then, in any such event, at the request of such Lender, the Borrowers shall compensate such Lender for the loss, cost and expense sustained by such Lender attributable to such event; provided that this Section 2.12(a) shall not apply to any payment of an Installment pursuant to Section 2.08(a). Such loss, cost or expense to any Lender shall be deemed to include an amount reasonably determined in good faith by such Lender to be the excess, if any, of (i) the amount of interest which would have accrued on the principal amount of such Loan had such event not occurred, at the applicable rate of interest for such RFR Loan (excluding, however the Applicable Margin included therein, if any), for the period from the date of such event to the last day of the then current Interest Period therefor (or, in the case of a failure to borrow, convert or continue, for the period that would have been the Interest Period for such RFR Loan), over (ii) the amount of interest (as reasonably determined by such Lender) which would accrue on such principal amount for such period at the interest rate which such Lender would bid were it to bid, at the commencement of such period, for dollar deposits of a comparable amount and period from other banks in the applicable SOFR market for the Term SOFR Rate. A certificate of any Lender setting forth any amount or amounts that such Lender is entitled to receive pursuant to this Section 2.12(a) shall be delivered to the Borrowers and shall be prima facie evidence of the amount due. The Borrowers shall pay such Lender the amount due within thirty (30) days after receipt of such certificate.

(b) With respect to RFR Loans, in the event of (i) the payment of any principal of any RFR Loan other than on the Interest Payment Date applicable thereto (including as a result of an Event of Default or an optional or mandatory prepayment of Loans), (ii) the failure to borrow or prepay any RFR Loan on the date specified in any notice delivered pursuant hereto or (iii) the assignment of any RFR Loan other than on the Interest Payment Date applicable thereto as a result of a request by a Borrower pursuant to Section 2.15, then, in any such event, at the request of such Lender, the Borrowers shall compensate such Lender for the loss, cost and expense sustained by such Lender attributable to such event; provided that this Section 2.12(b) shall not apply to any payment of an Installment pursuant to Section 2.08(a). Such loss, cost or expense to any Lender shall be deemed to include an amount reasonably determined in good faith by such Lender to be the excess, if any, of (i) the amount of interest which would have accrued on the principal amount of such Loan had such event not occurred, at the applicable rate of interest for such RFR Loan (excluding, however the Applicable Margin included therein, if any), for the period from the date of such event to the last day of the then current Interest Period therefor (or, in the case of a failure to borrow, convert or continue, for the period that would have been the Interest Period for such RFR Loan), over (ii) the amount of interest (as reasonably determined by such Lender) which would accrue on such principal amount for such period at the interest rate which such Lender would bid were it to bid, at the commencement of such period, for dollar deposits of a comparable amount and period from other banks in the applicable SOFR market for Daily Simple SOFR. A certificate of any Lender setting forth any amount or amounts (and the basis for requesting such amount or amounts) that such Lender is entitled to receive pursuant to this Section 2.12(b) shall be delivered to the Borrowers and shall be prima facie evidence of the amount due. The Borrowers shall pay such Lender the amount due within thirty (30) days after receipt such certificate.

Section 2.13. Taxes.

(a) Any and all payments by or on account of any Obligation of any Borrower or any Guarantor hereunder or under any other Loan Document shall be made free and clear of and without deduction for any Indemnified Taxes or Other Taxes; provided that if any Indemnified Taxes or Other Taxes are required to be withheld from any amounts payable to the Administrative Agent or any Lender, as determined in good faith by the applicable Withholding Agent, then (i) the sum payable by the applicable Borrower or applicable Guarantor shall be increased as necessary so that after making all required deductions for any Indemnified Taxes or Other Taxes (including deductions for any Indemnified Taxes or Other Taxes applicable to additional sums payable under this Section 2.13), the Administrative Agent, Lender or any other recipient of such payments (as the case may be) receives an amount equal to the sum it would have received had no such deductions been made, (ii) the applicable Withholding Agent shall make such deductions and (iii) the applicable Withholding Agent shall timely pay the full amount deducted to the relevant Governmental Authority in accordance with applicable law.

(b) In addition, the Borrowers or the Guarantors, as applicable, shall pay any Other Taxes (except any such Taxes or portions thereof that have been paid or will be paid under Section 2.13(a)) to the relevant Governmental Authority in accordance with applicable law, or at the option and upon written demand of the Administrative Agent timely reimburse it for the payment of any such Taxes (except any such Taxes or portions thereof that have been paid or will be paid under Section 2.13(a)) made on behalf of the Borrowers or the Guarantors, as applicable, to the extent permitted by applicable law.

(c) Each Lender (x) represents and warrants, as of the date such Person became a Lender party hereto, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, that such Lender is not and (other than as a result of a change to Annex 2) will not become a Low Tax Jurisdiction Entity; provided that, for purposes of this Section 2.13(c) no entity shall be considered to be a Low Tax Jurisdiction Entity if it is not organized or resident in a jurisdiction listed on Annex No. 2 of the Resolución Exenta No. 55 of 2018 issued by the Chilean tax authority ("Annex No. 2") or on any amendment or replacement thereof, a current copy of which is attached to this Agreement as Schedule 2.13. In the event that any Lender becomes or is likely to become a Low Tax Jurisdiction Entity as a result of a change to Annex No. 2, the Lender and Borrowers shall in good faith cooperate to identify a suitable jurisdiction (taking into account tax costs) to which the Lender's Obligation may be transferred, and will use reasonable best efforts to transfer such Obligation to such jurisdiction, it being understood that any such jurisdiction should not impose a greater tax burden on the Lender than the original jurisdiction would have done; provided, however, that in the event that such transfer cannot be effected after such good faith cooperation, Borrowers shall have the ability to find a replacement Lender satisfactory to Borrowers and require the Lender to promptly assign the Lender's Obligation to such replacement Lender at a price no less than par plus accrued and unpaid interest and fees.

(d) (i) Prior to becoming a Lender hereto and (ii) in the event that any supporting material previously provided pursuant to this Section 2.13(d) becomes inaccurate with respect to its status, each Lender or prospective Lender shall be responsible for notifying the Borrowers of its status as a non-Low Tax Jurisdiction Entity and provide supporting materials sufficient to establish such status that is satisfactory to the Borrowers; provided that such responsibility shall be deemed satisfied if (x) such Lender or prospective Lender provides to the Borrowers (either directly or indirectly through the Administrative Agent) an Internal Revenue Service Form W-9 or an Internal Revenue Service Form W-8 (or an Internal Revenue Service Form W-8IMY without beneficial owner withholding certificates attached) showing that such Lender or prospective Lender is resident in a jurisdiction other than a "low tax jurisdiction" for the purposes of Article 41 F of the Chilean Income Tax Law and (y) the Borrowers do not have actual knowledge or reason to believe that such Internal Revenue Service Form W-9 or Internal Revenue Service Form W-8 is incorrect or such Lender or prospective Lender is a Low Tax Jurisdiction Entity.

(e) The Borrowers shall indemnify the Administrative Agent and each Lender, within ten (10) days after written demand therefor, for the full amount of any Indemnified Taxes or Other Taxes paid by or on behalf of or withheld or deducted from payments owing to the Administrative Agent or such Lender, as the case may be, on or with respect to any payment by or on account of any obligation of any Borrower or any Guarantor hereunder or under any other Loan Document (including Indemnified Taxes or Other Taxes imposed or asserted on or attributable to amounts payable under this Section 2.13) and any penalties, interest and reasonable out-of-pocket expenses arising therefrom or with respect thereto. A certificate as to the amount of such payment or liability delivered to the Borrowers by a Lender, or by the Administrative Agent on its own behalf or on behalf of a Lender, shall be conclusive absent manifest error.

(f) As soon as practicable after any payment of Taxes by a Borrower to a Governmental Authority pursuant to this Section 2.13, the Borrowers shall deliver to the Administrative Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment to the extent available, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent.

(g) Each Lender shall, within ten (10) days after written demand therefor, indemnify the Administrative Agent (to the extent the Administrative Agent has not been reimbursed by the Borrowers) for the full amount of any Taxes imposed by any Governmental Authority that are attributable to such Lender and that are payable or paid by the Administrative Agent, together with all interest, penalties, reasonable out-of-pocket costs and expenses arising therefrom or with respect thereto, as determined by the Administrative Agent in good faith. A certificate as to the amount of such payment or liability delivered to any Lender by the Administrative Agent shall be conclusive absent manifest error.

(h) Any Tax Indemnitee that is entitled to an exemption from or reduction of withholding Tax with respect to payments under this Agreement shall deliver to the Borrowers and the Administrative Agent, at the time or times prescribed by applicable law or as reasonably requested by a Borrower or the Administrative Agent, such properly completed and executed documentation prescribed by applicable law or requested by the Borrowers or the Administrative Agent as will permit such payments to be made without withholding or at a reduced rate; provided that a Lender shall not be required to complete, execute or deliver any documentation pursuant to this Section 2.13(h) if in such Lender's sole discretion exercised in good faith such completion, execution or delivery would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(i) United States Person – Tax Indemnitee

(i) Any Tax Indemnitee that is a "United States Person" (as such term is defined in Section 7701(a)(30) of the Code) shall deliver to the Administrative Agent and the Borrowers, on or prior to the date on which such Tax Indemnitee becomes a party to this Agreement or any other Loan Document (and from time to time thereafter when the previously delivered certificates and/or forms expire, or upon request of a Borrower or the Administrative Agent), two (2) copies of Internal Revenue Service Form W9 (or any successor form), properly completed and duly executed by such Tax Indemnitee, certifying that such Tax Indemnitee is entitled to an exemption from United States backup withholding tax.

(ii) Any Tax Indemnitee that is not a "United States Person" (as such term is defined in Section 7701(a)(30) of the Code) shall deliver to the Administrative Agent and the Borrowers, on or prior to the date on which such Tax Indemnitee becomes a party to this Agreement or any other Loan Document (and from time to time thereafter when the previously delivered certificates and/or forms expire, or upon request of a Borrower or the Administrative Agent), two (2) copies of whichever of the following is applicable:

(1) in the case of a Tax Indemnitee claiming the benefits of an income tax treaty to which the United States is a party (x) with respect to payments of interest under any Loan Document, executed copies of Internal Revenue Service Form W-8BEN or Internal Revenue Service Form W-8BEN-E establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "interest" article of such tax treaty and (y) with respect to any other applicable payments under any Loan Document, Internal Revenue Service Form W-8BEN or Internal Revenue Service Form W-8BEN-E establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "business profits" or "other income" article of such tax treaty;

(2) executed copies of Internal Revenue Service Form W-8ECI;

(3) in the case of a Tax Indemnitee claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a certificate substantially in the form of Exhibit G-1 to the effect that such Tax Indemnitee is not a "bank" within the meaning of Section 881(c)(3)(A) of the Code, a "10 percent shareholder" of a Borrower within the meaning of Section 871(h)(3)(B) of the Code, or a "controlled foreign corporation" related to a Borrower as described in Section 881(c)(3)(C) of the Code (a "U.S. Tax Compliance Certificate") and (y) executed copies of Internal Revenue Service Form W-8BEN or Internal Revenue Service Form W 8BEN-E; or

(4) to the extent a Tax Indemnitee is not the beneficial owner, executed copies of Internal Revenue Service Form W-8IMY, accompanied by Internal Revenue Service Form W-8ECI, Internal Revenue Service Form W-8BEN, Internal Revenue Service Form W 8BEN-E, a U.S. Tax Compliance Certificate substantially in the form of Exhibit G-2 or Exhibit G-3, Internal Revenue Service Form W-9, and/or other certification documents from each beneficial owner, as applicable; provided that if the Tax Indemnitee is a partnership and one or more direct or indirect partners of such Tax Indemnitee are claiming the portfolio interest exemption, such Tax Indemnitee may provide a U.S. Tax Compliance Certificate substantially in the form of Exhibit G-4 on behalf of each such direct and indirect partner;

(iii) Any Tax Indemnitee that is not a "United States Person" (as such term is defined in Section 7701(a)(30) of the Code) shall deliver to the Administrative Agent and the Borrowers, on or prior to the date on which such Tax Indemnitee becomes a party to this Agreement or any other Loan Document (and from time to time thereafter when the previously delivered forms expire, or upon request of a Borrower or the Administrative Agent), any other form prescribed by applicable law as a basis for claiming exemption from or a reduction in any withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by applicable law to permit the Borrower or the Administrative Agent to determine the withholding or deduction required to be made.

(j) If a payment made to a Tax Indemnitee under this Agreement or any Loan Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Tax Indemnitee were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Tax Indemnitee shall deliver to the Borrowers and the Administrative Agent, at the time or times prescribed by law or at such time or times reasonably requested by a Borrower or the Administrative Agent, such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by a Borrower or the Administrative Agent as may be necessary for such Borrower or the Administrative Agent to comply with its obligations under FATCA, to determine that such Tax Indemnitee has or has not complied with such Tax Indemnitee's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this Section 2.13(j), "FATCA" shall include any amendments made to FATCA after the Closing Date.

(k) If a Tax Indemnitee determines, in its reasonable sole discretion exercised in good faith, that it has received a refund of any Taxes or Other Taxes from the Governmental Authority to which such Taxes or Other Taxes were paid and as to which it has been indemnified by any Borrower or any Guarantor or with respect to which any Borrower or any Guarantor has paid additional amounts pursuant to this Section 2.13, it shall pay over such refund to such Borrower or such Guarantor (but only to the extent of indemnity payments made, or additional amounts paid, by such Borrower or such Guarantor under this Section 2.13 with respect to the Taxes or Other Taxes giving rise to such refund), net of all reasonable outofpocket expenses of such Tax Indemnitee incurred in obtaining such refund (including Taxes imposed with respect to such refund) and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund); provided that any Borrower or any Guarantor, upon the request of the Tax Indemnitee, agrees to repay the amount paid over to such Borrower or such Guarantor (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) to the Tax Indemnitee in the event the Tax Indemnitee is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this Section 2.13(k), in no event will the Tax Indemnitee be required to pay any amount to any Borrower pursuant to this Section 2.13(k) if, and then only to the extent, the payment of such amount would place such Tax Indemnitee in a less favorable net afterTax position than the Tax Indemnitee would have been in if the Tax indemnification payments or additional amounts under this Section 2.13 giving rise to such refund had never been paid. This Section shall not be construed to require the Tax Indemnitee to make available its tax returns (or any other information relating to its taxes which it deems confidential) to any Borrower or any other Person.

Section 2.14. Payments Generally; Pro Rata Treatment.

(a) The Borrowers shall make each payment or prepayment required to be made by it hereunder (whether of principal, interest, fees, or of amounts payable under Section 2.11 or 2.12, or otherwise) prior to 1:00 p.m., New York City time, on the date when due, in immediately available funds, without set-off or counterclaim. Any amounts received after such time on any date may, in the reasonable discretion of the Administrative Agent, be deemed to have been received on the next succeeding Business Day for purposes of calculating interest thereon. All such payments shall be made to the Administrative Agent pursuant to wire instructions to be provided by the Administrative Agent, except that payments pursuant to Sections 2.11, 2.12 and 10.04 shall be made directly to the Persons entitled thereto. The Administrative Agent shall distribute any such payments received by it for the account of any other Person to the appropriate recipient promptly following receipt thereof. If any payment hereunder shall be due on a day that is not a Business Day, the date for payment shall be extended to the next succeeding Business Day (and, in the case of any payment accruing interest, interest thereon shall be payable for the period of such extension). All payments hereunder shall be made in U.S. Dollars.

(b) Application of Payment Amounts. If at any time insufficient funds are received by and available to the Administrative Agent to pay fully all Obligations then due hereunder, such funds shall be applied (i) first, towards payment of Fees and expenses then due under Sections 2.16 and 10.04 payable to the Administrative Agent and the Collateral Trustee, in their respective capacities as such, (ii) second, towards payment of Fees and expenses then due under Section 10.04 payable to the Lenders and towards payment of interest then due on account of the Term Loans, ratably among the parties entitled thereto in accordance with the amounts of such Fees and expenses and interest then due to such parties and (iii) third, towards payment of principal of the Term Loans then due hereunder, ratably among the parties entitled thereto in accordance with the amounts of principal then due to such parties.

(c) Unless the Administrative Agent shall have received notice from the Borrowers prior to the date on which any payment is due to the Administrative Agent for the account of the Lenders hereunder that the Borrowers will not make such payment, the Administrative Agent may assume that the Borrowers has made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to the Lenders the amount due. In such event, if the Borrowers have not in fact made such payment, then each of the Lenders severally agrees to repay to the Administrative Agent forthwith on demand the amount so distributed to such Lender with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to the Administrative Agent, at the greater of the NYFRB Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation.

(d) If any Defaulting Lender shall fail to make any payment required to be made by it pursuant to Section 2.03(a), 2.03(b) or 8.04 then the Administrative Agent may, in its discretion (notwithstanding any contrary provision hereof), apply any amounts thereafter received by the Administrative Agent for the account of such Defaulting Lender to satisfy such Defaulting Lender's obligations under such Sections until all such unsatisfied obligations are fully paid.

(e) Pro Rata Treatment. (i) Each payment by any Borrower in respect of the Loans shall be applied to the amounts of such obligations owing to the Lenders pro rata according to the respective amounts then due and owing to the Lenders.

(ii) Each payment (including each prepayment) by any Borrower on account of principal of and interest on any Class of Term Loans shall be made pro rata according to the respective outstanding principal amounts of such Class of Term Loans then held by the applicable Term Lenders (except that assignments to the Borrower pursuant to Section 10.02(i) shall not be subject to this Section 2.14(e)(ii)).

Section 2.15. Mitigation Obligations; Replacement of Lenders.

(e) Mitigation of Obligations. If the Borrowers are required to pay any additional amount to any Lender under Section 2.11 or to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 2.13, then such Lender shall use reasonable efforts to designate a different lending office for funding or booking its Loans hereunder, to assign its rights and obligations hereunder to another of its offices, branches or affiliates, to file any certificate or document reasonably requested by the Borrowers or to take other reasonable measures, if, in the judgment of such Lender, such designation, assignment, filing or other measures (i) would eliminate or reduce amounts payable pursuant to Section 2.11 or 2.13, as the case may be, and (ii) would not subject such Lender to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender. Each Borrower hereby agrees to pay all reasonable costs and expenses incurred by any Lender in connection with any such designation or assignment. Nothing in this Section 2.15 shall affect or postpone any of the obligations of the Borrowers or the rights of any Lender pursuant to Section 2.11 or 2.13.

(f) Replacement of Lenders. If, after the Closing Date, (i) any Lender requests compensation under Section 2.11, (ii) any Borrower is required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 2.13 or (iii) any Lender refuses to consent to any amendment, waiver or other modification of any Loan Document requested by a Borrower that requires the consent of 100% of the Lenders or 100% of all affected Lenders and which, in each case, has been consented to by the Required Lenders, then the Borrowers may, at their sole expense and effort, upon notice to such Lender and the Administrative Agent, (i) prepay such Lender's outstanding Loans or (ii) require such Lender to assign, without recourse (in accordance with and subject to the restrictions contained in Section 10.02), all its interests, rights and obligations under this Agreement to an Eligible Assignee that shall assume such assigned obligations (which Eligible Assignee may be another Lender, if a Lender accepts such assignment), in any case as of a Business Day specified in such notice from the Borrower; provided that (A) (w) in the case of any such assignment resulting from a claim for compensation under Section 2.11(a) or payments required to be made pursuant to Section 2.13, such assignment will result in a reduction in such compensation or payments thereafter, (x) such assignment shall not conflict with any applicable legal requirement, (y) the Borrowers shall have received the prior written consent of the Administrative Agent, which consent shall not unreasonably be withheld or delayed and (z) such terminated or assigning Lender shall have received payment of an amount equal to the outstanding principal of its Loans, accrued interest thereon, accrued fees and all other amounts due, owing and payable to it hereunder at the time of such termination or assignment, from the assignee (to the extent of such outstanding principal and accrued interest and fees in the case of an assignment) or the Borrowers (in the case of all other amounts) and (B) if prior to any such transfer and assignment the circumstances or event that resulted in such Lender's claim for compensation cease to cause such Lender to suffer increased costs or reductions in amounts received or receivable or reduction in return on capital, or cease to result in amounts being payable under Section 2.13, as the case may be, or if such Lender shall waive its right to claim further compensation under to Section 2.11(a) in respect of such circumstances, then such Lender shall not thereafter be required to make any such transfer and assignment hereunder. Any Lender being replaced pursuant to this Section 2.15(b) shall execute and deliver an Assignment and Acceptance with respect to such Lender's outstanding Commitment or Loans; provided that, an assignment contemplated by this Section 2.15(b) shall become effective notwithstanding the failure by the Lender being replaced to deliver the Assignment and Acceptance contemplated by this Section 2.15(b), so long as the other actions specified in this Section 2.15(b) shall have been taken.

Section 2.16. Certain Fees. The Borrowers shall pay (a) to the Collateral Trustee the fees set forth in that certain Collateral Trustee Fee Letter and (b) to the Administrative Agent the fees set forth in that certain Administrative Agent Fee Letter.

Section 2.17. Alternate Rate of Interest. (a) Subject to clauses (b), (c), (d), (e) and (f) of this Section 2.17, if:

(ii) the Administrative Agent determines (which determination shall be conclusive absent manifest error) (A) prior to the commencement of any Interest Period for a Term Benchmark Borrowing, that adequate and reasonable means do not exist for ascertaining the Adjusted Term SOFR Rate or the Term SOFR Rate (including because the Term SOFR Reference Rate is not available or published on a current basis), for such Interest Period or (B) at any time, that adequate and reasonable means do not exist for ascertaining Adjusted Daily Simple SOFR or Daily Simple SOFR; or

(iii) the Administrative Agent is advised by the Required Lenders that (A) prior to the commencement of any Interest Period for a Term Benchmark Borrowing, the Adjusted Term SOFR Rate for such Interest Period will not adequately and fairly reflect the cost to such Lenders (or Lender) of making or maintaining their Loans (or its Loan) included in such Borrowing for such Interest Period or (B) at any time, Adjusted Daily Simple SOFR will not adequately and fairly reflect the cost to such Lenders (or Lender) of making or maintaining their Loans (or its Loan) included in such Borrowing;

then the Administrative Agent shall give notice thereof to the Borrowers and the Lenders by telephone, telecopy or electronic mail as promptly as practicable thereafter and, until (x) the Administrative Agent notifies the Borrowers and the Lenders that the circumstances giving rise to such notice no longer exist with respect to the relevant Benchmark and (y) the Borrowers deliver a new Interest Election Request in accordance with the terms of Section 2.04 or a new Loan Request in accordance with the terms of Section 2.02, (1) any Interest Election Request that requests the conversion of any Borrowing to, or continuation of any Borrowing as, a Term Benchmark Borrowing and any Loan Request that requests a Term Benchmark Borrowing shall instead be deemed to be an Interest Election Request or a Loan Request, as applicable, for (x) an RFR Borrowing so long as the Adjusted Daily Simple SOFR is not also the subject of Section 2.17(a)(i) or (ii) above or (y) an ABR Borrowing if the Adjusted Daily Simple SOFR also is the subject of Section 2.17(a)(i) or (ii) above and (2) any Loan Request that requests an RFR Borrowing shall instead be deemed to be a Loan Request, as applicable, for an ABR Borrowing; provided that if the circumstances giving rise to such notice affect only one Type of Borrowings, then all other Types of Borrowings shall be permitted. Furthermore, if any Term Benchmark Loan or RFR Loan is outstanding on the date of the Borrower's receipt of the notice from the Administrative Agent referred to in this Section 2.17 with respect to a Relevant Rate applicable to such Term Benchmark Loan or RFR Loan, then until (x) the Administrative Agent notifies the Borrowers and the Lenders that the circumstances giving rise to such notice no longer exist with respect to the relevant Benchmark and (y) the Borrowers deliver a new Interest Election Request in accordance with the terms of Section 2.04 or a new Loan Request in accordance with the terms of Section 2.02, (1) any Term Benchmark Loan shall on the last day of the Interest Period applicable to such Loan (or the next succeeding Business Day if such day is not a Business Day), be converted by the Administrative Agent to, and shall constitute, (x) an RFR Borrowing so long as the Adjusted Daily Simple SOFR is not also the subject of Section 2.17(a)(i) or (ii) above or (y) an ABR Loan if the Adjusted Daily Simple SOFR also is the subject of Section 2.17(a)(i) or (ii) above, on such day, and (2) any RFR Loan shall on and from such day be converted by the Administrative Agent to, and shall constitute an ABR Loan.

(f) Notwithstanding anything to the contrary herein or in any other Loan Document, if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred prior to the Reference Time in respect of any setting of the then-current Benchmark, then (x) if a Benchmark Replacement is determined in accordance with clause (a) of the definition of "Benchmark Replacement" for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of such Benchmark setting and subsequent Benchmark settings without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document and (y) if a Benchmark Replacement is determined in accordance with clause (b) of the definition of "Benchmark Replacement" for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of any Benchmark setting at or after 5:00 p.m. (New York City time) on the fifth (5th) Business Day after the date notice of such Benchmark Replacement is provided to the Lenders without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document so long as the Administrative Agent has not received, by such time, written notice of objection to such Benchmark Replacement from Lenders comprising the Required Lenders.

(g) Notwithstanding anything to the contrary herein or in any other Loan Document, the Administrative Agent will have the right to make Benchmark Replacement Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Benchmark Replacement Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Loan Document.

(h) The Administrative Agent will promptly notify the Borrowers and the Lenders of (i) any occurrence of a Benchmark Transition Event, (ii) the implementation of any Benchmark Replacement, (iii) the effectiveness of any Benchmark Replacement Conforming Changes, (iv) the removal or reinstatement of any tenor of a Benchmark pursuant to clause (f) below and (v) the commencement or conclusion of any Benchmark Unavailability Period. Any determination, decision or election that may be made by the Administrative Agent or, if applicable, any Lender (or group of Lenders) pursuant to this Section 2.17, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party to this Agreement or any other Loan Document, except, in each case, as expressly required pursuant to this Section 2.17.

(i) Notwithstanding anything to the contrary herein or in any other Loan Document, at any time (including in connection with the implementation of a Benchmark Replacement), (i) if the then-current Benchmark is a term rate (including the Adjusted Term SOFR Rate) and either (1) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Administrative Agent in its reasonable discretion or (2) the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is or will be no longer representative, then the Administrative Agent may modify the definition of "Interest Period" for any Benchmark settings at or after such time to remove such unavailable or non-representative tenor and (ii) if a tenor that was removed pursuant to clause (i) above either (1) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement) or (2) is not, or is no longer, subject to an announcement that it is or will no longer be representative for a Benchmark (including a Benchmark Replacement), then the Administrative Agent may modify the definition of "Interest Period" for all Benchmark settings at or after such time to reinstate such previously removed tenor.

(j) Upon the Borrowers' receipt of notice of the commencement of a Benchmark Unavailability Period, the Borrowers may revoke any request for a Term Benchmark Borrowing or RFR Borrowing of, conversion to or continuation of Term Benchmark Loans to be made, converted or continued during any Benchmark Unavailability Period and, failing that, the Borrowers will be deemed to have converted any request for a Term Benchmark Borrowing into a request for a Borrowing of or conversion to (A) an RFR Borrowing so long as the Adjusted Daily Simple SOFR is not the subject of a Benchmark Transition Event or (B) an ABR Borrowing if the Adjusted Daily Simple SOFR is the subject of a Benchmark Transition Event. During any Benchmark Unavailability Period or at any time that a tenor for the then-current Benchmark is not an Available Tenor, the component of ABR based upon the then-current Benchmark or such tenor for such Benchmark, as applicable, will not be used in any determination of ABR. Furthermore, if any Term Benchmark Loan or RFR Loan is outstanding on the date of the Borrower's receipt of notice of the commencement of a Benchmark Unavailability Period with respect to a Relevant Rate applicable to such Term Benchmark Loan or RFR Loan, then until such time as a Benchmark Replacement is implemented pursuant to this Section 2.17, (1) any Term Benchmark Loan shall on the last day of the Interest Period applicable to such Loan (or the next succeeding Business Day if such day is not a Business Day), be converted by the Administrative Agent to, and shall constitute, (x) an RFR Borrowing so long as the Adjusted Daily Simple SOFR is not the subject of a Benchmark Transition Event or (y) an ABR Loan if the Adjusted Daily Simple SOFR is the subject of a Benchmark Transition Event, on such day and (2) any RFR Loan shall on and from such day be converted by the Administrative Agent to, and shall constitute an ABR Loan.

Section 2.18. Nature of Fees. All Fees shall be paid on the dates due, in immediately available funds, to the Administrative Agent, as provided herein and in each Fee Letter. Once paid, none of the Fees shall be refundable under any circumstances.

Section 2.19. Right of Set-Off. Upon the occurrence and during the continuance of any Event of Default, the Administrative Agent, the Collateral Trustee, each Local Collateral Agent and each Lender (and their respective banking Affiliates) are hereby authorized at any time and from time to time, to the fullest extent permitted by law, to set off and apply any and all deposits (general or special, time or demand, provisional or final) at any time held and other indebtedness (including obligations owing under any derivatives positions) at any time owing by the Administrative Agent, the Collateral Trustee, each such Local Collateral Agent and each such Lender (or any of such banking Affiliates) to or for the credit or the account of any Borrower or any Guarantor against any and all of any such overdue amounts owing under the Loan Documents, irrespective of whether or not the Administrative Agent, the Collateral Trustee, each such Local Collateral Agent or such Lender shall have made any demand under any Loan Document; provided that (a) prior to the Conversion Date, any such set-off is subject to the Final DIP Order and (b) in the event that any Defaulting Lender exercises any such right of setoff, (x) all amounts so set off will be paid over immediately to the Administrative Agent for further application in accordance with the provisions of Section 2.21(c) and, pending such payment, will be segregated by such Defaulting Lender from its other funds and deemed held in trust for the benefit of the Administrative Agent and the Lenders and (y) the Defaulting Lender will provide promptly to the Administrative Agent a statement describing in reasonable detail the Obligations owing to such Defaulting Lender as to which it exercised such right of setoff. Each Lender agrees promptly to notify the Administrative Agent and the Borrowers after any such set-off and application made by such Lender (or any of its banking Affiliates) and the Administrative Agent agrees promptly to notify the Borrowers after any such set-off and applicable made by such Person, as the case may be; provided that the failure to give such notice shall not affect the validity of such set-off and application. The rights of each Lender, the Administrative Agent, the Collateral Trustee and each Local Collateral Agent under this Section 2.19 are in addition to other rights and remedies which such Lender and the Administrative Agent, the Collateral Trustee and each Local Collateral Agent may have upon the occurrence and during the continuance of any Event of Default (and, prior to the Conversion Date, as provided for in the Final DIP Order).

Section 2.20. Payment of Obligations. Subject to the provisions of Section 7.01, upon the maturity (whether on the Maturity Date, by acceleration or otherwise) of any of the Obligations under this Agreement or any of the other Loan Documents of the Borrowers and the Guarantors, the Lenders shall be entitled to immediate Payment in Full of such Obligations.

Section 2.21. Defaulting Lenders.

(e) If at any time any Lender becomes a Defaulting Lender, then the Borrowers may, on ten (10) Business Days' prior written notice to the Administrative Agent and such Lender, replace such Lender by causing such Lender to (and such Lender shall be obligated to) assign pursuant to Section 10.02(b) (with the assignment fee to be waived in such instance and subject to any consents required by such Section) all of its rights and obligations under this Agreement to one or more assignees; provided that neither the Administrative Agent nor any Lender shall have any obligation to the Borrowers to find a replacement Lender or other such Person; provided further that, for any such assignment, Borrowers shall have received the prior written consent of the Administrative Agent, which consent shall not unreasonably be withheld or delayed.

(f) Any Lender being replaced pursuant to Section 2.21(a) shall (i) execute and deliver an Assignment and Acceptance with respect to such Lender's outstanding Commitments and Loans, and (ii) deliver any documentation evidencing such Loans to the Borrowers or the Administrative Agent. Pursuant to such Assignment and Acceptance, (A) the assignee Lender shall acquire all or a portion, as specified by the Borrowers and such assignee, of the assigning Lender's outstanding Commitments and Loans, (B) all obligations of the Borrowers owing to the assigning Lender relating to the Commitments, Loans and participations so assigned shall be Paid in Full by the assignee Lender to such assigning Lender concurrently with such Assignment and Acceptance (including, without limitation, any amounts owed under Section 2.12 due to such replacement occurring on a day other than the last day of an Interest Period), and (C) upon such payment and, if so requested by the assignee Lender, delivery to the assignee Lender of the appropriate documentation executed by the Borrowers in connection with previous Borrowings, the assignee Lender shall become a Lender hereunder and the assigning Lender shall cease to constitute a Lender hereunder with respect to such assigned Commitments and Loans, except with respect to indemnification provisions under this Agreement, which shall survive as to such assigning Lender; provided that an assignment contemplated by this Section 2.21(b) shall become effective notwithstanding the failure by the Lender being replaced to deliver the Assignment and Acceptance contemplated by this Section 2.21(b), so long as the other actions specified in this Section 2.21(b) shall have been taken.

(g) Any amount paid by any Borrower or otherwise received by the Administrative Agent for the account of a Defaulting Lender under this Agreement (whether on account of principal, interest, fees, indemnity payments or other amounts) will not be paid or distributed to such Defaulting Lender, but shall instead be retained by the Administrative Agent in a segregated account until (subject to Section 2.21(d)) the termination of the Commitments and Payment in Full of all Obligations and will be applied by the Administrative Agent, to the fullest extent permitted by law, to the making of payments from time to time in the following order of priority:

first, to the payment of any amounts owing by such Defaulting Lender to the Administrative Agent and the Collateral Trustee,

second, to the payment of the default interest and then current interest due and payable to the Lenders which are Non-Defaulting Lenders hereunder, ratably among them in accordance with the amounts of such interest then due and payable to them,

third, to the payment of fees then due and payable to the Non-Defaulting Lenders hereunder, ratably among them in accordance with the amounts of such fees then due and payable to them,

fourth, to the payment of principal then due and payable to the Non-Defaulting Lenders hereunder ratably in accordance with the amounts thereof then due and payable to them,

fifth, to the ratable payment of other amounts then due and payable to the Non-Defaulting Lenders, and

sixth, after the termination of the Commitments and Payment in Full of all Obligations, to pay amounts owing under this Agreement to such Defaulting Lender or as a court of competent jurisdiction may otherwise direct.

(h) The Borrowers may terminate the unused amount of the Commitment of any Lender that is a Defaulting Lender upon not less than fifteen (15) Business Days' prior notice to the Administrative Agent (which shall promptly notify the Lenders thereof), and in such event the provisions of Section 2.21(c) will apply to all amounts thereafter paid by any Borrower for the account of such Defaulting Lender under this Agreement (whether on account of principal, interest, fees, indemnity or other amounts); provided that (i) no Event of Default shall have occurred and be continuing and (ii) such termination shall not be deemed to be a waiver or release of any claim any Borrower, the Administrative Agent, the Collateral Trustee or any Lender may have against such Defaulting Lender.

(i) If the Borrowers and the Administrative Agent agree in writing that a Lender that is a Defaulting Lender should no longer be deemed to be a Defaulting Lender, the Administrative Agent will so notify the Lenders, whereupon as of the effective date specified in such notice and subject to any conditions set forth therein (which may include arrangements with respect to any amounts then held in the segregated account referred to in Section 2.21(c)), such Lender shall purchase at par such portions of outstanding Loans of the other Lenders, and/or make such other adjustments, as the Administrative Agent may determine to be necessary to cause the Lenders to hold Loans on a pro rata basis in accordance with their respective Commitments, whereupon such Lender shall cease to be a Defaulting Lender and will be a Non-Defaulting Lender; provided that no adjustments shall be made retroactively with respect to fees accrued while such Lender was a Defaulting Lender; provided, further, that except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Non-Defaulting Lender shall constitute a waiver or release of any claim of any party hereunder arising from such Lender's having been a Defaulting Lender.

(j) Notwithstanding anything to the contrary herein, the Administrative Agent may not be replaced hereunder except in accordance with the terms of Section 8.05.

Section 2.22. Increase in Commitment.

(e) Borrower Request. Parent may by written notice to the Administrative Agent request the establishment of one or more new Term Loan Commitments (each, an "Incremental Term Loan Commitment") by an amount not less than individually and, in the aggregate for all such requests, not to exceed [*] (it being understood and agreed, for the avoidance of doubt, that such amount shall not be increased by the amount of any prepayment or repayment of the Term Loans); provided that no such Incremental Term Loan Commitments (other than in respect of Conversion Date Indebtedness) may be incurred prior to the Conversion Anniversary Date. Any such notice shall specify (i) the date (each, an "Increase Effective Date") on which Parent proposes that the Incremental Term Loan Commitments shall be effective, which shall be a date not less than fifteen (15) Business Days after the date on which such notice is delivered to the Administrative Agent (or such shorter time as agreed by the Borrower and the Required Lenders), (ii) the proposed size and terms of such Incremental Term Loan Commitments and (iii) offer each Lender the opportunity to subscribe for its pro rata share of the Incremental Term Loan Commitments. If any portion of the Incremental Term Commitments offered to the Lenders as contemplated in the immediately preceding sentence is not subscribed for by the Lenders within five (5) Business Days of receipt of such notice (or such shorter time as agreed by the Borrower and the Required Lenders), the Borrowers may, with the consent of the Administrative Agent as to any bank or financial institution that is not at such time a Lender (which consent shall not be unreasonably withheld or delayed), offer to any existing Lender or to one or more additional banks or financial institutions the opportunity to provide all or a portion of such unsubscribed portion of the Incremental Term Loan Commitments. Any existing Lender approached to provide all or a portion of the Incremental Term Loan Commitments may elect or decline, in its sole discretion, to provide such Incremental Term Loan Commitment.

(f) Conditions. The increased or new Commitments shall become effective, as of such Increase Effective Date; provided that:

(ii) each of the conditions set forth in Section 4.02 shall be satisfied on or prior to such Increase Effective Date;

(iii) no Event of Default shall have occurred and be continuing or would result from giving effect to the increased or new Commitments on, or the making of any new Loans on, such Increase Effective Date;

(iv) after giving Pro Forma Effect to the increased or new Commitments and any new Loans to be made on such Increase Effective Date, the aggregate principal amount of the sum of all Priority Lien Debt and, without duplication, all Senior Priority Refinancing Indebtedness (including, in each case, without duplication of any outstanding principal amounts, the amount of any unfunded commitments under a revolving credit facility as of such date) would not exceed the greater of (A) [*] and (B) such an amount that would cause the Asset Coverage Ratio to be equal to [*] ; and

(v) Parent shall deliver or cause to be delivered any legal opinions or other documents reasonably requested by the Administrative Agent in connection with any such transaction.

(g) Terms of New Loans and Commitments. The terms and provisions of Loans made pursuant to the new Commitments shall be as follows:

(ii) terms and provisions with respect to interest rates, maturity date and amortization schedule of Loans made pursuant to any Incremental Term Loan Commitments ("Incremental Term Loans") shall be as agreed upon among the Borrowers and the applicable Lenders providing such Loans (it being understood that the Incremental Term Loans may be part of the Initial Term Loans or any other Class of Term Loans);

(iii) the Weighted Average Life to Maturity of any Loans made pursuant to Incremental Term Loan Commitments shall be no shorter than the Weighted Average Life to Maturity of the Class of existing Term Loans having the shortest Weighted Average Life to Maturity at such time;

(iv) the interest rate margins for the new Incremental Term Loans shall be determined by the Borrowers and the applicable Lenders providing such Loans; provided, however, that the interest rate margins for such new Incremental Term Loans that are (A) denominated in Dollars, (B) secured by all or a portion of the Collateral on a *pari passu* basis with the Initial Term Loans, (C) broadly syndicated to banks and/or other institutional investors and (D) incurred within 18 months of the Closing Date, shall not be greater than the highest interest rate margins that may, under any circumstances, be payable with respect to any existing Term Loans *plus* 50 basis points unless the interest rate margins with respect to the applicable existing Term Loans are increased by an amount equal to (x) the excess of the interest rate margins with respect to such Incremental Term Loans over the corresponding interest rate margins on the respective applicable existing Term Loans minus (y) 50 basis points; provided that in determining the excess of the interest rate margins between the Incremental Term Loans and the applicable existing Term Loans for purposes of the foregoing clause (x), (1) original issue discount or upfront or similar fees (collectively, "OID") payable by the Borrowers to the Lenders for the existing Term Loans or the Incremental Term Loans in the primary syndication thereof shall be included (with OID being equated to interest based on an assumed four-year life to maturity), (2) any amendments to the interest rate margin on any existing Term Loans that became effective subsequent to the Closing Date but prior to the effective time of the Incremental Term Loans shall also be included in such calculations, (3) customary arrangement, structuring, underwriting and commitment fees payable to the Administrative Agent or any arrangers (or any of their respective Affiliates) shall be excluded and (4) if the Incremental Term Loans include an interest rate floor greater than the interest rate floor applicable to the existing Term Loans, such excess amount shall be equated to interest rate margins for purposes of determining whether an increase in the interest rate margins for the existing Term Loans shall be required under this Section 2.22(c)(iii) to the extent an increase in the interest rate floor in the existing Term Loans would cause an increase in the interest rate margins, and in such case the interest rate floor (but not the Applicable Margin) applicable to the existing Term Loans shall be increased by such increased amount;

(v) the Incremental Term Loans shall be (x) secured solely by the Collateral and on a *pari passu* basis with the Initial Term Loans and (y) incurred and Guaranteed solely by Loan Parties; and

(vi) to the extent that the terms and provisions of Incremental Term Loans are not identical to an outstanding Class of Term Loans (except to the extent permitted by clauses (i), (ii) and (iii) above), such terms and conditions will either be (1) substantially identical to, or, taken as a whole, less favorable to the Lenders providing such Incremental Term Loans than the Term Loans in existence immediately prior to the incurrence of such Incremental Term Loans, provided that, the terms and conditions applicable to such Incremental Term Loans may provide for any additional or different financial or other covenants or other provisions that are agreed between Parent and the Lenders thereof and applicable only during periods after the Latest Maturity Date that is in effect immediately prior to the incurrence of such Incremental Term Loans or (2) otherwise reasonably satisfactory to the Administrative Agent.

The increased or new Commitments shall be effected by a joinder agreement (the "Increase Joinder") executed by the Borrowers, the Administrative Agent and each Lender making such increased or new Commitment, in form and substance satisfactory to each of them. The Increase Joinder may, without the consent of any other Lenders not making such increased or new Commitment, effect such amendments to this Agreement and the other Loan Documents as may be necessary or appropriate, in the opinion of the Administrative Agent, to effect the provisions of this Section 2.22. In addition, unless otherwise specifically provided herein, all references in the Loan Documents to Term Loans shall be deemed, unless the context otherwise requires, to include references to any Incremental Term Loans that are Term Loans made pursuant to this Agreement.

(h) Making of New Term Loans. On any Increase Effective Date on which one or more Incremental Term Loan Commitments becomes effective, subject to the satisfaction of the foregoing terms and conditions, each Lender of such Incremental Term Loan Commitment shall make an Incremental Term Loan to the Borrowers in an amount equal to its Incremental Term Loan Commitment.

(i) Equal and Ratable Benefit. The Loans and Commitments established pursuant to this Section 2.22 shall constitute Loans and Commitments under, and shall be entitled to all the benefits afforded by, this Agreement and the other Loan Documents and shall, without limiting the foregoing, benefit equally and ratably from the security interests created by the Collateral Documents.

Section 2.23. Extension of Term Loans.

(e) Extension of Term Loans. Notwithstanding anything to the contrary in this Agreement, pursuant to one or more offers (each, a "Term Loan Extension Offer"), made from time to time by the Borrowers to all Term Lenders holding Term Loans with like maturity date, on a *pro rata* basis (based on the aggregate Term Loans with like maturity date) and on the same terms to each such Term Lender, the Borrowers are hereby permitted to consummate from time to time transactions with individual Term Lenders that accept the terms contained in such Term Loan Extension Offers to extend the scheduled maturity date with respect to all or a portion of any outstanding principal amount of such Term Lender's Term Loans and otherwise modify the terms of such Term Loans pursuant to the terms of the relevant Term Loan Extension Offer (including, without limitation, by changing the interest rate or fees payable in respect of such Term Loan Commitments) (each, a "Term Loan Extension", and each group of Term Loans, as so extended, as well as the original Term Loans not so extended, being a "tranche of Term Loans", and any Extended Term Loan shall constitute a separate tranche of Term Loans from the tranche of Term Loans from which they were converted), so long as the following terms are satisfied:

(ii) no Default or Event of Default shall have occurred and be continuing at the time the offering document in respect of a Term Loan Extension Offer is delivered to the applicable Term Lenders (the "Term Loan Extension Offer Date");

(iii) except as to interest rates, fees, scheduled amortization payments of principal and final maturity (which shall be as set forth in the relevant Term Loan Extension Offer), the Term Loan of any Term Lender that agrees to a Term Loan Extension with respect to such Term Loan extended pursuant to an Extension Amendment (an "Extended Term Loan"), shall be a Term Loan with the same terms as the original Term Loans; provided that (1) the permanent repayment of Extended Term Loans after the applicable Term Loan Extension shall be made on a pro rata basis with all other Term Loans, except that the Borrowers shall be permitted to permanently repay any such tranche of Term Loans on a better than a pro rata basis as compared to any other tranche of Term Loans with a later maturity date than such tranche of Term Loans, (2) assignments and participations of Extended Term Loans shall be governed by the same assignment and participation provisions applicable to Term Loans, (3) the relevant Extension Amendment may provide for other covenants and terms that apply solely to any period after the Latest Maturity Date that is in effect on the effective date of such Extension Amendment (immediately prior to the establishment of such Extended Term Loans), (4) Extended Term Loans may have call protection as may be agreed by the Borrowers and the applicable Term Lenders of such Extended Term Loans, (5) no Extended Term Loans may be optionally prepaid prior to the date on which all Term Loans with an earlier Maturity Date are repaid in full, unless such optional prepayment is accompanied by a pro rata optional prepayment of such other Term Loans and (6) at no time shall there be Term Loans hereunder (including Extended Term Loans and any original Term Loans) which have more than five different maturity dates;

(iv) all documentation in respect of such Term Loan Extension shall be consistent with the foregoing; and

(v) any applicable Minimum Extension Condition shall be satisfied unless waived by the Borrowers. For the avoidance of doubt, no Term Lender shall be obligated to accept any Term Loan Extension Offer.

(f) Minimum Extension Condition. With respect to all Term Loan Extensions consummated by the Borrowers pursuant to this Section 2.23, (i) such Term Loan Extensions shall not constitute voluntary or mandatory payments or prepayments for purposes of Section 2.09 or Section 2.10 and (ii) each Term Loan Extension Offer shall specify the minimum amount of Term Loans to be tendered, which shall be a minimum amount approved by the Administrative Agent (a "Minimum Extension Condition"). The Administrative Agent and the Lenders hereby consent to the transactions contemplated by this Section 2.23 (including, for the avoidance of doubt, payment of any interest, fees or premium in respect of any Extended Term Loans on such terms as may be set forth in the relevant Term Loan Extension Offer) and hereby waive the requirements of any provision of this Agreement (including, without limitation, Section 2.09, 2.14 and 8.08) or any other Loan Document that may otherwise prohibit any such Term Loan Extension or any other transaction contemplated by this Section 2.23.

(g) Extension Amendment. The consent of the Administrative Agent shall be required to effectuate any Term Loan Extension, such consent not to be unreasonably withheld. No consent of any Lender shall be required to effectuate any Term Loan Extension, other than the consent of each Lender agreeing to such Term Loan Extension with respect to one or more of its Term Loans (or a portion thereof), as applicable. All Extended Term Loans and all obligations in respect thereof shall be Obligations under this Agreement and the other Loan Documents that are secured by the Collateral on a *pari passu* basis with all other applicable Obligations under this Agreement and the other Loan Documents. The Lenders hereby irrevocably authorize the Administrative Agent to enter into amendments to this Agreement and the other Loan Documents (each, an "Extension Amendment") with the Borrowers as may be necessary in order to establish new tranches or sub-tranches in respect of Term Loans so extended and such technical amendments as may be necessary or appropriate in the reasonable opinion of the Administrative Agent and the Borrowers in connection with the establishment of such new tranches or sub-tranches, in each case on terms consistent with this Section 2.23.

(h) In connection with any Term Loan Extension, the Borrowers shall provide the Administrative Agent at least five (5) Business Days (or such shorter period as may be agreed by the Administrative Agent) prior written notice thereof, and shall agree to such procedures (including, without limitation, regarding timing, rounding and other adjustments and to ensure reasonable administrative management of the credit facilities hereunder after such Term Loan Extension), if any, as may be established by, or acceptable to, the Administrative Agent, in each case acting reasonably to accomplish the purposes of this Section 2.23.

Section 2.24. Refinancing Amendment.

(e) The Borrowers may refinance, replace or modify all or any portion of any tranche or tranches of Term Loans then outstanding (the "Refinanced Term Loans") with Permitted Refinancing Indebtedness ("Replacement Term Loans") pursuant to a Refinancing Amendment; provided that:

(ii) the obligations in respect of such Replacement Term Loans shall be (1) Obligations under this Agreement and the other Loan Documents (and thus guaranteed on a *pari passu* basis with all the other Obligations under this Agreement and the other Loan Documents) and (2) secured by the Collateral but no other property (and secured on a *pari passu* basis with the Liens on the Collateral);

(iii) such Replacement Term Loans may have such pricing (including interest, fees and premiums) and other economic terms as may be agreed by the Borrowers and the Lenders thereof;

(iv) such Replacement Term Loans, subject to clause (ii) above, will have terms and conditions that are either substantially identical to, or, taken as a whole, less favorable to the Lenders providing such Replacement Term Loans than the Refinanced Term Loans provided that the terms and conditions applicable to such Replacement Term Loans may provide for any additional or different financial or other covenants or other provisions that are agreed between Parent and the Lenders thereof and applicable only during periods after the Latest Maturity Date that is in effect immediately prior to the incurrence of such Replacement Term Loans; and

(v) the proceeds of such Replacement Term Loans shall be applied, substantially concurrently with the incurrence thereof, to the prepayment of the Refinanced Term Loans.

(f) The effectiveness of any Refinancing Amendment shall be subject, to the extent reasonably requested by the Administrative Agent, receipt by the Administrative Agent of legal opinions, board resolutions and officers' certificates consistent with those delivered on the Closing Date under Section 4.01.

(g) Upon the effectiveness of any Refinancing Amendment, this Agreement shall be deemed amended to the extent (but only to the extent) necessary to reflect the existence and terms of the Replacement Term Loans incurred pursuant thereto (including any amendments necessary to treat the Replacement Term Loans subject thereto as "Loans" and "Term Loans" and the Lenders providing such Replacement Terms Loans as "Lenders").

(h) Any Refinancing Amendment may, without the consent of any other Lenders who are not providing Replacement Term Loans, effect such amendments to this Agreement and the other Loan Documents as may be necessary or appropriate, in the reasonable opinion of the Administrative Agent and the Borrower, to effect the provisions of this Section 2.24. The Administrative Agent shall promptly notify each Lender as to the effectiveness of each Refinancing Amendment.

(i) This Section 2.24 shall supersede any provisions in Section 2.14 or Section 10.08 to the contrary.

(j) For the avoidance of doubt, in connection with the repayment of any Refinanced Term Loans, the Lenders holding such Refinanced Term Loans shall be entitled to payment of any premium payable pursuant to Section 2.10(c) as if such Refinanced Term Loans had been prepaid pursuant to Section 2.10(a), other than to the extent such Lenders accept Replacement Term Loans in exchange for their Refinanced Term Loans.

Section 2.25. Illegality. If any Lender shall notify the Administrative Agent that either (a) there is any introduction of, or change in or in the interpretation of, any law or regulation that in the opinion of counsel for such Lender in the relevant jurisdiction makes it unlawful; or (b) any central bank or other Governmental Authority asserts that it is unlawful for such Lender to continue to fund or maintain any Loan bearing interest based on SOFR (a "SOFR Loan") or to perform its obligations hereunder with respect to SOFR Loans hereunder, then, upon the issuance of such opinion of counsel or such assertion by a central bank or other Governmental Authority, the Administrative Agent shall give notice of such opinion or assertion to the Borrowers (accompanied by such opinion, if applicable). The Borrowers shall forthwith (or at the end of the then-current Interest Period if any applicable Term Benchmark Loans may be lawfully maintained as SOFR Loans until then) either: (i) prepay in full all SOFR Loans made by such Lender, with accrued interest thereon or (ii) convert each such SOFR Loan made by such Lender into a ABR Loan. Upon such prepayment or conversion, the obligation of such Lender to make SOFR Loans, or to convert ABR Loans into SOFR Loans, shall be suspended until the Administrative Agent shall notify the Borrowers that the circumstances causing such suspension no longer exists.

ARTICLE 3.

REPRESENTATIONS AND WARRANTIES

In order to induce the Lenders to make Loans hereunder, each of the Borrowers and each of the Guarantors jointly and severally represent and warrant as follows:

Section 3.14. Organization and Authority. Parent has no separate legal personality from that of Latam Airlines Group S.A., a *sociedad anónima* duly organized under the laws of Chile. Parent is a *sociedad anónima* duly organized and validly existing under the laws of Chile. Each Borrower and each of the Guarantors (a) (i) is duly organized, validly existing and in good standing (to the extent such concept is applicable in the applicable jurisdiction and in the case of LATAM Finance Limited and Peuco Finance Limited to the best of their knowledge and belief other than to the extent that, prior to the Conversion Date, such good standing is impacted by the Cayman JPL Applications) under the laws of the jurisdiction of its organization and (ii) is duly qualified and in good standing in each other jurisdiction in which the failure to so qualify would have a Material Adverse Effect and (b) has the requisite corporate or limited liability company power and authority to effect the Transactions, to own or lease and operate its properties and to conduct their business as now or currently proposed to be conducted.

Section 3.15. Air Carrier Status. Each Air Carrier Entity is authorized to operate as an "air carrier" in all jurisdictions in which each has air routes. Each Air Carrier Entity possess all material certificates, franchises, licenses, permits, rights, designations, authorizations, exemptions, concessions, frequencies and consents which relate to the operation of the routes flown by them and the conduct of their business and operations as currently conducted (the "Permits"). Each Aircraft is operated by a duly authorized and certificated air carrier in good standing under applicable law, which has complied with and satisfied all of the requirements of and is in good standing with the applicable Aviation Authority (to the extent such concept is applicable), and to otherwise lawfully operate, possess, use and maintain the applicable Aircraft.

Section 3.16. Due Execution. The execution, delivery and performance by the Borrowers and the Guarantors of each of the Loan Documents to which it is a party (a) are within the respective corporate or limited liability company powers of each of the Borrowers and each of the Guarantors, have been duly authorized by all necessary corporate or limited liability company action, including the consent of shareholders or members where required, and do not (i) contravene the charter, by-laws or limited liability company agreement (or equivalent documentation) of the Borrowers or the Guarantors, (ii) violate any applicable law (including, without limitation, the Exchange Act) or regulation (including, without limitation, Regulations T, U or X of the Federal Reserve Board), or any material order or decree of any court or Governmental Authority, (iii) except to the extent arising under the documents governing any Pre-Petition Indebtedness, conflict with or result in a breach of, or constitute a default under, any material indenture, mortgage or deed of trust or any material lease, agreement or other instrument binding on any Borrower or any Guarantor or any of their properties, or (iv) result in or require the creation or imposition of any Lien upon any of the property of any Borrower or any other Loan Party other than the Liens granted pursuant to this Agreement or the other Loan Documents; and (c) does not require the consent, authorization by or approval of or notice to or filing or registration with any Governmental Authority or any other Person, other than (i) the filings and consents contemplated by the Collateral Documents, (ii) approvals, consents and exemptions that have been obtained on or prior to the Closing Date and have not been modified in a manner that is materially adverse to the Lenders and in full force and effect, (iii) consents, approvals and exemptions that the failure to obtain in the aggregate would not be reasonably expected to result in a Material Adverse Effect, (iv) payment of the Chilean Stamp Tax, if applicable, and mandatory filings associated with the Chilean Stamp Tax and (v) routine reporting obligations. Each Loan Document to which a Loan Party is a party has been duly executed and delivered by the Loan Parties party thereto. Each of this Agreement and the other Loan Documents to which any of the Borrowers or any of the Guarantors is a party is a legal, valid and binding obligation of each Borrower and each Guarantor party thereto, enforceable against the Borrowers and the Guarantors, as the case may be, in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law.

Section 3.17. Statements Made. The written information furnished by or on behalf of any Borrower or any Guarantor to the Administrative Agent or any Lender in connection with the negotiation of this Agreement (as modified or supplemented by other written information so furnished), taken as a whole as of the Closing Date did not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made therein not misleading in light of the circumstances in which such information was provided; provided that, with respect to projections, estimates or other forward looking information, the Borrowers and the Guarantors represent only that such information was prepared in good faith based upon assumptions believed to be reasonable at the time.

Section 3.18. Financial Statements; Material Adverse Effect.

(e) The audited consolidated financial statements of Parent and its Subsidiaries for the fiscal year ended December 31, 2021 and the fiscal quarter ended March 31, 2022, included in Parent's consolidated audited financial statements filed with the SEC, as amended, present fairly, in all material respects, in accordance with IFRS, the financial condition, results of operations, shareholder's equity and cash flows of Parent and its Subsidiaries on a consolidated basis as of such date and for such period.

(f) The DIP Budget has been based on good faith estimates and assumptions believed by such Persons to be reasonable at the time made, it being recognized by the Lenders that such projections as to future events are not to be viewed as facts and that actual results during the period or periods covered by any such projections may differ from the projected results and such differences may be material.

(g) Since March 25, 2022, there has been no Material Adverse Effect (both before and after giving effect to the Transactions).

Section 3.19. Use of Proceeds. The proceeds of the Loans made on the Closing Date shall be used by the Borrowers (i) in accordance with the Reorganization Plan to repay the Existing DIP Facility and to pay transaction costs, fees and expenses related thereto and (ii) with respect to any remaining proceeds not applied pursuant to the foregoing clause (i), for general corporate purposes. The proceeds of Loans made after the Closing Date shall be used by the Borrowers for general corporate purposes.

Section 3.20. Ownership of Subsidiaries. As of the Closing Date, each of the Persons listed on Schedule 3.07 is a Subsidiary (direct or indirect) of Parent and the ownership of such Subsidiary is as set forth on such Schedule, and Parent owns no other Subsidiaries, either directly or indirectly.

Section 3.21. Litigation and Compliance with Laws.

(e) Except for the Chapter 11 Case, there are no actions, suits, proceedings or investigations pending or, to the knowledge of the Borrowers or the Guarantors, threatened against any Borrower or any Guarantor or any of their respective properties (including any properties or assets that constitute Collateral under the terms of the Loan Documents), before any court or governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign, that (i) are likely to have a Material Adverse Effect or (ii) could reasonably be expected to affect the legality, validity, binding effect or enforceability of the Loan Documents or, in any material respect, the rights and remedies of the Administrative Agent, the Collateral Trustee, the Local Collateral Agents or the Lenders thereunder or in connection with the Transactions; provided that prior to the Conversion Date, neither the commencement nor existence of a Chilean Local Reorganization Proceeding solely on the terms provided in Section 8.01(i) of the Existing DIP Facility nor a Brazilian Local Reorganization Proceeding shall affect the representation in this Section 3.08.

(f) Except with respect to any matters that, individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect, each Borrower and each Guarantor to its knowledge is currently in compliance with all applicable statutes, regulations and orders of, and all applicable restrictions imposed by, all Governmental Authorities, in respect of the conduct of its business and ownership of its property, including, without limitations, regulation issued by the *Dirección General de Aeronáutica Civil* of Chile, the FAA or the *Agência Nacional de Aviação Civil (ANAC)* of Brazil.

Section 3.22. Margin Regulations; Investment Company Act.

(e) Neither any Borrower nor any Guarantor is engaged, principally or as one of its important activities, in the business of purchasing or carrying margin stock (within the meaning of Regulation U issued by the Federal Reserve Board, "Margin Stock"), or extending credit for the purpose of purchasing or carrying Margin Stock, and no proceeds of any Loans will be used to purchase or carry any Margin Stock or to extend credit to others for the purpose of purchasing or carrying any Margin Stock in violation of Regulation U.

(f) Neither any Borrower nor any Guarantor (i) is, or after the making of the Loans will be, or is required to be, registered as an "investment company" under the Investment Company Act of 1940, as amended or (ii) otherwise is subject to any other regulatory requirement limiting its ability to incur a guarantee or Indebtedness or grant a security interest in its property to secure such guarantee or Indebtedness or requiring any approval or consent from, or registration or filing with, any Governmental Authority in connection therewith; provided that prior to the Conversion Date, neither the commencement nor existence of a Chilean Local Reorganization Proceeding solely on the terms provided in Section 8.01(i) of the Existing DIP Facility nor the commencement and/or existence of a Brazilian Local Reorganization Proceeding shall affect the representation in this Section 3.09.

Section 3.23. Ownership of Significant Assets. Each Loan Party has (i) good, marketable and legal title to (in the case of fee or ownership interests in real or personal property), (ii) valid leasehold interests in (in the case of leasehold interests in real or personal property), (iii) good title to (in the case of any personal property or assets that are Significant Assets) and (iv) except as would not reasonably be expected to have a Material Adverse Effect, good title to (in the case of all other personal property), all properties and assets (in each case of the foregoing (i)-(iv), other than Intellectual Property, which is the subject of Section 3.11) owned by such Loan Party free and clear of all Liens other than Liens permitted under Section 6.05, except, in each case, for assets Disposed of in accordance with the terms hereof or the Final DIP Order.

Section 3.24. Intellectual Property. Except as would not reasonably be expected to have a Material Adverse Effect, (i) each Loan Party owns, or has a valid and enforceable right, whether express or implied, to use, all Intellectual Property that is used in the conduct of their respective businesses as currently conducted; (ii) no Adverse Proceeding is pending or threatened in writing against any Loan Party (or, to the knowledge of any Loan Party, otherwise threatened) by any Person (1) challenging the right of any Loan Party to use any Intellectual Property owned by or licensed to such Loan Party, (2) challenging the validity of any Intellectual Property owned by any Loan Party or (3) claiming infringement, misappropriation or any other violation by any Loan Party of any right in Intellectual Property of any Person, and (iii) no Intellectual Property used in the operation of the business of each Loan Party as currently conducted infringes, misappropriates or otherwise violates any rights in Intellectual Property of any Person.

Section 3.25. Perfected Security Interests.

(e) Prior to the Conversion Date, upon entry of the Final DIP Order, the Obligations shall constitute Superpriority Claims and the Final DIP Order shall be effective to create, during the Chapter 11 Cases, in favor of the Collateral Trustee, for the benefit of the Secured Parties, a legal, valid, enforceable and perfected security interest under the laws of the United States in the Collateral, with the following priority:

(ii) pursuant to section 364(c)(2) of the Bankruptcy Code, a first priority security interest in and Lien on the Collateral not otherwise subject to Permitted Priority Liens and RCF Spare Parts Replacement Liens, subject only to the Carve-Out; and

(iii) pursuant to section 364(c)(3) of the Bankruptcy Code, junior priority security interest in and Lien on the Collateral subject to Permitted Priority Liens, the Carve-Out and RCF Spare Parts Replacement Liens,

as and to the extent contemplated by and described in the Final DIP Order and the Collateral Documents. Without limiting the immediately foregoing sentence, at such time as (x) UCC financing statements in appropriate form are filed in the appropriate offices (and the appropriate fees are paid) and (y) the other requirements of the Collateral Documents have been taken as and when required therein and subject to Section 4.03 herein, the Collateral Trustee or any Local Collateral Agent, as applicable, for the benefit of the Secured Parties, shall have a perfected security interest under the UCC and any similar or equivalent laws of any other jurisdiction required in the Collateral Documents in that portion of such Collateral to the extent that the Liens thereon may be perfected upon the taking of the actions described in clauses (x) and (y) above, subject in each case only to the Carve-Out and Permitted DIP Liens, and such security interest is (1) entitled to the benefits, rights and protections afforded under the Collateral Documents applicable thereto (subject to the qualification set forth in the first sentence of this Section 3.12) and (2) of such priority as provided herein and in the Final DIP Order. For the avoidance of doubt but without affecting the first sentence of this Section 3.12(a), the Loan Documents will not require (i) the execution, filing or recording of mortgages in respect of real property (other than the Real Estate Mortgages) or control agreements (other than with respect to the Disbursement Account or any Controlled Account), (ii) the taking of any action to obtain possession or control of any Collateral (other than in respect of any Priority Pledged Equity Interests and the Intercompany Note), (iii) any action in addition to those required by the second sentence of this Section 3.12(a) with respect to the perfection of any security interest in any Intellectual Property beyond the filing of Intellectual Property Security Agreements in respect of Intellectual Property registered, issued or applied-for with the United States Patent and Trademark Office or the Copyright Office or the filing of Non-U.S. IP Security Agreements in respect of Non-U.S. Intellectual Property in the applicable Non-U.S. IP Registration Office, (iv) the filing or taking of any action with respect to the perfection of any security interest in any Pledged Spare Part or Pledged Engine (other than Priority Pledged Engines, as contemplated in Section 4.03), or (v) in any event, the making of any filing or taking of any action with respect to creation, perfection, priority or other action with respect to security interests in any jurisdiction outside of the United States in assets located, titled or arising or protected under the laws of a jurisdiction outside of the United States, except as provided in Section 4.03.

(f) On and after the Conversion Date, the Collateral Documents, taken as a whole, are effective to create in favor of the Collateral Trustee or the Local Collateral Agents, as applicable, for the benefit of the Secured Parties, a legal, valid and enforceable security interest in all of the Collateral to the extent purported to be created thereby, subject as to enforceability to applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or in law (but excluding any Collateral Document governed by the law of a Security Jurisdiction outside the United States under whose Law execution alone of such Collateral Document is not sufficient to so create such a Security Interest). At such time as (i) UCC financing statements in appropriate form are filed in the appropriate offices (and the appropriate fees are paid) and (ii) the other requirements of the Collateral Documents have been taken as and when required therein and subject to Section 4.03 herein, the Collateral Trustee or the Local Collateral Agent, as applicable, for the benefit of the Secured Parties, shall have a perfected security interest under the UCC and any similar or equivalent laws of any other jurisdiction required in the Collateral Documents in that portion of such Collateral to the extent that the Liens thereon may be perfected upon the taking of the actions described in clauses (i) and (ii) above, subject in each case only to Permitted Liens, and such security interest is (x) entitled to the benefits, rights and protections afforded under the Collateral Documents applicable thereto (subject to the qualification set forth in the first sentence of this Section 3.12(b)) and (y) of such priority as provided in the Collateral Trust Agreement. For the avoidance of doubt but without affecting the first sentence of this Section 3.12(b), the Loan Documents will not require (A) the execution, filing or recording of mortgages in respect of real property or control agreements, (B) the taking of any action with respect to any Collateral in any non-Security Jurisdiction (other than any actions in accordance with the English Law Security Agreement (as defined in the Collateral Trust Agreement)) or (C) any action to obtain possession or control of any Collateral (other than in respect of any Priority Pledged Equity Interests, the Intercompany Note or as otherwise expressly required by Section 4.1 or 4.3 of the Pledge and Security Agreement).

Section 3.26. Insurance. The properties of the Loan Parties are insured with financially sound and reputable insurance companies which are not Affiliates of Parent, in such amounts, with such deductibles and covering such risks as are customarily carried by companies engaged in similar businesses and owning similar properties and assets in localities where the applicable Loan Party operates, as are necessary to ensure that Uninsured Liabilities of such Loan Party are not reasonably likely to result in a Material Adverse Effect.

Section 3.27. Payment of Taxes.

(e) The Borrowers and the Guarantors have timely filed or caused to be filed all Tax Returns and reports required to have been filed by them and have paid or caused to be paid when due all Taxes required to have been paid by them (whether or not shown on any Tax Return), taking into account any applicable extensions. All such Tax Returns are true, complete and correct in all material respects.

(f) There are no pending or threatened audits or claims relating to the assessment or collection of Taxes with respect to the Borrowers and the Guarantors or any unresolved questions or claims concerning the Tax liability of the Borrowers and the Guarantors.

(g) There are no encumbrances for Taxes against the assets of the Borrowers and the Guarantors.

(h) The Borrowers and the Guarantors have deducted or withheld and timely paid over to the proper Governmental Authorities all Taxes required to have been deducted or withheld and paid over, and have complied with all information reporting, withholding and backup withholding requirements.

(i) The Borrowers and the Guarantors do not have liability for the Taxes of another person as a transferee, successor, by contract, or pursuant to applicable law.

In any event, the Borrowers and the Guarantors jointly and severally represent and warrant the above Section 3.14(a) to Section 3.14(e) except and solely to the extent that, in each case, (i) Taxes, if any, are being contested in good faith by appropriate proceedings and subject to maintenance of adequate reserves in accordance with IFRS, or (ii) any such Taxes, related liabilities, audits or claims could not reasonably be expected to result in a Material Adverse Effect.

Section 3.28. Employee Matters.

(e) Except as would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, the Loan Parties are not engaged in any unfair labor practice, and there is no (i) unfair labor practice charge or complaint pending against any Loan Party or, to the knowledge of the Loan Parties, threatened by or on behalf of any employees of the Loan Parties, (ii) material grievance or arbitration proceeding arising out of or under any collective bargaining agreement that is so pending against any Loan Party or, to the knowledge of the Loan Parties, threatened against any Loan Party and (iii) strike, work stoppage or other labor dispute against any of the Loan Parties or, to the knowledge of the Loan Parties, threatened against any Loan Party, except where any such situation could not reasonably be expected to result in a Material Adverse Effect.

(f) Except as would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, the Loan Parties are in compliance with all applicable laws respecting employment, discrimination in employment, terms and conditions of employment, worker classification, wages, hours and occupational safety and health and employment practices.

(g) Except as would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, (i) each Benefit Plan has been adopted and administered in accordance with its terms and complies with applicable law, (ii) there are no pending, or to the knowledge of the Loan Parties, threatened claims, actions or lawsuits, or action by any Governmental Authority, with respect to any Benefit Plan and (iii) the present value of all accumulated benefit obligations under each Benefit Plan (based on the assumptions used for purposes of International Accounting Standard No. 26) did not, as of the date of the most recent financial statements reflecting such amounts, exceed the fair market value of the assets of such Benefit Plan.

(h) Except as would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, (i) no Benefit Plan is subject to ERISA Title IV and no Loan Party has any liability under ERISA Title IV with respect to any employee benefit plan including on account of any ERISA Affiliate, and (ii) no Loan Party has ever contributed to or been required to contribute to a "multiemployer plan" as defined in Section 3(37) or Section 4001(a)(3) of ERISA.

(i) With respect to each scheme or arrangement mandated by a government other than the United States (a "Non-U.S. Government Scheme or Arrangement") and with respect to each employee benefit plan maintained or contributed to by any Loan Party that is not subject to United States law (a "Non-U.S. Plan") except as would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect:

(ii) any employer and employee contributions required by law or by the terms of any Non-U.S. Government Scheme or Arrangement or any Non-U.S. Plan have been made, or, if applicable, accrued, in accordance with normal accounting practices;

(iii) the fair market value of the assets of each funded Non-U.S. Plan, the liability of each insurer for any Non-U.S. Plan funded through insurance or the book reserve established for any Non-U.S. Plan, together with any accrued contributions, is sufficient to procure or provide for the accrued benefit obligations, as of the Closing Date, with respect to all current and former participants in such Non-U.S. Plan according to the actuarial assumptions and valuations most recently used to account for such obligations in accordance with applicable generally accepted accounting principles; and

(iv) each Non-U.S. Plan required to be registered has been registered and has been maintained in good standing with applicable regulatory authorities.

Section 3.29. Sanctions; Anti-Corruption; Anti-Money Laundering Laws.

(e) Neither Parent nor any of its Subsidiaries or Affiliates, or their respective directors or officers, nor to their knowledge, their or their Affiliates' employees, has in the last five years, nor is now, engaged in any activity or conduct which would comprise a violation in any material respect of any applicable Anti-Corruption Laws, Sanctions, or AntiMoney Laundering Laws, regulations or rules in any applicable jurisdiction, and Parent and its Subsidiaries have instituted and maintain in place policies and procedures reasonably designed to promote compliance with such laws, regulations and rules.

(f) Neither Parent nor any of its Subsidiaries, or their respective directors or officers, nor to their knowledge, their Affiliates is a Person that is the subject or target of any Sanctions as a result of (i) being listed on any list of persons subject to Sanctions, (ii) being located, organized or resident in a country or territory that is the subject of comprehensive Sanctions broadly prohibiting dealings with such country or territory (currently, the Crimea, the so-called Donetsk People's Republic, and the so-called Luhansk People's Republic regions of Ukraine, Cuba, Iran, North Korea, and Syria) (each, a "Sanctioned Country"), (iii) being the government of Venezuela or (iv) being a Person that is 50% or more owned or controlled by any Person described in (i), (ii) or (iii) (any Person described in (i), (ii), (iii), or (iv), a "Sanctioned Person"). "Sanctions" shall mean any economic or trade sanctions or embargos enacted, imposed, administered or enforced by the U.S. government, including those administered by OFAC and the U.S. Department of State, the United Nations Security Council, the European Union, any European Union member state, the United Kingdom and/or any other applicable Governmental Authorities with jurisdiction over the conduct of a Person performing under this Agreement.

(g) None of the Loan Parties, any of their Subsidiaries, or, to their knowledge based on the information available to them after due inquiry, any of their respective officers, directors, employees, or any Persons acting on their behalf in connection with the Loan are Sanctioned Persons.

(h) None of the proceeds in connection with this Agreement will be used, lent, contributed, or otherwise made available, directly or indirectly, (i) to fund, finance or facilitate any activities or business of or with any Person that, at the time of such funding, financing or facilitation, is the subject or target of Sanctions, (ii) to fund, finance or facilitate any activities of or business in any Sanctioned Country, in each case of (i) and (ii), except to the extent permitted under Sanctions, or (iii) in any other manner that would result in a violation of Sanctions by any Person in connection with this Agreement (including any Person participating or acting in connection with the loan hereunder, whether as underwriter, advisor, investor, lender, hedge provider, facility or security agent or otherwise).

Section 3.30. Process Agent. The Borrowers shall continue to maintain Law Debenture Corporate Services, Inc., 801 2nd Avenue, Suite 403, New York, New York, 10017, or another entity acceptable to the Administrative Agent, as its process agent (the "Process Agent").

Section 3.31. Final DIP Order. Prior to the Conversion Date, (a) the Final DIP Order is in full force and effect and has not been vacated, reversed, terminated, stayed, modified or amended in any manner without the written consent of the Required Lenders and (b) upon the occurrence of the Maturity Date (whether by acceleration or otherwise), the Lenders shall, subject to Section 7.01 and the applicable provisions of the Final DIP Order, be entitled to immediate payment of the Borrowers' Obligations, and to enforcement of the remedies provided for under the Loan Documents in accordance with the terms thereof and the Final DIP Order without further application to or order by the Bankruptcy Court.

Section 3.32. Appointment of Trustee or Examiner; Liquidation. No order has been entered in any of the Obligors' Chapter 11 Cases (a) for the appointment of a Chapter 11 trustee, (b) for the appointment of a responsible officer or examiner (other than a fee examiner) having enlarged powers (beyond those set forth under Sections 1106(a)(3) and (4) of the Bankruptcy Code) under Section 1104 of the Bankruptcy Code or (c) to convert any of the Obligors' Chapter 11 Cases to a case under Chapter 7 of the Bankruptcy Code or to dismiss any of the Obligors' Chapter 11 Cases.

Section 3.33. Environmental Compliance.

(e) Except with respect to (i) any matters that, individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect and (ii) the Existing Environmental Proceedings, each of the Loan Parties is in compliance with all applicable Environmental Laws and Environmental Permits.

(f) There are no Environmental Claims pending or, to the knowledge of the Loan Parties, threatened, including any such Environmental Claims pending or threatened against the Loan Parties or any of their respective properties (including any properties or assets that constitute Significant Assets under the terms of the Loan Documents), in each case that are reasonably expected to have a Material Adverse Effect, except with respect to the Existing Environmental Proceedings.

(g) Except with respect to the Existing Environmental Proceedings or any matters that, individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect, to the knowledge of the Borrowers, there are no conditions or circumstances that are likely to result in any Environmental Liability or requirement for investigation or assessment or remedial or response action relating to any presence, actual or threatened Release or Use of Hazardous Materials at any site, location or operation to be imposed on, or asserted against, the Loan Parties.

Section 3.34. No Default. No Default has occurred and is continuing under this Agreement or would result from the consummation of the transactions contemplated by this Agreement or any other Loan Document.

Section 3.35. Beneficial Ownership Certificate. As of the Closing Date, the information included in the Beneficial Ownership Certification, if applicable, is true and correct in all respects.

Section 3.36. Navigation Charges. To the best of Parent's knowledge, there are no navigation or landing fees and charges of an Airport Authority or applicable Aviation Authority or Non-U.S. Aviation Authority (including Eurocontrol and any applicable EU-ETS authority) outstanding in respect of the Aircraft or any Engine in the fleet of any Air Carrier Entity as a result of which such Airport Authority or Aviation Authority or Non-U.S. Aviation Authority would be entitled to seize, arrest, detain or forfeit the Aircraft or any Engine.

Section 3.37. Slot Utilization. (a) As of the Closing Date, (i) each Borrower and each applicable Loan Party holds its respective Material Pledged Slots that were allocated through the IATA seasonal allocation process and are ruled by the Worldwide Slot Guidelines (WSG) of IATA and the local regulations of each airport and (ii) there exists no material violation by such Loan Party of the terms, conditions or limitations of any rule, regulation or order of the applicable slots' conditions and regulations. Neither any Borrower nor any Guarantor has received any written notice from the FAA, other applicable Governmental Authorities or Aviation Authorities, or is otherwise aware of any other event or circumstance, that would, taking into account any exemptions or other relief granted by the relevant Governmental Authority, be reasonably likely to impair in any material respect its respective right to hold and operate any Material Pledged Slot, except for any such impairment that, either individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect.

(b)Except for matters which could not reasonably be expected to have a Material Adverse Effect, the Borrowers and the other Loan Parties, as applicable, are utilizing, or causing to be utilized, their respective Slots (except any such Slots which are reasonably determined by Parent to be of *de minimis* value or surplus to Parent's needs) in a manner consistent in all material respects with applicable rules, regulations, laws and contracts in order to preserve both their respective right to hold and operate such Slots, taking into account any waivers or other relief granted to any Borrower or any Guarantor by the FAA, other applicable Governmental Authorities in the United States, Airport Authorities in the United States, any applicable Non-U.S. Aviation Authority or any foreign Airport Authorities.

(c) Neither any Borrower nor any Guarantor has received any written notice from the FAA, other applicable Governmental Authorities, any Non-U.S. Aviation Authority or any Airport Authority, as applicable, or is otherwise aware of any other event or circumstance, that would, taking into account any exemptions or other relief granted by the relevant Governmental Authority, be reasonably likely to impair in any material respect its respective right to hold and operate any Slot, except for any such impairment that, either individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect.

Section 3.25. Routes. With respect to the Pledged Routes, (i) each applicable Loan Party holds or co-holds the requisite authority to operate over such Loan Party's Routes pursuant to Title 49, applicable foreign law and the applicable rules and regulations of the FAA, DOT and any Non-U.S. Aviation Authorities with jurisdiction over its Routes, and (ii) there exists no material violation by such Loan Party of any certificate or order issued by the relevant Aviation Authorities authorizing such Loan Party to operate over such Routes, with respect to such Routes or the provisions of Title 49, applicable foreign law and the applicable rules and regulations of the FAA, DOT and any Non-U.S. Aviation Authorities with jurisdiction over such Routes that gives the relevant Aviation Authority the right to modify in any material respect, terminate, cancel or withdraw the rights of such Loan Party in any such Routes.

Section 3.26. Debtor-in-Possession Obligations. Prior to the Conversion Date, each Obligor shall comply in a timely manner with its obligations and responsibilities as a debtor-in-possession under the Bankruptcy Code, the Bankruptcy Rules and any order of the Bankruptcy Court (including, for the avoidance of doubt, the Final DIP Order), as each such order is amended and in effect from time to time.

Section 3.27. Chilean Capitalization Requirements. (a) The aggregate value of the Collateral pledged by Parent on the Closing Date and pursuant to Section 4.03 does not equal or exceed 50% of the total assets of Parent and (b) none of the Subsidiaries whose equity interests are directly owned and being pledged by Parent on the Closing Date or pursuant to Section 4.03 individually represents 20% or more of the total assets of Parent, determined in each case according to the individual balance sheet of Parent as of December 31, 2021.

ARTICLE 4.

CONDITIONS OF LENDING

Section 4.24. Conditions Precedent to Closing. This Agreement and the obligation of the Lenders to make Initial Term Loans on the Closing Date hereunder shall be subject to satisfaction of the following conditions precedent (unless waived in accordance with Section 10.08 by the Administrative Agent (acting at the direction of the Term Lenders)):

(b) Executed Counterparts of the Loan Documents. The Administrative Agent shall have received duly executed copies of (i) this Agreement by (A) each of the Term Lenders, (B) each Loan Party and (C) each of the other parties party thereto and (ii) duly executed copies of each other Loan Document by each Loan Party and each of the other parties party thereto, other than those Loan Documents that are to be delivered after the Closing Date in accordance with Section 4.03.

(c) Final DIP Order. The Final DIP Order shall not have been vacated, reversed, modified, amended or stayed except as otherwise agreed to in writing by the Joint Lead Arrangers.

(d) Closing Date Debt. The sum of (i) the aggregate gross cash proceeds in respect of the 2027 Bridge Loans and the 2029 Bridge Loans on the Closing Date shall be no less than $1.5 billion and (ii) the aggregate commitments outstanding under the Revolving Credit Facility on the Closing Date shall be no less than $500.0 million.

(e) Closing Date Material Adverse Effect. Since March 25, 2022, there shall have been no Closing Date Material Adverse Effect.

(f) Corporate Deliverables. The Administrative Agent shall have received from each Loan Party a certificate, executed by a Secretary or an Assistant Secretary or Director (or similar officer) of such Loan Party certifying that attached thereto: (i) is a true and complete copy of the resolutions adopted by the board of directors, board of managers or members of that entity authorizing the Borrowings hereunder or shareholders (as required pursuant to applicable law) of such Loan Party (or a duly authorized committee thereof) authorizing (A) the execution, delivery and performance of this Agreement and the other Loan Documents to which such Loan Party is party and any other documents required or contemplated hereunder or thereunder, and the granting of the Liens contemplated hereby or the other Loan Documents (in each case to the extent applicable to such entity), and (B) in the case of each Borrower, the extensions of credit contemplated hereunder; (ii) is a true and complete copy of the formation documents and governing documents (or any document of similar import) of each Loan Party, and in the case of any entity organized in the United States, a certificate of the Secretary of State of the state of such entity's incorporation or formation, dated as of a recent date, as to the charter documents on file in the office of such Secretary of State as in effect on the date of such certification; (iii) a certificate of good standing (or such other document of similar import) or letter confirming no outstanding fees or filings with respect to such Loan Party from the secretary of state (or comparable body), or the relevant companies' registry of the jurisdiction in which such Loan Party is organized or incorporated, dated as of a recent date and (iv) as to the incumbency and specimen signature of each officer of that entity executing this Agreement and the Loan Documents or any other document delivered by it in connection herewith or therewith (such certificate to contain a certification by another officer of that entity as to the incumbency and signature of the officer signing the certificate referred to in this clause (iv));

(g) Opinions of Counsel. The Administrative Agent shall have received customary legal opinions with respect to the New York law governed Loan Documents from (i) Cleary Gottlieb Steen & Hamilton LLP, New York counsel to the Loan Parties, (ii) Claro & Cia, Chilean counsel to the Loan Parties, (iii) Brigard Urrutia, Colombian counsel to the Loan Parties, (iv) Rodrigo Elias & Medrano, Peruvian counsel to the Loan Parties, (v) Demarest Advogados, Brazilian counsel to the Loan Parties, (v) Walkers, Cayman counsel to the Loan Parties, (vi) Higgs & Johnson, Bahamian counsel to the Loan Parties, (vii) Pillsbury Winthrop Shaw Pittman LLP, Florida counsel to the Loan Parties and (viii) Perez Bustamante & Ponce, Ecuadorian counsel to the Loan Parties, in each case in form and substance reasonably satisfactory to the Administrative Agent.

(h) Officer's Certificates. The Administrative Agent shall have received (i)(x) an Officer's Certificate from Parent, dated the Closing Date, certifying (A) as to the truth in all material respects of the representations and warranties made by it contained in the Loan Documents as though made on the Closing Date, except to the extent that any such representation or warranty relates to a specified date, in which case as of such date (provided that any representation or warranty that is qualified by materiality or "Material Adverse Effect" shall be true and correct in all respects as of the applicable date, before and after giving effect to the Transactions) and (B) as to the absence of any event occurring and continuing, or resulting from the Transactions, that constitutes an Event of Default and (ii) an Officer's Certificate from each Borrower, dated the Closing Date, certifying compliance with the conditions set forth in this Section 4.01 as of the Closing Date**,** in form and substance reasonably acceptable to the Administrative Agent.

(i) Lien Searches and Lien Perfection. (i) The Administrative Agent shall have received UCC lien searches conducted in Florida, Delaware and the District of Columbia, as applicable, reflecting the absence of Liens and encumbrances on the assets of the Loan Parties constituting Collateral, other than Permitted Liens, (ii) if applicable, priority search certificates for each applicable Priority Pledged Engine reflecting the absence of registered International Interests on such Priority Pledged Engines and (iii) the Administrative Agent shall have received evidence as it reasonably requires to demonstrate that upon the taking of the actions specified in Section 3.12 and Section 4.03, the Collateral Trustee or the Local Collateral Agents, as applicable, shall hold perfected security interests in and Priority Liens upon the Collateral; provided that nothing herein shall require any Loan Party to take any actions not required under Section 3.12 and Section 4.03 with respect to the pledge and perfection of Collateral.

(j) Consents. All material governmental and third party consents and approvals necessary in connection with the financing (including the granting and, subject to Sections 3.13 and 4.03, perfecting of the security interests with respect to the Collateral) listed on Schedule 4.01 shall have been obtained, in form and substance reasonably satisfactory to the Administrative Agent, and be in full force and effect, including the approval of the Cayman JPLs.

(k) Patriot Act; Beneficial Ownership Regulation. The Administrative Agent, each of the Term Lenders that have requested the same shall have received (i) at least three (3) days prior to the Closing Date all documentation and other information reasonably requested in writing by them at least ten (10) Business Days prior to the Closing Date that they shall have reasonably determined is required by the applicable regulatory authorities to comply with applicable "know your customer" and Anti-Money Laundering Laws, rules and regulations, including the USA PATRIOT Act and (ii) at least five (5) days prior to the Closing Date to the extent reasonably requested in writing by them at least ten (10) business days prior to the Closing Date, in connection with applicable "beneficial ownership" rules and regulations, a Beneficial Ownership Certification in relation to each Borrower.

(l) Payment of Fees and Expenses. Subject to, and in accordance with the procedures and requirements set forth in the Final DIP Order, the Administrative Agent, the Collateral Trustee, the Joint Lead Arrangers and the Lenders shall have received all compensation (to the extent due), transaction costs, expenses (including, without limitation, reasonable documented legal and financial advisor fees) required to be paid on or prior to the Closing Date and all reasonable, documented and invoiced out-of-pocket expenses incurred by counsel to the Term Lenders solely in connection with the preparation, negotiation and execution of the Loan Documents for which invoices have been presented at least five (5) Business Days prior to the Closing Date.

(m) Insurance Coverage. The Collateral Trustee shall have received, to the extent obtainable by the Borrowers prior to the Closing Date after evidence of the use of commercially reasonable efforts, evidence of all primary liability and property insurance coverages of the Loan Parties.

(n) Non-U.S. Cases. There is no order, injunction, stay, restriction or other similar limitation in any of the Non-U.S. Cases that in any way prevents, limits, or restricts any Loan Party's ability to enter into this Agreement or otherwise consummate or perform any of the transactions contemplated by this Agreement, including, but not limited to, the transactions provided for in the Loan Documents.

(o) Funds Flow Direction Letter. The Borrowers shall have executed and delivered a Funds Flow Direction Letter to the Administrative Agent.

(p) Representations and Warranties. All representations and warranties of the Borrowers and the Guarantors contained in this Agreement and the other Loan Documents executed and delivered on the Closing Date shall be true and correct in all material respects on and as of the Closing Date (except to the extent any such representation or warranty by its terms is made as of a different specified date, in which case as of such specified date); provided that any representation or warranty that is qualified by materiality or "Material Adverse Effect" shall be true and correct in all respects, as though made on and as of the applicable date, before and after giving effect to the Transactions.

(q) Trustee. No trustee under Chapter 7 or Chapter 11 of the Bankruptcy Code, or examiner or receiver with enlarged powers beyond those set forth in Section 1106(a)(3) and (4) of the Bankruptcy Code shall have been appointed or designated with respect to the Obligors or their respective business, properties or assets under any of the Chapter 11 Cases.

(r) Confirmation Order. The Confirmation Order confirming the Reorganization Plan shall be in full force and effect, not subject to a stay and shall not have been reversed, modified, amended or vacated, in any manner that is materially adverse to the Joint Lead Arrangers or to the Term Lenders without the consent of such Joint Lead Arrangers.

(s) Junior DIP Facility. The Junior DIP Facility shall be effective or shall become effective on the Closing Date.

(t) Payoff of Existing DIP Facility. The Administrative Agent shall have received evidence reasonably satisfactory to it that, upon the making of the Initial Term Loans and the making of the 2027 Bridge Loans and the 2029 Bridge Loans on the Closing Date (and after giving effect to the application of the proceeds thereof), the principal amount of and accrued interest on all outstanding loans, and all other amounts due and payable, under the Existing DIP Facility shall have been paid, discharged or otherwise satisfied in full and that such Existing DIP Facility shall be terminated, subject to the survival of certain provisions as expressly provided therein, and all Liens securing the obligations of Parent and its subsidiaries thereunder shall be released (or there are arrangements (reasonably satisfactory to the Administrative Agent) for such release as soon as practicable after the Closing Date.

(u) Financial Statements. The Administrative Agent shall have received audited consolidated financial statements of Parent and its Subsidiaries for the fiscal year ended December 31, 2021 and unaudited consolidated financial statements for the fiscal quarter ended March 31, 2022 and each subsequent fiscal quarter ended at least 60 days prior to the Closing Date included in Parent's consolidated financial statements filed with the SEC (as amended through the Closing Date), in each case, prepared in accordance with the IFRS and presenting fairly, in all material respects, the financial condition, results of operations and cash flows of Parent and its Subsidiaries on a consolidated basis as of such date and for such period.

(v) Pro Forma Financial Statements. The Administrative Agent shall have received a *pro forma* consolidated balance sheet and a related *pro forma* consolidated statement of income of Parent and its Subsidiaries (based on the financial statements referred to in paragraph above) as of and for (i) the fiscal year ended December 31, 2021, (ii) the six months ended June 30, 2021 and (iii) the six months ended June 30, 2022, in each case, prepared after giving effect to the Transactions as if they had occurred as of such date (in the case of such balance sheet) or at the beginning of such period (in the case of such other statement of income).

(w) Notice. The Administrative Agent shall have received a Loan Request pursuant to Section 2.02 with respect to such Borrowing.

The execution by each Lender of this Agreement shall be deemed to be confirmation by such Lender that any condition relating to such Lender's satisfaction or reasonable satisfaction with any documentation set forth in this Section 4.01 has been satisfied as to such Lender.

Section 4.25. Conditions Precedent to Each Loan. The obligation of the Lenders to make each Loan after the Closing Date is subject to the satisfaction (or waiver in accordance with Section 10.08) of the following conditions precedent:

(b) Notice. The Administrative Agent shall have received a Loan Request pursuant to Section 2.02 with respect to such Borrowing.

(c) Representations and Warranties. All representations and warranties of the Borrowers and the Guarantors contained in this Agreement and the other Loan Documents shall be true and correct in all material respects on and as of the date of such Loan hereunder (both before and after giving effect thereto and the application of proceeds therefrom) with the same effect as if made on and as of such date except to the extent such representations and warranties expressly relate to an earlier date and in such case as of such date; provided that any representation or warranty that is qualified by materiality or "Material Adverse Effect" shall be true and correct in all respects, as though made on and as of the applicable date, before and after giving effect to such Loan hereunder.

(d) No Default. On the date of such Loan hereunder, no Event of Default or Default shall have occurred and be continuing nor shall any such Event of Default or Default, as the case may be, occur by reason of the making of the requested Borrowing and, in the case of each Loan, the application of proceeds thereof.

The acceptance by any Borrower of each extension of credit hereunder shall be deemed to be a representation and warranty by the Borrowers that the conditions specified in this Section 4.02 have been satisfied at that time.

Section 4.26. Post-Closing Obligations. The Loan Parties shall comply with the obligations set forth in Section 4.5 to the Pledge and Security Agreement within the time periods set forth therein.

ARTICLE 5.

AFFIRMATIVE COVENANTS

From the date hereof and for so long as the Commitments remain in effect or the principal of or interest on any Loan is owing (or any other amount that is due and unpaid on the first date that none of the foregoing is in effect, outstanding or owing, respectively, is owing) to any Lender or the Administrative Agent hereunder:

Section 5.24. Financial Statements, Reports, etc. Parent shall deliver to the Administrative Agent on behalf of the Lenders:

(b) Quarterly Financials. As soon as available and in any event within sixty (60) days (or solely with respect to the second fiscal quarter of each fiscal year, on or before the date that is seventy-five (75) days) after the end of each of the first three quarters of each fiscal year of Parent, the consolidated financial statements of Parent and its Subsidiaries, in each case as at the end of such quarterly period, that includes a statement of financial position (the "Statement of Financial Position"), a statement of comprehensive income (the "Statement of Comprehensive Income"), a statement of changes in equity (the "Statement of Changes in Equity"), a cash flow statement and notes (the "Cash Flow Statement and Notes"), comprising a summary of the significant accounting policies for such quarterly accounting period and for the elapsed portion of the fiscal year ended with the last day of such quarterly period, and setting forth comparative consolidated figures for the related periods in the prior fiscal year or, in the case of such consolidated balance sheet, for the last day of the prior fiscal year, all of which shall be duly certified (subject to year-end audit adjustments) by a Financial Officer of Parent as having been prepared in accordance with IFRS and certificates of a Financial Officer of Parent as to compliance with the terms of this Agreement, which financials shall be accompanied by customary management discussion and analysis (which requirement with respect to management discussion and analysis may be satisfied by the Parent posting on its publicly available website a quarterly earnings statement in customary form prepared by the Parent);

(c) Annual Financials. As soon as available and in any event on or before the date that is ninety (90) days after the end of each fiscal year of Parent, the consolidated financial statements of Parent and its Subsidiaries as at the end of such fiscal year, that includes the Statement of Financial Position, the Statement of Comprehensive Income, the Statement of Changes in Equity, a Cash Flow Statement and Notes, comprising a summary of the significant accounting policies, setting forth comparative consolidated figures for the preceding fiscal year, and certified by PricewaterhouseCoopers Consultores, Auditores SpA or another independent certified public accountant of recognized national standing (which such opinion shall be without any qualification or exception as to the scope of such audit, other than any exception, explanatory paragraph or qualification that is with respect to, or resulting from, (i) an upcoming maturity date of any Priority Lien Debt occurring within one year from the time such opinion is delivered, (ii) any actual or prospective breach of a financial covenant in any Priority Lien Debt or potential inability to satisfy a financial covenant in any Priority Lien Debt on a future date or in a future period, (iii) the activities, operations, financial results, assets or liabilities of any Unrestricted Subsidiary, and (iv) the Chapter 11 Cases) to the effect that such consolidated financial statements fairly present in all material respects the financial condition and results of operations of Parent and its Subsidiaries on a consolidated basis in accordance with IFRS, which financials shall be accompanied by customary management discussion and analysis; provided that, the delivery requirements under this Section 5.01(b) may be satisfied through a filing by the Parent with the SEC on Form 20-F.

(d) Financial Certification. Within the time periods under Section 5.01(a) and (b) above, as applicable, a certificate of a Financial Officer of Parent certifying that, to the knowledge of such Financial Officer, no Default or Event of Default has occurred and is continuing, or, if, to the knowledge of such Financial Officer, such a Default or Event of Default has occurred and is continuing, specifying the nature and extent thereof and any corrective action taken or proposed to be taken with respect thereto;

(e) Consolidated Liquidity Certification. Within the time period under Section 5.01(a) and (b), a certificate of an Officer demonstrating in reasonable detail compliance with Section 6.07 as of the end of the preceding fiscal quarter;

(f) Asset Coverage Ratio Certificate. An Asset Coverage Ratio Certificate, as and when required under Section 6.03(2)(iii), 6.08(a) or Section 6.08(c);

(g) Appraisals. Promptly after a Financial Officer of any Loan Party obtains knowledge thereof, notice of any factual misstatement or error contained in any Appraisal that would materially affect the valuation therein;

(h) Notices of Events of Default. So long as any Commitment or Loan is outstanding, promptly after the Chief Financial Officer or the Treasurer of Parent or any other Loan Party becoming aware of the occurrence of a Default or an Event of Default that is continuing, an Officer's Certificate specifying such Default or Event of Default and what action the Loan Parties are taking or propose to take with respect thereto;

(i) Notice of Employee Plan. Prompt notice of the occurrence of any event or circumstance relating to any employee retirement or similar plan of Parent or any of its Subsidiaries that could reasonably be expected to have a Material Adverse Effect; and

(j) Information. Promptly, from time to time, (i) such other information regarding the Significant Assets, and (ii) solely to the extent not constituting MNPI, the operations, business affairs and financial condition of any Loan Party, in each case under (i) and (ii), as the Administrative Agent or the Collateral Trustee, each at the request of any Lender, may reasonably request;

(k) Notice of Litigation. Prompt notice after any officer of any Loan Party becomes aware of any actions, suits, proceedings or investigations pending or, to the knowledge of any Loan Party, threatened against any Loan Party or any of their respective properties (including any properties or assets that constitute Collateral under the terms of the Loan Documents), before any court or governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign, that are reasonably likely to have a Material Adverse Effect;

(l) Environmental Matters. Parent will promptly advise the Administrative Agent in writing after obtaining actual knowledge of any one or more of the following environmental matters, unless such environmental matters would not, individually or when aggregated with all other such matters, be reasonably expected to result in a Material Adverse Effect:

(i) Any pending or, to Parent's knowledge, threatened Environmental Claim (other than the Existing Environmental Proceedings), including any pending or threatened Environmental Claim against any Loan Party;

(ii) Any condition or occurrence on any Real Estate that could reasonably be anticipated to form the basis of an Environmental Claim, including any Environmental Claim against any Loan Party; and

(iii) The conduct of any investigation, or any removal, remedial or other corrective action in response to the actual or alleged presence, Release or threatened Release of any Hazardous Material on, at, under, in or from any Real Estate.

All such notices shall describe in reasonable detail the nature of the claim, investigation, condition, occurrence or removal or remedial action and the response thereto. The term "Real Estate" shall mean land, buildings and improvements owned, leased or licensed by any Loan Party;

(m) Prior to the Conversion Date,

(i) Monthly Reporting. (x) On the tenth Business Day of each calendar month after the Closing Date, commencing after October 2022, an Updated DIP Budget certified by the Chief Financial Officer of Parent with respect to the Loan Parties for the current week and the immediately following consecutive 12 weeks, set forth on a weekly basis, in form substantially similar to the Initial Approved DIP Budget (or such other form acceptable to the Required Lenders) and (y) forty-five (45) calendar days after the end of each month, Parent will provide a report certified by the Chief Financial Officer of Parent showing actual pro-forma unaudited consolidated income statement results of the prior monthly period compared to the same period in the Five-Year Business Plan along with an explanation for all material variances thereto including commentary on actual results compared to underlying assumptions (it being understood and agreed that each such report shall include information with respect to days of sales outstanding, days of inventory outstanding, days of payables outstanding and days of deferred revenue (together with a breakdown of deferred revenue in respect of air traffic liability, the Frequent Flyer Program and advances for credit card points), in each case in form and substance similar to the information provided to the Administrative Agent and the Lenders in support of the Five-Year Business Plan);

(ii) Bi-Weekly Reporting. Commencing on October 21, 2022, and then bi-weekly, on the Wednesday which is twelve (12) days following each reporting period, a report certified by the Chief Financial Officer of Parent (A) showing preliminary actual cash receipts and disbursements for the two (2) week period ending prior to the week prior to the reporting date, including an estimated breakout of passenger, cargo and other revenue, (B) noting therein variances for such two (2) week period from amounts set forth in the DIP Budget for such period on a line item basis, (C) providing an explanation for all material variances thereto, and (D) showing compliance with the Consolidated Liquidity covenant in Section 6.07 at the end of each such two (2) week period (a "DIP Budget Variance Report");

(iii) Bankruptcy Matters. (i) as soon as practicable in advance, and in any event no less than three (3) calendar days in advance of filing, (1) prior written notice of any assumption or rejection of any Obligor's material contracts pursuant to Section 365 of the Bankruptcy Code; and (2) copies of all the Obligors' material pleadings, affecting this Term Loan Facility in the Chapter 11 Cases and in any Non-U.S. Case which shall be reasonably satisfactory to the Administrative Agent and the Required Lenders; provided the Obligors shall not be required to provide material pleadings relating to this Term Loan Facility if doing so would violate any applicable legal rule or such material pleadings contain privileged information and (y) substantially contemporaneously with the filing or distribution thereof, copies of all financial information and non-privileged information distributed by or on behalf of any Obligor to the Creditors' Committee;

(iv) Quarterly Reporting. Prior to the Conversion Date, Seventy-five (75) calendar days after the end of each fiscal quarter, Parent will provide a report certified by the Chief Financial Officer showing the actual pro-forma unaudited consolidated income statement, balance sheet and cash flow statement results for such quarter compared to the period in the Five-Year Business Plan along with an explanation for all material variances thereto including commentary on actual results compared to underlying assumptions;

(n) Patriot Act; Beneficial Ownership Regulation. Promptly following any request therefor, information and documentation reasonably requested by the Administrative Agent or any Lender for purposes of compliance with applicable "know your customer" and Anti-Money Laundering Laws, rules and regulations, including, without limitation, the PATRIOT Act and the Beneficial Ownership Regulation.

Subject to the next succeeding sentence, information required to be delivered pursuant to this Section 5.01 to the Administrative Agent and/or Collateral Trustee, may be delivered electronically, and if so delivered, shall be deemed to have been delivered on the earlier of the date on which (i) the Parent (or a representative thereof) provides written notice to the Administrative Agent that such information has been posted on Parent's or any Affiliate's general commercial website on the Internet (to the extent such information has been posted or is available as described in such notice), as such website may be specified by Parent to the Administrative Agent from time to time or (ii) solely with respect to deliveries to the Administrative Agent, such documents are delivered by the Parent to the Administrative Agent for posting on the Parent's behalf on IntraLinks/IntraAgency, SyndTrak, Debt Domain or another secure website to which the Administrative Agent has access (whether a commercial, third-party website or whether sponsored by the Administrative Agent), as such website may be specified by Parent to the Administrative Agent from time to time. Information required to be delivered pursuant to this Section 5.01 by Parent shall be delivered pursuant to Section 10.01 hereto. Information required to be delivered pursuant to this Section 5.01 shall be in a format which is suitable for transmission. Any notice or other communication delivered pursuant to this Section 5.01, or otherwise pursuant to this Agreement, shall be deemed to contain material non-public information unless (1) expressly marked by a Borrower or a Guarantor as "PUBLIC", (2) such notice or communication consists of copies of Parent's public filings with the SEC or (3) such notice or communication has been posted on Parent's general commercial website on the Internet, as such website may be specified by Parent to the Administrative Agent from time to time.

Section 5.25. Taxes.

(b) Parent shall, and shall ensure that, the Guarantors shall pay all taxes (including, for the avoidance of doubt, any Indemnified Taxes and Other Taxes, without duplication of any indemnification obligations set forth under any Loan Document), assessments, and governmental levies before the same shall become more than ten (10) days delinquent (taking into account any applicable extensions) other than taxes, assessments and levies (i) being contested in good faith by appropriate proceedings and subject to maintenance of appropriate reserves in accordance with IFRS, (ii) in connection with or constituting certain airport fees as described on Schedule 5.02(a) or (iii) the failure to effect such payment of which are not reasonably be expected to result in a Material Adverse Effect.

(c) Parent shall undertake to comply in all respects with Decree Law No. 2564 of 1979 in order to be exempt from Chilean withholding taxes; provided that Parent shall not be responsible for any failure to comply with Decree Law No. 2564 of 1979 if Parent becomes unable to comply with Decree Law No. 2564 of 1979 as a result of any change in law.

Section 5.26. Stay, Extension and Usury Laws. Each Loan Party covenants (to the extent that it may lawfully do so) to not, at any time, insist upon, plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay, extension or usury law wherever enacted, now or at any time hereafter in force, that may affect the covenants or the performance of this Agreement; and each Loan Party (to the extent that it may lawfully do so) hereby expressly waives all benefit or advantage of any such law, and covenants that it will not, by resort to any such law, hinder, delay or impede the execution of any power herein granted to the Administrative Agent and the other Secured Parties, but will suffer and permit the execution of every such power as though no such law has been enacted.

Section 5.27. Corporate Existence. Each Loan Party shall do or cause to be done all things reasonably necessary to preserve and keep in full force and effect:

(b) (i) with respect to the Borrowers, their corporate existence in accordance with the respective organizational documents (as the same may be amended from time to time) of such Borrower, and (ii) with respect to each other Loan Party, their corporate existence, and the corporate, partnership or other existence of each of its Restricted Subsidiaries, in each case, in accordance with the respective organizational documents (as the same may be amended from time to time) of such Person, except where, with respect to clause (ii), the failure to do so would not reasonably be expected to result in a Material Adverse Effect; and

(c) their rights (charter and statutory) and material franchises of each Loan Party and its Restricted Subsidiaries; provided, however, that the Loan Parties shall not be required to preserve any such right or franchise, or the corporate, partnership or other existence, of it or any of its Restricted Subsidiaries if the Board of Directors of the Parent shall determine that the preservation thereof is no longer desirable in the conduct of the business of Parent and its Subsidiaries, taken as a whole, and that the loss thereof would not, individually or in the aggregate, have a Material Adverse Effect.

(b) For the avoidance of doubt, this Section 5.04 shall not prohibit any actions permitted by Section 6.09 hereof.

Section 5.28. Compliance with Laws; Compliance with Environmental Laws.

(b) Each Loan Party shall comply, and cause each of its Subsidiaries to comply in all material respects, with all applicable laws, rules, regulations and orders of any Governmental Authority (including Sanctions, Anti-Money Laundering Laws and Anti-Corruption Laws) applicable to it or its business or property.

(c) Each Loan Party shall (1) comply, and take commercially reasonable efforts to cause all lessees and other Persons operating or occupying the Real Estate to comply, in all material respects, with all applicable Environmental Laws and Environmental Permits; and (2) conduct any investigation, study, sampling and testing, and undertake any cleanup, removal, remedial or other action necessary to remove and clean up all Hazardous Materials from any of its properties, in each case in all material respects to the extent required by and in material accordance with the requirements of all applicable Environmental Laws; provided, however, that no Loan Party shall be required to undertake any such cleanup, removal, remedial or other action to the extent that its obligation to do so is being contested in good faith and by proper proceedings and appropriate reserves are being maintained with respect to such circumstances.

(d) Each Loan Party will maintain in effect policies and procedures reasonably designed to promote compliance by itself, its Subsidiaries and, when acting in such capacity, their respective directors, officers, employees and agents with Anti-Corruption Laws and applicable Sanctions.

Section 5.29. Air Carrier Status. Each Air Carrier Entity will use commercially reasonable efforts to maintain at all times its status and rights to operate as an "air carrier" in Chile, Brazil, Peru or Colombia, as applicable, and all other jurisdictions in which it operates air routes from time to time, except to the extent the failure to maintain such rights would not reasonably be expected to result in a Material Adverse Effect. Each Air Carrier Entity will possess and maintain at all times, all necessary certificates, exemptions, licenses, designations, authorizations and consents required by the FAA, the DOT or any applicable Non-U.S. Aviation Authority or Airport Authority or any other Governmental Authority that are material to the operation of the Pledged Routes and Material Pledged Slots operated by it, and to the conduct of its business and operations as currently conducted, in each case, to the extent necessary for such Air Carrier Entity's operation of flights, except where a failure to so possess or maintain would not reasonably be expected to have a Material Adverse Effect. Each Air Carrier Entity will also:

(b) utilize its Material Pledged Slots in a manner consistent with applicable regulations, rules and contracts in order to preserve its right to hold and use its Material Pledged Slots, taking into account any waivers or other relief granted to it by the FAA, the DOT, any Non-U.S. Aviation Authority or any Airport Authority, except to the extent that any failure to utilize would not reasonably be expected to result in a Material Adverse Effect;

(c) cause to be done all things commercially reasonably necessary to preserve and keep in full force and effect its rights in and to use its Material Pledged Slots, including, without limitation, if applicable, satisfying any applicable Use or Lose Rule, except to the extent that any failure to do so would not reasonably be expected to result in a Material Adverse Effect;

(d) use commercially reasonable efforts to utilize its Pledged Routes in a manner consistent with Title 49, the applicable rules and regulations of the FAA, the DOT, any applicable Non-U.S. Aviation Authorities, and any applicable treaty in order to preserve its rights to operate the scheduled services, except to the extent that any failure would not reasonably be expected to result in a Material Adverse Effect; and

(e) cause to be done all things commercially reasonably necessary to preserve and keep in full force and effect its authority to operate the scheduled services, except to the extent that any failure would not reasonably be expected to result in a Material Adverse Effect.

Section 5.30. Delivery of Appraisals. Parent shall:

(b) within (i) thirty (30) Business Days of December 31, 2022 and (ii) thereafter (commencing with March 31, 2024), within thirty (30) Business Days of March 31 of each calendar year;

(c) on or prior to the date upon which any Additional Collateral is pledged to the Collateral Trustee or a Local Collateral Agent, as applicable, or assets are transferred to a Loan Party in order to constitute Coverage Assets, but only with respect to such Additional Collateral or new Coverage Assets; and

(d) promptly (but in any event within 45 days) following a request by the Administrative Agent if an Event of Default has occurred and is continuing;

deliver to the Administrative Agent and the Collateral Trustee one or more Appraisals establishing the Appraised Value of the Coverage Assets; provided, however, that, in the case of clause (b), only an Appraisal with respect to the Additional Collateral or new Coverage Assets shall be required to be delivered. Parent may from time to time cause subsequent Appraisals to be delivered to the Administrative Agent and the Collateral Trustee if it believes that any affected Coverage Asset has a higher Appraised Value than that reflected in the most recent Appraisals delivered pursuant to this Section 5.07.

Section 5.31. Regulatory Cooperation. In connection with any foreclosure, collection, sale or other enforcement of Liens granted to the Collateral Trustee or the Local Collateral Agents in the Collateral Documents, Parent will, and will cause the other Restricted Subsidiaries to, reasonably cooperate in good faith with the Collateral Trustee or the Local Collateral Agents, as applicable, or its designee in obtaining all regulatory licenses, consents and other governmental approvals necessary or (in the reasonable opinion of the Collateral Trustee or the Local Collateral Agents, as applicable, or its designee) reasonably advisable to conduct all aviation operations with respect to the Collateral and will, at the reasonable request of the Collateral Trustee or the Local Collateral Agents, as applicable, and in good faith, continue to operate and manage the Collateral and maintain all applicable regulatory licenses with respect to the Collateral until such time as the Collateral Trustee or the Local Collateral Agents, as applicable, or its designee obtain such licenses, consents and approvals, and at such time Parent will, and will cause its Restricted Subsidiaries to, cooperate in good faith with the transition of the aviation operations with respect to the Collateral to any new aviation operator (including, without limitation, the Collateral Trustee a Local Collateral Agent, as applicable, or its designee).

Section 5.32. Regulatory Matters; Utilization; Collateral Requirements. Each Loan Party will promptly take all such steps as may be commercially reasonably necessary to maintain, renew and obtain, or obtain the use of, Material Pledged Slots and Material Pledged Routes as needed for its continued and future operations using such Material Pledged Slots or Material Pledged Routes, and pay any applicable filing fees and other expenses related to the submission of applications, renewal requests, and other filings as may be reasonably necessary to have access to its Material Pledged Slots and Material Pledged Routes, except to the extent that any failure to do so would not reasonably be expected to result in a Material Adverse Effect.

Section 5.33. Significant Assets Ownership. Subject to the provisions described (including the actions permitted) under Sections 6.03 and 6.09 hereof, each Loan Party will continue to maintain its interest in and right to use all property and assets in its reasonable judgment necessary for the conduct of its business, taken as a whole. Each Loan Party shall use, operate and maintain the Significant Assets in the same manner and with the same care as shall be the case with similar assets owned by such Loan Party without discrimination.

Section 5.34. Insurance. The Loan Parties shall:

(b) keep all Significant Assets that constitute tangible property insured at all times against such risks, including risks insured against by extended coverage, as is prudent and customary in each case with companies of the same or similar size in the same or similar businesses and predominately operating in the same jurisdictions as the Loan Parties;

(c) prior to the Conversion Date, comply with the insurance provisions of Exhibit H (in the case of the Pledged Spare Parts) and Exhibit I (in the case of the Pledged Engines);

(d) maintain such other insurance or selfinsurance as may be required by law; and

(e) with respect to any Significant Assets (including, for the avoidance of doubt, each Subsidiary of Parent whose Equity Interests have been pledged as Collateral), by the time specified in Schedule 4.5 to the Pledge and Security Agreement, (i) ensure that general property insurance and general liability insurance policies are endorsed to the Collateral Trustee's reasonable satisfaction for the benefit of the Collateral Trustee (including, without limitation, by naming the Collateral Trustee as certificate holder, mortgagee and loss payee or additional insured) and (ii) ensure that such endorsements shall state that such insurance policies shall not be cancelled or materially adversely changed without at least thirty (30) days' prior written notice thereof, except in the case of a cancellation or material adverse change resulting from war, which shall require at least seven (7) days' prior written notice thereof, by the respective insurer to the Collateral Trustee.

(f) With respect to the Mortgaged Collateral that is located in the Unites States which is in an area identified by the Federal Emergency Management Agency (or any successor agency thereto) as a "special flood hazard area" with respect to which flood insurance has been made available under the Flood Insurance Laws, the applicable Loan Party (a) shall obtain and maintain with financially sound and reputable insurance companies flood insurance in such amounts and otherwise sufficient to comply with all applicable rules and regulations promulgated under the Flood Insurance Laws and (b) shall deliver to the Administrative Agent or such Lender as applicable, evidence of such compliance in form and substance reasonably acceptable to the Administrative Agent or such Lender, including, without limitation, evidence of annual renewals of such flood insurance.

Section 5.35. Additional Guarantors; Loan Parties; Collateral.

(b) Prior to the Conversion Date, subject to approval by the Bankruptcy Court and any requisite approval in any of the Non-U.S. Cases, Parent will, within forty-five (45) days following filing a material Subsidiary's chapter 11 petition, cause such material Subsidiary that becomes a debtor under the Chapter 11 Cases after the Closing Date to execute joinder agreements and amendments to this Agreement and the other Loan Documents and related schedules and exhibits thereto, in each case as necessary to cause such material Subsidiary to become a Guarantor and a Loan Party hereunder and thereunder and in form and substance reasonably satisfactory to the Administrative Agent.

(c) Subject (other than with respect to the pledge and perfection of Additional Collateral) to the Guaranty and Security Principles, if any Restricted Subsidiary of Parent (a) elects to add Additional Collateral or (b) (other than any Excluded Subsidiary) acquires or holds any Significant Asset, Parent shall promptly (and in any event, within forty-five (45) calendar days (or such later date as Administrative Agent may agree in its sole discretion) of such acquisition, termination, release or other applicable event), in each case at its own expense, (A) cause such Subsidiary to become a party to the Guarantee contained in Article 9 hereof (to the extent such Subsidiary is not already a party thereto) and cause any such Subsidiary to become a party to each applicable Collateral Document and all other agreements, instruments or documents that create or purport to create and perfect a first priority Lien (subject to Permitted DIP Liens (prior to the Conversion Date) or Permitted Liens (on and after the Conversion Date)) in favor of the Collateral Trustee or applicable Local Collateral Agent, as applicable, for the benefit of the Secured Parties, by executing and delivering to the Administrative Agent an Instrument of Assumption and Joinder substantially in the form attached hereto as Exhibit C hereto and/or by executing and delivering to the Collateral Trustee or the applicable Local Collateral Agent joinders, or collateral supplements, to all applicable Collateral Documents or new Collateral Documents, as the case may be, in form and substance reasonably satisfactory to the Administrative Agent (it being understood, that in the case of Additional Collateral of a type that has not been theretofore included in the Collateral, such Additional Collateral may be subject to such additional terms and conditions as may be customarily required by lenders in similar financings of a similar size for similarly situated borrowers secured by the same type of Collateral (including obtaining title insurance policies to the extent customary in the relevant jurisdiction, surveys and opinions), as agreed by Parent and the Administrative Agent in their reasonable discretion), (B) promptly execute and deliver (or cause such Subsidiary to execute and deliver) to the Collateral Trustee or a Local Collateral Agent, as applicable, such documents and take such actions to create, grant, establish, preserve and perfect the Priority Lien (including to obtain any release or termination of Liens not permitted under the definition of "Additional Collateral" or under Section 6.05) in favor of the Collateral Trustee or a Local Collateral Agent, as applicable, for the benefit of the Secured Parties on such assets of Parent or such Restricted Subsidiary, as applicable, to secure the Obligations to the extent required under the applicable Collateral Documents or reasonably requested by the Collateral Trustee or the Local Collateral Agent, as applicable (in accordance with Section 5.14), and to ensure that such Collateral shall be subject to no other Liens other than (prior to the Conversion Date) Permitted DIP Liens or (on and after the Conversion Date) Permitted Liens and (C) if reasonably requested by the Administrative Agent, deliver to the Administrative Agent and the Collateral Trustee, for the benefit of the Secured Parties, a written opinion of counsel (which counsel shall be reasonably satisfactory to the Administrative Agent) to Parent or such Restricted Subsidiary, as applicable, with respect to the matters described in clauses (A) and (B) hereof, in each case within twenty (20) Business Days after the addition of such Collateral or Significant Assets and in form and substance reasonably satisfactory to the Administrative Agent.

(d) Notwithstanding anything to the contrary, Parent may from time to time, upon written notice to the Administrative Agent, (i) elect to cause any Restricted Subsidiary that would otherwise be an Excluded Subsidiary to become a Guarantor (a "Designated Guarantor") but shall have no obligation to do so (and for clarity, there is no obligation to cause any Restricted Subsidiary that would otherwise be an Excluded Subsidiary to become a Designated Guarantor because another Designated Guarantor is formed or acquired in the same jurisdiction), subject to the satisfaction of the requirements of Section 5.12(b) by such Designated Guarantor and (ii) elect to cause any Designated Guarantor to be an Excluded Subsidiary provided that such Designated Guarantor is either an Excluded Aircraft Subsidiary or does not own any Significant Assets at such time of election (other than pursuant to the thresholds set forth in clause (g) of the definition of "Excluded Subsidiary").

Section 5.36. Maintenance of Properties; Access to Books and Records. Each Loan Party shall:

(b) except where the failure to do so could not reasonably be expected to have a Material Adverse Effect (i) maintain, preserve and protect all of its material properties and equipment necessary in the operation of its business in good working order and condition, ordinary wear and tear excepted, (ii) make all necessary repairs thereto and renewals and replacements thereof, and (iii) use the standard of care typical in the industry in the operation and maintenance of its facilities,

(c) (i) maintain proper books of records and accounts, in which true and correct entries in conformity with IFRS shall be made of all financial transactions and matters involving the assets and business of the Loan Parties, as the case may be; and (ii) maintain such books of records and accounts in material conformity with all applicable requirements of any Governmental Authority having regulatory jurisdiction over the Loan Parties, as the case may be;

(d) prior to the Conversion Date, with respect to the Priority Pledged Engines and the Real Estate subject to a Real Estate Mortgage, and matters relating thereto, upon request of the Administrative Agent, the applicable Loan Party will permit the Administrative Agent, or any of its agents or representatives, at reasonable times and intervals upon reasonable prior notice, to visit during normal business hours its offices and sites, excluding administrative or registered office locations, and inspect any documents relating to (i) the existence of such assets, (ii) the condition of such assets, and (iii) the validity, perfection and priority of the Liens on such assets, and to discuss such matters with its officers, except to the extent the disclosure of any such document or any such discussion shall result in the applicable Loan Party's violation of its contractual or legal obligations; provided, however, that the Administrative Agent's right to visit a Loan Party's offices or sites will be limited to twice during any calendar year with the first such visit to occur no earlier than six (6) months after the Closing Date. All confidential or proprietary information obtained in connection with any such visit, inspection or discussion shall be held confidential by the Administrative Agent and each agent or representative thereof and shall not be furnished or disclosed by any of them to anyone other than their respective bank examiners, auditors, accountants, agents and legal counsel, and except as may be required by an order of any court or administrative agency or by any statute, rule, regulation or order of any Governmental Authority; and

(e) The Loan Parties will permit, to the extent not prohibited by applicable law or contractual obligations, no more than once per calendar year, any representatives designated by the Administrative Agent or the Collateral Trustee or any Governmental Authority that is authorized to supervise or regulate the operations of the Administrative Agent or Collateral Trustee, as designated by the Administrative Agent or Collateral Trustee, upon reasonable prior written notice and, so long as no Event of Default has occurred and is continuing, at no out-of-pocket cost to the Loan Parties, to visit and inspect the Significant Assets and the properties of the Loan Parties, during which time, such representative may (x) examine the Loan Parties' books and records and (y) discuss the Loan Parties' affairs, finances and condition with its officers and independent accountants, all at such reasonable times during normal business hours and as often as reasonably requested (it being understood that a representative of Parent will be present at all times during such visit), subject to any restrictions in any applicable Collateral Document; provided that, if an Event of Default has occurred and is continuing, the Loan Parties shall (1) be responsible for the reasonable and documented costs and expenses of any visits of the Administrative Agent, the Collateral Trustee and the Lenders, acting together (but not separately) and (2) permit such visit more than once per calendar year, at times and frequencies reasonably required by the Administrative Agent and the Collateral Trustee. All confidential or proprietary information obtained in connection with any such visit, inspection or discussion shall be held confidential by the Administrative Agent, the Collateral Trustee and each of their respective agents and representatives and shall not be furnished or disclosed by any of them to anyone other than their respective bank examiners, auditors, accountants, agents and legal counsel, and except as may be required by any court or administrative agency or by any statute, rule, regulation or order of any Governmental Authority.

Section 5.37. Further Assurances. In each case, subject (other than with respect to the pledge and perfection of Additional Collateral) to the Guaranty and Security Principles:

(b) the Loan Parties shall execute, acknowledge and deliver or shall cause to be executed, acknowledged and delivered, all such further agreements, instruments, certificates or documents, and shall do and cause to be done such further acts and things as any other party hereto shall reasonably request in connection with the administration of, or to carry out more effectively the purposes of, or to better assure and confirm to such other party the rights and benefits to be provided under this Agreement and the other Loan Documents.

(c) subject to the Collateral Documents, upon the reasonable request of the Administrative Agent, each Loan Party shall execute, acknowledge and deliver or shall cause to be executed, acknowledged and delivered, all such further agreements, instruments, certificates or documents, and take all further actions, that such Administrative Agent shall reasonably request in order to create, grant, establish, preserve, protect and perfect, as applicable, the priorities, rights, security interests and remedies of the Collateral Trustee for the benefit of the Secured Parties with respect to the Collateral; subject to the last sentence of Section 3.12(a) or Section 3.12(b), as applicable.

(d) with respect to Pledged Routes, Material Pledged Slots, and any Routes otherwise constituting Collateral, upon the reasonable request of the Collateral Trustee, the Parent or the applicable Loan Party shall take, or cause to be taken, such actions with respect to the due and timely recording, filing, re-recording and refiling of any financing statements and any continuation statements under the UCC as are necessary to maintain, so long as such applicable Collateral Document is in effect, the perfection of the security interests created by such Collateral Document, as applicable, in such Pledged Routes, Material Pledged Slots and any Routes otherwise constituting Collateral, subject, in each case, to (prior to the Conversion Date) Permitted DIP Liens or (on or after the Conversion Date) Permitted Liens, or at the reasonable request of the Collateral Trustee will furnish the Collateral Trustee, together with such financing statements and continuation statements, as may be required to enable the Collateral Trustee to take such action.

(e) with respect to Collateral constituting Priority Pledged Engines, the applicable Borrower or the applicable Loan Party shall take, or cause to be taken, such actions with respect to the due and timely recording and filing of such Engine Collateral Documents in accordance with Section 4.03, subject to Permitted DIP Liens.

Section 5.38. Cash Management Order. Prior to the Conversion Date, the Obligors shall maintain their cash management systems in accordance with the Cash Management Order, the Final DIP Order and the Collateral Documents.

Section 5.39. Priority of Liens. At all times, the Obligors shall maintain the priority of the Priority Liens, and, prior to the Conversion Date, the Superpriority Claims and the other related claims as described in this Agreement, the Collateral Trust Agreement, the DIP Intercreditor Agreement and the Final DIP Order.

Section 5.40. Lender Calls. Following delivery of the financial statements pursuant to each of Section 5.01(a) and (b), at the reasonable request of the Administrative Agent, Parent will host a conference call (which can be combined with any calls held with the equity shareholders of Parent or other debtholders of Parent), within fifteen (15) calendar days after the delivery of the financial statements, at a time selected by Parent and reasonably acceptable to the Administrative Agent, with the Lenders to discuss the financial performance of Parent and its Restricted Subsidiaries.

Section 5.41. Ratings. Parent shall use commercially reasonable efforts to maintain a public rating for the Term Loan Facility from each of Moody's and S&P, or in each case the successor thereto.

Section 5.42. Brazilian Local Reorganization Proceeding. In the event that, prior to the Conversion Date, the shareholders of any Obligor domiciled in Brazil determine that it is necessary and in the best interest of such Obligor to file a Brazilian Local Reorganization Proceeding on a voluntary basis, then prior to and in any event no later than three (3) Business Days prior to such filing, the Borrowers shall notify and consult with the Lenders with respect to such filing. Notwithstanding any of the provisions hereunder, the filing of a Brazilian Local Reorganization Proceeding by any Obligor prior to the Conversion Date shall not (i) constitute an Event of Default or violation of the terms of this Agreement or (ii) otherwise give rise to a right to enforce or realize upon any Collateral pursuant to the Collateral Documents.

ARTICLE 6.

NEGATIVE COVENANTS

I. From the date hereof until the Conversion Date and for so long as the Commitments remain in effect or principal of or interest on any Loan is owing (or any other amount that is due and unpaid on the first date that none of the foregoing is in effect, outstanding or owing, respectively, is owing) to any Lender or the Administrative Agent hereunder, the negative covenants applicable to Parent and its Restricted Subsidiaries shall be (a) those negative covenants set forth on Annex C-1 hereto and (b) the negative covenants set forth in Sections 6.07 and 6.08.

II. After the occurrence of the Conversion Date and for so long as the Commitments remain in effect or principal of or interest on any Loan is owing (or any other amount that is due and unpaid on the first date that none of the foregoing is in effect, outstanding or owing, respectively, is owing) to any Lender or the Administrative Agent hereunder, the negative covenants applicable to Parent and its Restricted Subsidiaries shall be as set forth below in this Article 6.

Section 6.24. Restricted Payments.

(b) Parent will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly:

(i) declare or pay any dividend or make any other payment or distribution on account of Parent's or any of its Restricted Subsidiaries' Equity Interests (including, without limitation, any payment in connection with any merger or consolidation involving Parent or any of its Restricted Subsidiaries) or to the direct or indirect holders of Parent's or any of its Restricted Subsidiaries' Equity Interests in their capacity as such (other than (A) dividends, distributions or payments payable in Qualifying Equity Interests or in the case of preferred stock of Parent (to the extent applicable), an increase in the liquidation value thereof and (B) dividends, distributions or payments payable to Parent or a Restricted Subsidiary of Parent);

(ii) purchase, redeem or otherwise acquire or retire for value any Equity Interests of Parent;

(iii) make any payment on or with respect to, or purchase, redeem, defease or otherwise acquire or retire for value (collectively for purposes of this clause (iii), a "purchase") any Indebtedness of any Loan Party that is subordinated to the Obligations in right of payment or distributions from Collateral (but excluding any intercompany Indebtedness between or among Parent and any of its Restricted Subsidiaries), except (i) any scheduled payment of interest, (ii) any repayment, repurchase, defeasance or other extinguishment of principal within two years of the Stated Maturity thereof, (iii) in connection with any Permitted Refinancing Indebtedness in respect of such Indebtedness, or (iv) conversion of such Indebtedness into common Equity Interests of Parent; or

(iv) make any Restricted Investment,

(all such payments and other actions set forth in these clauses (i) through (iv) above being collectively referred to as "Restricted Payments"),

unless, at the time of and after giving effect to such Restricted Payment:

(1) no Default or Event of Default has occurred and is continuing as of such time or would result therefrom;

(2) Consolidated Liquidity on a Pro Forma Basis is at least[*] ; and

(3) such Restricted Payment, together with the aggregate amount of all other Restricted Payments made by Parent and its Restricted Subsidiaries since the Closing Date (excluding Restricted Payments permitted by clauses (2) through (17) of Section 6.01(b) hereof), is less than the sum, without duplication, of:

(A) [*]

(c) The provisions of Section 6.01(a) hereof will not prohibit:

(1) the payment of any dividend or distribution or the consummation of any irrevocable redemption within 60 days after the date of declaration of the dividend or distribution or giving of the redemption notice, as the case may be, if at the date of declaration or notice, the dividend or redemption payment would have complied with the provisions of this Agreement;

(2) the making of any Restricted Payment in exchange for, or out of or with the net cash proceeds of the substantially concurrent sale (other than to a Subsidiary of Parent) of, Qualifying Equity Interests or from the substantially concurrent contribution of common equity capital to Parent; provided that the amount of any such net cash proceeds that are utilized for any such Restricted Payment will not be considered to be net proceeds of Qualifying Equity Interests for purposes of clause (a)(3)(C) of Section 6.01 hereof and will not be considered to be Excluded Contributions;

(3) the payment of any dividend (or, in the case of any partnership or limited liability company, any similar distribution), distribution or payment by a Restricted Subsidiary of Parent to the holders of its Equity Interests on a *pro rata* basis (or in the case of the payment of any such Restricted Payment to a Loan Party, on at least a *pro rata* basis to such Loan Party);

(4) the repurchase, redemption, defeasance or other acquisition or retirement for value of Indebtedness of any Borrower or any Guarantor that is contractually subordinated to the Obligations with the net cash proceeds from an incurrence of Permitted Refinancing Indebtedness;

(5) the repurchase, redemption, acquisition or retirement for value of any Equity Interests of Parent or any Restricted Subsidiary of Parent held by any current or former officer, director, consultant or employee (or their estates or beneficiaries of their estates) of Parent or any of its Restricted Subsidiaries pursuant to any management equity plan or equity subscription agreement, stock option agreement, shareholders' agreement or similar agreement; provided that the aggregate price paid for all such repurchased, redeemed, acquired or retired Equity Interests may not exceed[*] in any 12-month period (except to the extent such repurchase, redemption, acquisition or retirement is in connection with the acquisition of a Permitted Business or merger, consolidation or amalgamation otherwise permitted by this Agreement and in such case the aggregate price paid by Parent and its Restricted Subsidiaries may not exceed[*] in connection with such acquisition of a Permitted Business or merger, consolidation or amalgamation); provided, further, that Parent or any of its Restricted Subsidiaries may carry over and make in subsequent 12-month periods, in addition to the amounts permitted for such 12-month period, up to[*] of unutilized capacity under this clause (5) attributable to the immediately preceding twelve-month period;

(6) the repurchase of Equity Interests or other securities deemed to occur upon (A) the exercise of stock options, warrants or other securities convertible or exchangeable into Equity Interests or any other securities, to the extent such Equity Interests or other securities represent a portion of the exercise price of those stock options, warrants or other securities convertible or exchangeable into Equity Interests or any other securities or (B) the withholding of a portion of Equity Interests issued to employees and other participants under an equity compensation program of Parent or its Subsidiaries to cover withholding tax obligations of such persons in respect of such issuance;

(7) so long as no Default or Event of Default has occurred and is continuing, the declaration and payment of regularly scheduled or accrued dividends, distributions or payments to holders of any class or series of Disqualified Stock or subordinated Indebtedness of Parent or any preferred stock of any Restricted Subsidiary of Parent either outstanding on the Closing Date or issued on or after the Closing Date in accordance with Section 6.02;

(8) payments of cash, dividends, distributions, advances, common stock or other Restricted Payments by Parent or any of its Restricted Subsidiaries to allow the payment of cash in lieu of the issuance of fractional shares upon (A) the exercise of options or warrants, (B) the conversion or exchange of Capital Stock of any such Person or (C) the conversion or exchange of Indebtedness or hybrid securities into Capital Stock of any such Person;

(9) any Restricted Payment made pursuant to the Reorganization Plan (including the repayment of the Junior DIP Facility on the Conversion Date);

(10) in the event of a Change of Control, and if no Default shall have occurred and be continuing, the payment, purchase, redemption, defeasance or other acquisition or retirement of any subordinated Indebtedness of any Borrower or any Guarantor, in each case, at a purchase price not greater than 101% of the principal amount of such subordinated Indebtedness, plus any accrued and unpaid interest thereon;

(11) Restricted Payments made with Excluded Contributions;

(12) [reserved];

(13) the distribution, as a dividend or otherwise, of cash in an amount, as of any calendar year, not to exceed 30% of the annual net profits of the preceding calendar year (assuming there are no carry forward losses from previous years) to the extent necessary (and not in excess of the amount necessary) to satisfy Chilean minimum dividend requirements (as such requirements may be amended from time to time) (any dividends pursuant to this clause (13), "Minimum Chilean Dividends");

(14) the distribution or dividend of assets or Capital Stock of any Person in connection with any full or partial "spin-off" of a Subsidiary or similar transactions; having an aggregate Fair Market Value not to exceed [*] since the Closing Date; provided that the assets distributed or dividended do not include, directly or indirectly, any property or asset that constitutes Significant Assets;

(15) so long as no Default or Event of Default has occurred and is continuing or would result therefrom, other Restricted Payments in an aggregate amount (such aggregate amount to be calculated from the Closing Date) not to exceed the greater of [*] as of the date of such Restricted Payment;

(16) so long as no Event of Default has occurred and is continuing or would result therefrom, any Restricted Investment by Parent and/or any Restricted Subsidiary of Parent; and

(17) the payment of any amounts in respect of any restricted stock units or other instruments or rights whose value is based in whole or in part on the value of any Equity Interests issued to any directors, officers or employees of Parent or any Restricted Subsidiary of Parent.

Notwithstanding anything to the contrary in the foregoing Section 6.01(a) or (b), (A) prior to the Second Conversion Anniversary Date, neither Parent nor any of its Restricted Subsidiaries will make (1) any Restricted Payment pursuant to clause (i) of the definition thereof paid in cash or that involves the distribution, directly or indirectly, of Significant Assets or the distribution, directly or indirectly, of Equity Interests of any Person substantially all of whose assets are cash or Cash Equivalents or (2) any Restricted Payment pursuant to clause (ii) of the definition thereof; provided that this paragraph shall not restrict (x) the cash payment of any Minimum Chilean Dividends or (y) any Restricted Payments made pursuant to Section 6.01(b)(3), (7), (8) (in respect of aggregate cash payments of up to [*] in connection with an exchange to effect a reverse stock split of the Parent's shares) or (9), (B) no Investment may be made in any Unrestricted Subsidiary if, after giving effect thereto, the aggregate assets and properties of all Unrestricted Subsidiaries would exceed [*] and (C) no Restricted Payments may be made from the Net Proceeds of any incurrence of Indebtedness (other than the cash payment of Minimum Chilean Dividends).

In the case of any Restricted Payment that is not cash, the amount of such non-cash Restricted Payment will be the Fair Market Value on the date of the Restricted Payment of the asset(s) or securities proposed to be transferred or issued by Parent or such Restricted Subsidiary of Parent, as the case may be, pursuant to the Restricted Payment.

For purposes of determining compliance with this Section 6.01, if a Restricted Payment (or portion thereof) meets the criteria of more than one of the categories of Restricted Payments described in clauses (1) through (17) of Section 6.01(b), or is entitled to be made pursuant to Section 6.01(a), or pursuant to any category set forth in the definition of Permitted Investments or other defined term used in Section 6.01, Parent will be entitled to classify on the date of its payment or later reclassify such Restricted Payment (or portion thereof) in any manner that complies with this Section 6.01.

For the avoidance of doubt, the payment on or with respect to, or purchase, redemption, defeasance or other acquisition or retirement for value of any Indebtedness of Parent or any Restricted Subsidiary of Parent that is not contractually subordinated to the Obligations shall not constitute a Restricted Payment and therefore will not be subject to any of the restrictions described in this Section 6.01.

Section 6.25. Indebtedness. Parent will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, create, incur, assume or guaranty or otherwise become or remain directly or indirectly liable with respect to any Indebtedness for borrowed money (including in the form of Disqualified Stock), except for:

(b) Priority Lien Debt of a Loan Party and any Guarantees of a Loan Party in respect thereof; provided that any Priority Lien Debt shall (i) not be secured other than as permitted by clause (1) of the definition of Permitted Liens and (ii) not be subject to or benefit from any Guarantee by any Person that does not also Guarantee the Obligations; provided, further, that any Priority Lien Debt (other than any Priority Lien Debt incurred in the form of revolving Indebtedness pursuant to clause (b) of the definition thereof, which may be senior or superpriority in right of payments from the Collateral to the Obligations) shall be *pari passu* in right of payment with the Obligations;

(c) Junior Lien Indebtedness of the Loan Parties and any Guarantees of a Loan Party in respect thereof; provided that either (i) such Junior Lien Indebtedness is Permitted Refinancing Indebtedness in respect of Priority Lien Debt, (ii) after giving Pro Forma Effect to the issuance or incurrence of any such Junior Lien Indebtedness, the Total Asset Coverage Ratio is at least equal to [*] or (iii) such Junior Lien Indebtedness is Permitted Refinancing Indebtedness in respect of any Indebtedness incurred pursuant to clause (i) or (ii) above (or any successive Permitted Refinancing Indebtedness); provided, further, that any Junior Lien Indebtedness shall not be secured other than as permitted by clause (2) of the definition of Permitted Liens; provided further that in the event such Indebtedness being Guaranteed is subordinated in right of payment to the Loans, then the related Guarantee shall be subordinated in right of payment to the Loans or the Guarantees guaranteeing the Loans, as the case may be;

(d) unsecured Indebtedness of the Loan Parties that is Permitted Refinancing Indebtedness in respect of either Priority Lien Debt or Junior Lien Indebtedness (or any successive Permitted Refinancing Indebtedness) and any Guarantees of a Loan Party in respect of any of the foregoing; provided that (i) such Indebtedness shall not be subject to or benefit from any Guarantee by any Person that does not also Guarantee the Obligations, (ii) such Indebtedness shall be *pari passu* in right of payment with the Obligations or subordinated in right of payment with the Obligations, with any such subordinated obligation on terms reasonably satisfactory to the Administrative Agent and (iii) in the event such Indebtedness being Guaranteed is subordinated in right of payment to the Loans, then the related Guarantee shall be subordinated in right of payment to the Loans or the Guarantees guaranteeing the Loans, as the case may be;

(e) unsecured Indebtedness of Parent; provided that such Indebtedness (i) is subordinated in right of payment to the Obligations, any other Priority Lien Debt and any Junior Lien Indebtedness on terms reasonably satisfactory to the Administrative Agent, (ii) matures no earlier than the Latest Maturity Date in effect at the time of incurrence of such Indebtedness, (iii) has a Weighted Average Life to Maturity no shorter than the Weighted Average Life to Maturity of the Loans outstanding hereunder with the longest Weighted Average Life to Maturity at the time of incurrence of such Indebtedness and (iv) is not subject to any Guarantee by any Subsidiary or Affiliate of Parent;

(f) unsecured Indebtedness of Parent and its Restricted Subsidiaries in an aggregate principal amount not to exceed[*] at any time outstanding; provided that (i) up to [*] of such unsecured Indebtedness may be used to incur Indebtedness for borrowed money and (ii) up to [*] of such unsecured Indebtedness may be used for working capital purposes; provided further that the outstanding amount of Indebtedness incurred pursuant to this Section 6.02(e), together with Indebtedness outstanding pursuant to Section 6.02(i), does not exceed [*]

(g) letters of credit, bank guarantees, bankers' assurances or acceptances, surety bonds, insurance bonds and similar instruments entered into in the ordinary course of business;

(h) Hedging Obligations in respect of Hedging Agreements that are not for speculative purposes;

(i) Indebtedness of Parent or any Restricted Subsidiary incurred to finance the acquisition, construction or improvement of any fixed or capital assets, including sale and lease back transactions, Capital Lease Obligations and any Indebtedness assumed in connection with the acquisition of any such assets or secured by a Lien on any such assets prior to the acquisition thereof, and extensions, renewals and replacements of any such Indebtedness that do not increase the outstanding principal amount thereof; provided that (i) such Indebtedness is incurred in connection with such sale and lease back prior to or within 180 days after such acquisition or the completion of such construction or improvement and (ii) the aggregate principal amount of Indebtedness permitted by this Section 6.02(h) shall not exceed the greater of ([*]

(j) Indebtedness incurred by Receivables Subsidiaries pursuant to Qualified Receivables Transactions; provided that the outstanding amount of Indebtedness incurred pursuant to this Section 6.02(i), together with Indebtedness outstanding pursuant to Section 6.02(e) does not exceed [*]

(k) Indebtedness incurred in connection with any Aircraft Financing (including, without limitation, the RCF Loan Agreement and the Spare Engine Loan Agreement);

(l) Indebtedness of Parent and its Restricted Subsidiaries with respect to infrastructure projects consistent with past practice; provided that (i) the Indebtedness incurred pursuant to this Section 6.02(k) shall not exceed the value of the collateral pledged in connection therewith and (ii) no Significant Assets shall be pledged to secure any such Indebtedness;

(m) Indebtedness issued in connection with the Reorganization Plan and Permitted Refinancing Indebtedness in respect thereof, including the Junior DIP Facility; provided that the Junior DIP Facility shall be repaid in full on the Conversion Date;

(n) unsecured Guarantees of (i) Indebtedness for borrowed money permitted by this Section 6.02 or (ii) other Indebtedness not constituting Indebtedness for borrowed money; provided that such Guarantee of such Indebtedness is not prohibited by the terms of this Agreement; provided, further, that in the event such Indebtedness being guaranteed is subordinated to the Loans, then the related Guarantee shall be subordinated in right of payment to the Loans or the Guarantees guaranteeing the Loans, as the case may be;

(o) intercompany Indebtedness among Parent and its Restricted Subsidiaries; provided that (i) any such Indebtedness owing by a Loan Party shall be subordinated to the Obligations pursuant to an Intercompany Note or otherwise on terms reasonably satisfactory to the Administrative Agent and (ii) any such Indebtedness (A) owing to a Loan Party by another Loan Party or (B) owing to a Loan Party by a Restricted Subsidiary that is not a Loan Party if such Indebtedness under this clause (B) owing by such Restricted Subsidiary that is not a Loan Party [*] or more in the aggregate, shall be evidenced by an Intercompany Note pursuant to the provisions contained therein and (iii) any such Indebtedness owing to a Loan Party shall be pledged pursuant to the Pledge and Security Agreement; and

(p) Indebtedness incurred by Parent or any Restricted Subsidiary which, as of the Closing Date, (i) relates to any allowed claim in the Chapter 11 Cases and/or (ii) relates to any timely filed claim in the Chapter 11 Cases that is not yet allowed or disallowed; provided that Parent and/or such Restricted Subsidiary is resolving such claim in accordance with the Reorganization Plan, the Revised Claims Procedures Order and/or any other order of the Bankruptcy Court.

For the avoidance of doubt, a permitted refinancing in respect of Indebtedness incurred pursuant to a Dollar-denominated basket shall not increase capacity to incur Indebtedness under such Dollar-denominated basket, and such Dollar-denominated basket shall be deemed to continue to be utilized by the amount of the original Indebtedness incurred unless and until the Indebtedness incurred to effect such permitted refinancing is no longer outstanding.

Section 6.26. Disposition of Significant Assets. Neither Parent nor any Restricted Subsidiary shall sell or otherwise Dispose of any Significant Assets (including, without limitation, by way of any Sale of a Loan Party) except that such sale or other Disposition shall be permitted in the case of (1) a Permitted Disposition or (2) any other sale or Disposition; provided that, in the case of this clause (2), (i) no Event of Default shall have occurred and be continuing or would result therefrom, (ii) the Asset Coverage Test is satisfied on a Pro Forma Basis after giving effect to such sale or other Disposition (including any concurrent pledge of Additional Collateral), (iii) prior to effecting such Disposition, Parent shall promptly provide to the Administrative Agent an Asset Coverage Ratio Certificate calculating the Asset Coverage Ratio on a Pro Forma Basis after giving effect to such sale or other Disposition (including any pledge of Additional Collateral and/or prepayment of Priority Lien Debt or Senior Priority Refinancing Indebtedness (in each case, in the case of revolving debt together with a permanent reduction in the commitments thereunder), if any), (iv) such sale or other Disposition, if to any other Person, is an arms' length Disposition to a third party that is not an Affiliate of the Parent or any of its Subsidiaries and (v) to the extent that any Borrower receives any Net Proceeds from such sale or other Disposition, such Net Proceeds shall be applied as provided under Section 2.09; provided that nothing contained in this Section 6.03 is intended to excuse performance by the Borrowers or any Guarantor of any requirement of any Collateral Document that would be applicable to a Disposition permitted hereunder. A Disposition of Collateral referred to in clause (d), (g) or (h) of the definition of "Permitted Disposition" shall not result in the automatic release of such Collateral from the security interest of the applicable Collateral Document, and the Collateral subject to such Disposition shall continue to constitute Collateral for all purposes of the Loan Documents (without prejudice to the rights of the Borrowers to release any such Collateral pursuant to Section 6.08(c)).

Section 6.27. Transactions with Affiliates.

(b) Parent will not, and will not permit any of its Restricted Subsidiaries to, make any payment to or sell, lease, transfer or otherwise Dispose of any of its properties or assets to, or purchase any property or assets from, or enter into or make or amend any transaction, contract, agreement, understanding, loan, advance or guarantee with, or for the benefit of, any Affiliate of Parent (each an "Affiliate Transaction") involving aggregate payments or consideration in excess of [*] unless:

(1) the Affiliate Transaction is on terms that are not materially less favorable to Parent or the relevant Restricted Subsidiary (taking into account all effects Parent or such Restricted Subsidiary expects to result from such transaction whether tangible or intangible) than those that would have been obtained in a comparable transaction by Parent or such Restricted Subsidiary with an unrelated Person; and

(2) Parent delivers to the Administrative Agent:

(A) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of [*] but less than or equal to[*], an Officer's Certificate certifying that such Affiliate Transaction complies with clause (1) of this Section 6.04(a); and

(B) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of [*], a board resolution stating the board of directors of Parent has approved such Affiliate Transaction and determined that it complies with clause (1) of this Section 6.04(a).

(c) The following items will not be deemed to be Affiliate Transactions and, therefore, will not be subject to the provisions of Section 6.04(a) hereof:

(1) any employment agreement, confidentiality agreement, non-competition agreement, incentive plan, employee stock option agreement, long-term incentive plan, profit sharing plan, employee benefit plan, officer or director indemnification agreement or any similar arrangement entered into by Parent or any of its Restricted Subsidiaries in the ordinary course of business and payments pursuant thereto;

(2) transactions between or among Parent and/or its Restricted Subsidiaries (including without limitation in connection with any full or partial "spin-off" or similar transactions);

(3) transactions with a Person (other than an Unrestricted Subsidiary of Parent) that is an Affiliate of Parent solely because Parent owns, directly or through a Restricted Subsidiary, an Equity Interest in, or controls, such Person;

(4) payment of fees, compensation, reimbursements of expenses (pursuant to indemnity arrangements or otherwise) and reasonable and customary indemnities provided to or on behalf of officers, directors, employees or consultants of Parent or any of its Restricted Subsidiaries;

(5) any issuance of Qualifying Equity Interests to Affiliates of Parent or any increase in the liquidation preference of preferred stock of Parent (if any);

(6) transactions with customers, clients, suppliers or purchasers or sellers of goods or services in the ordinary course of business or transactions with joint ventures, alliances, alliance members or Unrestricted Subsidiaries entered into in the ordinary course of business;

(7) Permitted Investments and Restricted Payments that do not violate Section 6.01 hereof;

(8) loans or advances to employees in the ordinary course of business not to exceed [*] in the aggregate at any one time outstanding;

(9) transactions pursuant to agreements or arrangements in effect on the Closing Date or any amendment, modification or supplement thereto or replacement thereof and any payments made or performance under any agreement as in effect on the Closing Date or any amendment, replacement, extension or renewal thereof (so long as such agreement as so amended, replaced, extended or renewed is not materially less advantageous, taken as a whole, to the Lenders than the original agreement as in effect on the Closing Date);

(10) transactions between or among Parent and/or its Restricted Subsidiaries or transactions between a Receivables Subsidiary and any Person in which the Receivables Subsidiary has an Investment;

(11) any transaction effected as part of a Qualified Receivables Transaction;

(12) any purchase by Parent's Affiliates of Indebtedness of Parent or any of its Restricted Subsidiaries, the majority of which Indebtedness is offered to Persons who are not Affiliates of Parent;

(13) shared services, joint purchasing, systems integration, fleet management and other transactions in the ordinary course of business that are customary for joint business agreements in the airline industry;

(14) transactions between Parent or any of its Restricted Subsidiaries and any employee labor union or other employee group of Parent or such Restricted Subsidiary; provided such transactions are not otherwise prohibited by this Agreement; and

(15) transactions with captive insurance companies of Parent or any of its Restricted Subsidiaries.

Section 6.28. Liens. Parent will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, create, incur, assume or suffer to exist any Lien of any kind on any property or asset that constitutes Significant Assets, except Permitted Liens.

Section 6.29. Business Activities; Frequent Flyer Program. Parent will not, and will not permit any of its Restricted Subsidiaries to (a) engage in any business other than Permitted Businesses, except to such extent as would not be material to Parent and its Restricted Subsidiaries taken as a whole or (b) create or acquire any new Frequent Flyer Program unless (i) the related Frequent Flyer Program Assets are owned by a Loan Party, and (ii) to the extent any such Frequent Flyer Program Assets consist of Pledged Receivables (as defined in the Pledge and Security Agreement) and would not have automatically been pledged and subject to a perfected first priority Lien pursuant to the Collateral Documents in existence as of the Closing Date, execute and deliver to the Collateral Trustee or the applicable Local Collateral Agent, as applicable (subject to the Guaranty and Security Principles), joinders or collateral supplements to the applicable Collateral Documents or new Collateral Documents to create or purport to create and perfect a first priority Lien (subject to Permitted Liens) in such assets in favor of the Collateral Trustee or applicable Local Collateral Agent, as applicable, for the benefit of the Secured Parties within 120 days of such creation or acquisition (or such later date as Administrative Agent may agree in its sole discretion); provided that clause (b) shall not restrict the acquisition of any Non-Guarantor Acquired Airline so long as the Parent and its Restricted Subsidiaries continue to operate any existing Frequent Flyer Programs consistent with past practice.

Section 6.30. Consolidated Liquidity. Parent will not permit Consolidated Liquidity at the close of any Business Day to be less than $750.0 million.

Section 6.31. Asset Coverage Ratio.

(b) On the tenth (10th) Business Day after a Reference Date (such date, the "Certificate Delivery Date"), Parent will deliver to the Administrative Agent an Asset Coverage Ratio Certificate containing a calculation of the Asset Coverage Ratio with respect to such Reference Date. If the Asset Coverage Ratio with respect to the applicable Reference Date is less than [*] (the "Asset Coverage Test"), Parent shall, no later than forty-five (45) days after the Certificate Delivery Date, designate additional assets as Additional Collateral and comply with Section 5.12 and/or prepay or redeem or cause to be prepaid or redeemed Priority Lien Debt (as selected by Parent in its sole discretion), such that, following such actions, the Asset Coverage Test shall be satisfied.

(c) Notwithstanding anything to the contrary contained herein, if the Asset Coverage Test is not satisfied solely as a result of damage to or loss of any Collateral covered by insurance (pursuant to which the Collateral Trustee is named as loss payee and with respect to which payments are to be delivered directly to the Collateral Trustee or the Administrative Agent) for which the insurer thereof has been notified of the relevant claim and has not challenged such coverage, any calculation of the Asset Coverage Ratio (and Total Asset Coverage Ratio) made pursuant to this Agreement shall deem the relevant Loan Party to have received Net Proceeds (and to have taken all steps necessary to have pledged such Net Proceeds as Additional Collateral) in an amount equal to the expected coverage amount (as determined by Parent in good faith and updated from time to time to reflect any agreements reached with the applicable insurer) and net of any amounts required to be paid out of such proceeds until the earliest of (i) the date any such Net Proceeds are actually first received by the Collateral Trustee or the Administrative Agent, (ii) the date that is 270 days after such damage and (iii) the date on which any such insurer denies such claim; provided, further, that prior to giving effect to this clause (b), the Appraised Value of the Coverage Assets shall be no less than 100% of the aggregate principal amount of all Priority Lien Debt at such time. If the Administrative Agent or the Collateral Trustee should receive any Net Proceeds directly from the insurer in respect of a Recovery Event, the Administrative Agent or the Collateral Trustee, as applicable, shall promptly cause such proceeds to be paid to Parent or the applicable Loan Party, or to be applied, as applicable, in accordance with Section 2.09(a).

(d) At Parent's request, the Lien on any asset or type or category of asset (including after-acquired assets of that type or category) that (i) has been Disposed in accordance with this Agreement to a Person other than a Loan Party, (ii) is or has become Excluded Assets or (iii) constitutes Additional Collateral, will, in each case, be promptly released; provided that in each case, that the following conditions are satisfied or waived: (A) no Event of Default shall have occurred and be continuing, (B) either (x) after giving effect to such release, the Appraised Value of the Coverage Assets shall satisfy the Asset Coverage Test on a Pro Forma Basis or (y) Parent shall designate additional assets as Additional Collateral and comply with Section 5.12 and/or prepay or redeem or cause to be prepaid or redeemed Priority Lien Debt (as selected by Parent in its sole discretion), such that, following such actions and such release, the Asset Coverage Test shall be satisfied on a Pro Forma Basis, and (C) Parent shall deliver to the Administrative Agent an Asset Coverage Ratio Certificate demonstrating Pro Forma Compliance with the Asset Coverage Test after giving effect to such release (including after giving effect to any action taken pursuant to the foregoing clause (B)(y)). Each of the Administrative Agent and the Collateral Trustee agrees to promptly provide any documents or releases reasonably requested by Parent to evidence any such release. For the avoidance of doubt, (aa) nothing contained in the foregoing shall prohibit any substitution of any item of Additional Collateral if such substitution and related release of the Additional Collateral being replaced are permitted or required under the applicable Collateral Document, and such permitted or required release of such replaced Additional Collateral pursuant to such Collateral Document shall not be subject to (and shall be deemed to satisfy) the release conditions in the first sentence of this Section 6.08(c) and (bb) if a Loan Party releases (in accordance with this Section 6.08(c)) any Additional Collateral that has suffered (or corresponding to an asset that suffered) a Recovery Event, the applicable Loan Party shall be deemed to have complied with any provisions in the corresponding Collateral Documents requiring that such Loan Party take specific actions in respect of such Recovery Event.

Section 6.32. Merger, Consolidation, or Sale of Assets.

(b) None of Parent or any of its Restricted Subsidiaries (whichever is applicable, the "Subject Company") shall directly or indirectly: (i) consolidate or merge with or into another Person (whether or not such Subject Company is the surviving Person) or (ii) Dispose of all or substantially all of the properties or assets of the Subject Company and its Restricted Subsidiaries taken as a whole, in one or more related transactions, to another Person; provided that:

(i) This Section 6.09(a) shall not restrict the foregoing actions by Parent or the Co-Borrower if:

(1) either:

(A) Parent or the Co-Borrower, as applicable (or, in the case of a consolidation or merger between Parent and the Co-Borrower, Parent), is the surviving Person; or

(B) the Person formed by or surviving any such consolidation or merger (if other than Parent or the Co-Borrower) or to which such Disposition has been made is an entity organized or existing under the laws of a Specified Jurisdiction; and, if such entity is not a corporation, a co-obligor of the Loans is a corporation organized or existing under any such laws;

(2) the Person formed by or surviving any such consolidation or merger (if other than Parent or the Co-Borrower) or the Person to which such Disposition has been made assumes all the obligations of the Subject Company under the Loan Documents by operation of law (if the surviving Person is Parent or the Co-Borrower) or pursuant to Section 5.12 or otherwise pursuant to agreements reasonably satisfactory to the Administrative Agent;

(3) immediately after such transaction, no Default or Event of Default exists;

(4) with respect to any merger or consolidation by Parent or the Co-Borrower with any other Loan Party or any Disposition by Parent or the Co-Borrower, after giving effect thereto, the interests of the Lenders in respect of the Collateral are not adversely affected; and

(5) the Subject Company shall have delivered to the Administrative Agent an Officer's Certificate stating that such consolidation, merger or Disposition complies with this Agreement;

(ii) any Restricted Subsidiary of Parent that is not a Loan Party may consolidate or merge with or into a Loan Party or Dispose of all or substantially all of its properties to a Loan Party so long as, with respect to any consolidation or merger either (A) the Loan Party is the surviving Person or (B) (1) the Person formed or surviving any such consolidation (if other than such Loan Party) is an entity organized or existing under the laws of a Specified Jurisdiction and (2) the Person formed by or surviving any such consolidation or merger assumes all the obligations of such Loan Party under the Loan Documents by operation of law or pursuant to Section 5.12 or otherwise pursuant to agreements reasonably satisfactory to the Administrative Agent;

(iii) any Loan Party (other than Parent or the Co-Borrower) may consolidate or merge with or into any other Loan Party or Dispose of all or substantially all of its properties to another Loan Party so long as (x) after giving effect thereto, the interests of the Lenders in respect of the Collateral are not adversely affected and (y) in the case of any Disposition, the transferee is a Loan Party and the transferee is either (1) in the same jurisdiction as the transferor, (2) a Specified Jurisdiction or (3) another jurisdiction reasonably satisfactory to the Administrative Agent;

(iv) any Restricted Subsidiary that is not a Loan Party may consolidate or merge with or into any other Restricted Subsidiary that is not a Loan Party or Dispose of all or substantially all of its properties to a Restricted Subsidiary that is not a Loan Party; provided that (x) with respect to any consolidation or merger between a Restricted Subsidiary whose Equity Interests constitute Collateral and a Restricted Subsidiary whose Equity Interests do not constitute Collateral, the Restricted Subsidiary whose Equity Interests constitute Collateral shall be the surviving Person and (y) no Subsidiary whose Equity Interests constitute Collateral may Dispose of all or substantially all of its properties to a Restricted Subsidiary whose Equity Interests do not constitute Collateral, unless, in each case, under (x) and (y), (1) such Equity Interests of the applicable Restricted Subsidiary (the "Subject Entity") that do not constitute Collateral as of the date of such consolidation or merger are promptly pledged as Collateral on or following the consummation of such consolidation or merger and (2) the Subject Entity is organized in a Security Jurisdiction (as defined in the Guaranty and Security Principles) or a different jurisdiction reasonably satisfactory to the Administrative Agent;

(v) any Permitted Investment may be structured as a merger or consolidation (provided that (x) if a Borrower is a party to such merger or consolidation, such Borrower shall be the surviving Person thereof, (y) if a Loan Party is a party to such merger or consolidation, such Loan Party shall be the surviving Person thereof and (z) if a Restricted Subsidiary that is not a Loan Party is a party to such merger or consolidation, such Restricted Subsidiary shall be the surviving Person thereof);

(vi) any merger, consolidation, dissolution or liquidation, in each case, not involving a Borrower, may be effected for the purposes of effecting a Disposition permitted by this Agreement; and

(vii) the dissolution of any Restricted Subsidiary (that is not a Loan Party) with no or *de minimis* assets is permitted.

(c) Upon any consolidation or merger, or any sale, assignment, transfer, lease, conveyance or other disposition of all or substantially all of the properties or assets of any Subject Company in a transaction that is subject to, and that complies with the provisions of, Section 6.09(a)(i) or (ii), the successor Person formed by such consolidation or into or with which such Subject Company is merged or to which such sale, assignment, transfer, lease, conveyance or other disposition is made shall succeed to, and be substituted for (so that from and after the date of such consolidation, merger, sale, assignment, transfer, lease, conveyance or other disposition, the provisions of this Agreement and the other Loan Documents referring to such Subject Company shall refer instead to the successor Person and not to such Subject Company), and may exercise every right and power of such Subject Company under this Agreement and the other Loan Documents with the same effect as if such successor Person had been named as such Subject Company herein and therein; provided, however, that the predecessor Subject Company (in the case of Parent or the Co-Borrower), if applicable, shall not be relieved from the obligation to pay the principal of, and interest, if any, on the Loan except in the case of a sale of all of such Subject Company's assets in a transaction that is subject to, and that complies with the provisions of, Section 6.09(a)(i) hereof.

Section 6.33. Negative Pledge Clauses. Parent will not, and will not permit any of its Restricted Subsidiaries to, enter into or become effective any agreement that prohibits or limits the ability of Parent or any Restricted Subsidiary to create, incur, assume or suffer to exist any Lien upon any of its Significant Assets, now owned or hereafter acquired, to secure its obligations under the Loan Documents to which it is a party other than any Priority Lien Debt (so long as any prohibition or restriction in any documentation governing any Priority Lien Debt is not more restrictive in any material respect than this Agreement), including this Agreement, the Revolving Credit Agreement, the 2027 Bridge Loan Credit Agreement and the 2029 Bridge Loan Credit Agreement (and any documentation governing any Permitted Refinancing Indebtedness in respect of the foregoing (and any successive Permitted Refinancing Indebtedness in respect thereof), so long as any such prohibition or restriction in such documentation is not more restrictive in any material respect than the documentation in respect of the Indebtedness being refinanced), the Collateral Trust Agreement and the Local Collateral Agency Agreements, customary prohibitions and restrictions contained in any agreements governing any debt incurred pursuant to Section 6.02(h) or Aircraft Financing (including, without limitation, the RCF Loan Agreement and the Spare Engine Loan Agreement); provided that any such prohibitions and restrictions only apply to the assets financed thereby or the property subject to such lease or arrangement or any interests or agreements related thereto, any such prohibition or limitation in any co-branding agreement, partnering agreement, airline-to-airline frequent flyer program agreement or similar agreement, in each case relating to a Frequent Flyer Program; provided that (i) prior to entering into any new such agreement or arrangement, Parent shall use commercially reasonable efforts to have any such agreement not include any such prohibition or limitation and (ii) any such prohibition or limitation shall apply only with respect to the applicable agreement and the proceeds thereof, in respect of any contract arising in the ordinary course relating to the cargo business of the Parent and its Restricted Subsidiaries, any prohibition or limitation in any such contract and any amendments or modifications thereto so long as such amendment or modification does not expand the scope of any such prohibition or limitation in any material respect; provided that (x) any such prohibition or limitation applies only with respect to the applicable agreement and the proceeds thereof and (y) in respect of any such receivables that would otherwise constitute Collateral, Parent shall use commercially reasonable efforts to have any such contract not include any such prohibition or limitation, any agreement in effect at the time any Person becomes a Restricted Subsidiary of Parent; provided that such agreement was not entered into in contemplation of such Person becoming a Restricted Subsidiary of Parent, customary prohibitions and limitations contained in agreements relating to the sale of a Restricted Subsidiary (or the assets of Parent or a Restricted Subsidiary) pending such sale; provided that such prohibitions and limitations apply only to the Restricted Subsidiary that is to be sold (or the assets to be sold) and such sale is permitted (or not restricted) hereunder, prohibitions and limitations under agreements evidencing or governing or otherwise relating to Indebtedness not restricted hereby of Restricted Subsidiaries that are not Loan Parties; provided that such prohibitions and limitations are only with respect to assets of such Restricted Subsidiaries, any prohibition or limitation imposed by applicable law, regulation or order, or the terms of any license, authorization, concession or permit issued or granted by a Governmental Authority and any customary prohibitions or limitations arising or agreed to in the ordinary course of business, arising under leases, licenses or other similar contractual arrangements and not relating to any Indebtedness, and that do not (i) restrict assets other than those subject to such leases, licenses or other arrangements or (ii) taken as a whole, materially diminish the value of the Collateral, in each case, as determined by Parent in good faith.

Section 6.34. Restricted Distributions Clauses. Parent will not, and will not permit any of its Restricted Subsidiaries to, enter into or become effective any consensual encumbrance or restriction on the ability of any Restricted Subsidiary of Parent to pay dividends or distributions or to dividend the proceeds of any Disposition of Significant Assets to Parent or another Restricted Subsidiary, except for such encumbrances or restrictions existing under or by reason of (a) any restrictions with respect to a Restricted Subsidiary imposed pursuant to an agreement that has been entered into in connection with the Disposition of all or substantially of the Equity Interests or assets of such Restricted Subsidiary so long as such Disposition is not restricted hereby, (b) any agreement in effect at the time any Person becomes a Restricted Subsidiary of Parent; provided that such agreement was not entered into in contemplation of such Person becoming a Restricted Subsidiary of Parent, (c) provisions with respect to the Disposition or distribution of assets or property in joint venture agreements, asset sale agreements, agreements in respect of sales of Equity Interests and other similar agreements entered into in connection with transactions not prohibited by this Agreement; provided that such encumbrance or restriction shall only be effective against the assets or property that are the subject to such agreements, (d) any instrument governing Indebtedness or Equity Interests of a Person acquired by Parent or any of its Restricted Subsidiaries as in effect on the date of such acquisition, which encumbrance or restriction is not applicable to any Person or the property or assets of any Person, other than the Person, or the properties or assets of such Person, so acquired, and (e) customary encumbrances or restrictions contained in Aircraft Financings (including, without limitation, the RCF Loan Agreement and the Spare Engine Loan Agreement) or debt incurred pursuant to Section 6.02(h) to the extent such encumbrances and restrictions apply only to the property subject to such lease or arrangement, and (f) any customary prohibitions or limitations arising or agreed to in the ordinary course of business, arising under leases, licenses or other similar contractual arrangements and not relating to any Indebtedness, and that do not (i) restrict assets other than those subject to such lease, license or other arrangements, (ii) taken as a whole, materially diminish the value of the Collateral or (iii) taken as a whole, materially affect the ability of Parent or any Restricted Subsidiary to make future principal or interest payments on outstanding Indebtedness of Parent or any Restricted Subsidiary, in each case, as determined by Parent in good faith.

Section 6.35. Use of Proceeds. The Loan Parties will not use, and will not permit any of their respective Subsidiaries, officers, directors, employees or agents to use, the proceeds of any Loan (i) in violation of any Anti-Corruption Laws or Anti-Money Laundering Laws or (ii) (A) to fund, finance or facilitate any activities or business of or with any Person that, at the time of such funding, financing or facilitation, is the subject or target of Sanctions, (B) to fund, finance or facilitate any activities of or business in any Sanctioned Country, in each case of (A) and (B) except to the extent permitted under Sanctions, or (C) in any other manner, that would result in a violation of Sanctions by any Person in connection with this Agreement (including any Person participating or acting in connection with the loan hereunder, whether as underwriter, advisor, investor, lender, hedge provider, facility or security agent or otherwise).

ARTICLE 7.

EVENTS OF DEFAULT

Section 7.24. Events of Default. (I) In the case of the happening of any of the following events and the continuance thereof beyond the applicable grace period if any and (II) from and after the date hereof until the Conversion Date, the additional events set forth in Annex C-2 attached hereto (each of the foregoing, together with the events set forth in Annex C-2, each an "Event of Default"):

(b) Failure of Representation or Warranty. Any representation or warranty made by any Borrower or any Guarantor in this Agreement or in any other Loan Document shall prove to have been false or incorrect in any material respect when made, and such representation or warranty, to the extent capable of being corrected, is not corrected within ten (10) Business Days after the earlier of (A) an Officer of any Borrower obtaining knowledge of such default or (B) receipt by any Borrower of notice from the Administrative Agent of such default.

(c) Payment Default. Default shall be made in the payment of (i) any principal of the Loans, when and as the same shall become due and payable; or (ii) any interest on the Loans or any other amount payable hereunder when due and such default under this subclause (ii) shall continue unremedied for more than five (5) Business Days.

(d) Certain Covenant Default. (i) A Default shall be made by Parent in the due observance of the covenants contained in Section 5.04 (with respect to any Borrower's existence) or in Article 6 hereof (other than Section 6.07) or (ii) default shall be made by Parent in the due observance of the covenant in Section 6.07 and such default shall continue unremedied for more than ten (10) Business Days after the earlier of (A) an Officer of any Borrower obtaining knowledge of such default or (B) receipt by any Borrower of notice from the Administrative Agent of such default.

(e) Other Covenant Default. A Default shall be made by any Borrower or any other Loan Party in the due observance or performance of any covenant, condition or agreement (other than those specified in Section 7.01(a), (b) or (c)) to be observed or performed by it pursuant to the terms of this Agreement or any of the other Loan Documents and such default shall continue unremedied for more than thirty (30) days after the earlier of (i) receipt of written notice by any Borrower from the Administrative Agent of such default or (ii) any Officer of any Borrower becomes aware of such default.

(f) Unenforceability/Liens. (i) Any material provision of any Loan Document to which any Loan Party is a party, at any time after its execution and delivery and for any reason other than as expressly permitted hereunder or thereunder or satisfaction in full of all Obligations, ceases to be a valid and binding obligation of such Loan Party, or any Loan Party shall so assert in any pleading filed in any court, (ii) a material portion of the guarantees by the Guarantors shall cease to be in full force and effect; (iii) any Borrower or any other Person contests in writing the validity or enforceability of any provision of any Loan Document; or a Borrower denies in writing that it has any or further liability or obligation under any Loan Document, or purports in writing to revoke, terminate or rescind any Loan Document; or (iv) the Liens on any material portion of the Collateral intended to be created by the Loan Documents shall cease to be or shall not be a valid and perfected Lien having the priorities required hereby or by the Collateral Trust Agreement, DIP Intercreditor Agreement or the Junior Lien Intercreditor Agreement, as applicable, (except as permitted by the terms of this Agreement or the Collateral Documents).

(g) Involuntary Proceeding. After the Conversion Date, an involuntary proceeding shall be commenced or an involuntary petition shall be filed seeking (i) liquidation, reorganization or other relief in respect of any Borrower or any Restricted Subsidiary or its debts, or of a substantial part of its assets, under any federal, state or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect or (ii) the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for any Borrower or any Restricted Subsidiary or for a substantial part of its assets, and, in any such case, such proceeding or petition shall continue undismissed for sixty (60) days or an order or decree approving or ordering any of the foregoing shall be entered.

(h) Voluntary Proceeding. After the Conversion Date, any Borrower or any Restricted Subsidiary shall (i) voluntarily commence any proceeding or file any petition seeking liquidation, reorganization or other relief under any federal, state or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect, (ii) consent to the institution of, or fail to contest in a timely and appropriate manner, any proceeding or petition described in Section 7.01(h), (iii) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for any Borrower or any Restricted Subsidiary or for a substantial part of its assets, (iv) file an answer admitting the material allegations of a petition filed against it in any such proceeding, (v) make a general assignment for the benefit of creditors or(vi) take any action for the purpose of effecting any of the foregoing.

(i) Judgments. Entry of judgments by a court or courts of competent jurisdiction aggregating in excess of [*] (determined net of amounts covered by insurance policies issued by creditworthy insurance companies or by third party indemnities or a combination thereof), shall be entered against any Loan Party, which judgments are not paid, discharged, bonded, satisfied or stayed for a period of sixty (60) days.

(j) Change of Control. A Change of Control shall occur.

(k) Default Under Other Agreements. (x) Any Borrower or any Guarantor shall default in the performance of any obligation relating to Material Indebtedness and any applicable grace periods shall have expired and any applicable notice requirements shall have been complied with, and as a result of such default the holder or holders of such Material Indebtedness or any trustee or agent on behalf of such holder or holders shall have caused such Material Indebtedness to become due prior to its scheduled final maturity date or (y) any Borrower or any Guarantor shall default in the payment of the outstanding principal amount due on the scheduled final maturity date of any Material Indebtedness outstanding under one or more agreements of a Borrower or a Guarantor, any applicable grace periods shall have expired and any applicable notice requirements shall have been complied with.

(l) Benefit Plans. (i) Any event or circumstance shall have occurred with respect to any Benefit Plan which has resulted or could reasonably be expected to result in an additional annual liability of the Loan Parties under such Benefit Plan that would be a Material Adverse Effect, or (ii) Parent, the Co-Borrower or any Affiliate fails to pay when due, after the expiration of any applicable grace period, any installment payment which would reasonably be expected to result in a Material Adverse Effect with respect to its withdrawal liability under any Benefit Plan.

Section 7.25. Remedies Upon an Event of Default.

(b) If an Event of Default occurs or is continuing, and at any time then, and in every such event and at any time thereafter during the continuance of such event, the Administrative Agent may with the consent of the Required Lenders, and shall at the request of the Required Lenders, by notice to the Borrowers, take any or all of the following actions, at the same or different times:

(a) terminate the Commitments, and thereupon the Commitments shall terminate immediately;

(b) declare the Loans (or any portion thereof) then outstanding to be due and payable, whereupon the principal of the Loans so declared to be due and payable, together with accrued interest thereon and any unpaid accrued fees and all other obligations of the Borrowers accrued hereunder and under any other Loan Document, shall become due and payable immediately, without presentment, demand, protest or any other notice of any kind, all of which are hereby expressly waived by the Borrowers and the Guarantors, anything contained herein or in any other Loan Document to the contrary notwithstanding;

(c) exercise (or, with respect to Collateral Documents, direct the Collateral Trustee to exercise) on behalf of itself and the Lenders all rights and remedies available to it and the Lenders under the Loan Documents and applicable law; and

(d) prior to the Conversion Date, upon five (5) Business Days' written notice to the Borrowers from the Administrative Agent, acting at the instructions of the Required Lenders, the automatic stay of Section 362 (and any other Section of the Bankruptcy Code) shall be terminated in all respects without further order of the Bankruptcy Court (or any other court), without the need for filing any motion for relief from the automatic stay or any other pleading, to permit the exercise of any and all rights and remedies under the Loan Documents, the Final DIP Order, and under applicable law available to the Administrative Agent and the Lenders; provided that prior to such five (5) day period, the Collateral Trustee, the Local Collateral Agents and the Lenders shall not take any enforcement action with respect to Collateral (including to exercise rights of set-off, to give any shifting control or exclusive control notice, or to apply any amounts in any bank accounts that are a part of the Collateral).

In case of any event with respect to any Borrower or any other Loan Party described in Section 7.01(f) or (g), the actions and events described in Section 7.02(a) and (b) shall be required or taken automatically, without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Borrowers. Any payment received as a result of the exercise of remedies hereunder shall be applied in accordance with Section 2.14(b).

ARTICLE 2.

THE AGENTS

Section 2.01. Administration by Agents.

(a) Each of the Lenders hereby irrevocably appoints the entity named as Administrative Agent in the heading of this Agreement and its successors and assigns to serve as the administrative agent under the Loan Documents and the entity named as Collateral Trustee in the heading of this Agreement and its successors and assigns to serve as its Collateral Trustee under the Loan Documents, and each of the Lenders authorizes each such Agent to take such actions as agent on its behalf and to exercise such powers under this Agreement and the other Loan Documents as are delegated to such Agent by the terms hereof, together with such actions and powers as are reasonably incidental thereto, including (but not limited to) the execution and delivery of the Loan Documents to which such Agent is a party and the performance of all rights, powers, remedies and duties that such Agent may have under such Loan Documents. In addition, to the extent required under the laws of any jurisdiction other than within the United States, each Lender hereby grants to such Agent any required powers of attorney to execute and enforce any Collateral Document governed by the laws of such jurisdiction on such Lender's behalf.

(b) Each of the Lenders (i) irrevocably appoints the Local Collateral Agents pursuant to the terms of each Local Collateral Agent Agreement to take such actions on its behalf and to exercise such powers as are delegated to such Local Collateral Agents by the terms of each Local Collateral Agent Agreement, as applicable, together with such actions and powers as are reasonably incidental thereto, including (but not limited to) the execution and delivery of the Loan Documents to which each Local Collateral Agent is a party and the performance of duties as expressly stated thereunder and (ii) delegates each of the Administrative Agent and/or the Collateral Trustee the authority to execute each Local Collateral Agent Agreement on its behalf, if applicable.

(c) Each of the Lenders hereby acknowledges for the benefit of each Agent that in connection with the sale or other Disposition of any asset or property that constitutes a Significant Asset of any Borrower or any other Loan Party, as the case may be, to the extent permitted by the terms of this Agreement, including without limitation upon any Permitted Disposition (prior to the Conversion Date, other than any Disposition pursuant to clause (d) of the definition of "Permitted DIP Disposition," and after the Conversion Date, other than any Disposition pursuant to clauses (d), (g) or (h) of the definition of "Permitted Disposition") or as otherwise permitted under Section 6.03, and in each other circumstance outlined in Section 7.3(a)-(b) of the Pledge and Security Agreement, that the Lien granted to such Agent, for the benefit of the Secured Parties, if any, on the relevant asset shall be automatically released, other than in respect of any proceeds, products or Investment related thereto, if applicable.

(d) Each of the Lenders hereby authorizes each Agent, as applicable:

(i) if directed by the Required Lenders in their sole discretion, to determine that the cost to any Borrower or any other Loan Party, as the case may be, is disproportionate to the benefit to be realized by the Secured Parties by perfecting a Lien in a given asset or group of assets included in the Collateral and that such Borrower or such other Loan Party, as the case may be, should not be required to perfect such Lien in favor of the Collateral Trustee or any Local Collateral Agent for the benefit of the Secured Parties;

(ii) to enter into the other Loan Documents on terms acceptable to the Administrative Agent and to perform its respective obligations thereunder; and

(iii) to enter into any other agreements reasonably satisfactory to the Administrative Agent granting Liens to the Collateral Trustee or any Local Collateral Agent for the benefit of the Secured Parties, on any assets or properties of any Borrower or any other Loan Party to secure the Obligations.

(e) In performing its functions and duties hereunder and under the other Loan Documents, each Agent is acting solely on behalf of the Lenders (except in limited circumstances expressly provided for herein relating to the Administrative Agent's maintenance of the Register), and its duties are entirely mechanical and administrative in nature. Without limiting the generality of the foregoing:

(i) no Agent assumes and no Agent shall be deemed to have assumed any obligation or duty or any other relationship as the agent, fiduciary or trustee of or for any Lender or holder of any other obligation other than as expressly set forth herein and in the other Loan Documents, regardless of whether a Default or an Event of Default has occurred and is continuing (and it is understood and agreed that the use of the term "agent" or "trustee" (or any similar term) herein or in any other Loan Document with reference to such Agent is not intended to connote any fiduciary duty or other implied (or express) obligations arising under agency doctrine of any applicable law, and that such term is used as a matter of market custom and is intended to create or reflect only an administrative relationship between contracting parties); additionally, each Lender agrees that it will not assert any claim against any Agent based on an alleged breach of fiduciary duty by such Agent in connection with this Agreement and/or the transactions contemplated hereby; and

(ii) nothing in this Agreement or any Loan Document shall require any Agent to account to any Lender for any sum or the profit element of any sum received by any Agent for its own account.

(f) The Joint Lead Arrangers (i) shall not have any obligations or duties whatsoever in such capacity under this agreement or any other Loan Document, other than in respect of the express voting provision set forth in clause (a) of Annex D hereof; provided that the Joint Lead Arrangers shall not provide consent to reverse, modify, amend or vacate, or waive any provision of, the Final DIP Order, the Confirmation Order or the Reorganization Plan without the prior written consent of the Required Lenders, and (ii) shall incur no liability hereunder or thereunder in such capacity, but all such persons shall have the benefit of the indemnities provided for hereunder.

Section 2.02. Rights of Agents. Any institution serving as the Agent hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not an Agent, and such institution and its respective Affiliates may accept deposits from, lend money to and generally engage in any kind of business with the Loan Parties or any Subsidiary or other Affiliate of the Loan Parties as if it were not an Agent hereunder.

Section 2.03. Liability of Agents.

(a) The Agents shall not have any duties or obligations except those expressly set forth herein, and no duties, responsibilities or obligations shall be inferred or implied against any Agent. Without limiting the generality of the foregoing, (i) the Agents shall not be subject to any fiduciary or other implied duties, regardless of whether a Default or Event of Default has occurred and is continuing, (ii) as to any matters not expressly provided for herein and in the other Loan Documents (including enforcement or collection), the Agents shall not be required to exercise any discretion or take any action but shall be required to act or to refrain from acting (and shall be fully protected in so acting or refraining from acting) upon the written instructions of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary, pursuant to the terms in the Loan Documents, or in the case of the Collateral Trustee, the Administrative Agent), and, unless and until revoked in writing, such instructions shall be binding upon each Lender; provided, however, that no Agent shall be required to take any action that (x) such Agent in good faith believes exposes it to liability unless such Agent receives an indemnification and is exculpated in a manner satisfactory to it from the Lenders with respect to such action or (y) is contrary to this Agreement or any other Loan Document or applicable law, including any action that may be in violation of the automatic stay under any requirement of law relating to bankruptcy, insolvency or reorganization or relief of debtors or that may affect a forfeiture, modification or termination of property of a Defaulting Lender in violation of any requirement of law relating to bankruptcy, insolvency or reorganization or relief of debtors; provided, further, that such Agent may seek clarification or direction from the Required Lenders prior to the exercise of any such instructed action and may refrain from acting until such clarification or direction has been provided and (iii) except as expressly set forth herein, the Agents shall not have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to the Borrowers or any of Parent's Subsidiaries or any Affiliate of any of the foregoing that is communicated to or obtained by the institution or Person serving as an Agent or any of its Affiliates in any capacity. No Agent nor any of its Related Parties shall be (i) liable for any action taken or not taken by such party, any Agent or any of its Related Parties under or in connection with this Agreement or the other Loan Documents (x) with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary, or as the Administrative Agent shall believe in good faith to be necessary, under the circumstances as provided in Section 10.08) or (y) in the absence of its own gross negligence or willful misconduct (such absence to be presumed unless otherwise determined by a court of competent jurisdiction by a final and non-appealable judgment) or (ii) responsible in any manner to any of the Lenders for any recitals, statements, representations or warranties made by any Borrower or any of its Subsidiaries or any officer thereof contained in this Agreement or any other Loan Document or in any certificate, report, statement or other document referred to or provided for in, or received by such Agent under or in connection with, this Agreement or any other Loan Document or for the value, validity, effectiveness, genuineness, enforceability or sufficiency of this Agreement or any other Loan Document (including, for the avoidance of doubt, in connection with such Agent's reliance on any Electronic Signature transmitted by telecopy, emailed pdf. or any other electronic means that reproduces an image of an actual executed signature page) or for any failure of any Borrower or any of its Subsidiaries to perform its obligations hereunder or thereunder. No Agent shall be deemed to have knowledge of any (i) notice of any of the events or circumstances set forth or described in Section 5.01 unless and until written notice thereof stating that it is a "notice under Section 5.01" in respect of this Agreement and identifying the specific clause under said Section is given to such Agent by the Borrowers, or (ii) notice of any Default or Event of Default unless and until written notice thereof (stating that it is a "notice of Default" or a "notice of an Event of Default") is given to such Agent by the Borrowers, any other Loan Party or a Lender and such Agent shall not be responsible for, or have any duty to ascertain or inquire into, (A) any statement, warranty or representation made in or in connection with any Loan Document, (B) the contents of any certificate, report or other document delivered thereunder or in connection therewith, (C) the performance or observance of any of the covenants, agreements or other terms or conditions set forth in any Loan Document or the occurrence of any Default or Event of Default, (D) the sufficiency, validity, enforceability, effectiveness or genuineness of any Loan Document or any other agreement, instrument or document, or (E) the satisfaction of any condition set forth in Article 4 or elsewhere in any Loan Document, other than to confirm receipt of items (which on their face purport to be such items) expressly required to be delivered to such Agent or satisfaction of any condition that expressly refers to the matters described therein being acceptable or satisfactory to such Agent.

(b) Each Agent shall be entitled to rely upon, and shall not incur any liability under or in respect of this Agreement or any other Loan Document for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (which writing may be a fax, any electronic message, Internet or intranet website posting or other distribution) or any statement made to it orally or by telephone believed by it to be genuine and to have been signed or sent by the proper Person. Each Agent also may rely upon any statement made to it orally or by telephone and believed by it to be genuine and signed or sent or otherwise authenticated by the proper party or parties (whether or not such Person in fact meets the requirements set forth in the Loan Documents for being the maker thereof) and shall not incur any liability for relying thereon. Each Agent may consult with legal counsel (who may be counsel for the Borrowers), independent accountants and other experts selected by it, at the expense of the Borrowers, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

(c) Each Agent may perform any and all of its duties and exercise its rights and powers hereunder or under any other Loan Document by or through any one or more subagents appointed by it. Each Agent and any such subagent may perform any and all of its duties and exercise its rights and powers through its Related Parties. The exculpatory provisions of this Article 8 shall apply to any such sub-agent and to the Related Parties of such Agent and any such sub-agent, and shall apply to their respective activities pursuant to this Agreement. No Agent shall be responsible for the negligence or misconduct of any sub-agent except to the extent that a court of competent jurisdiction determines in a final and nonappealable judgment that such Agent acted with gross negligence or willful misconduct in the selection of such sub-agent.

(d) The Agents shall not be responsible for and shall make no representation as to (i) the existence, genuineness, value or protection of any Collateral, (ii) the legality, effectiveness or sufficiency of any Collateral Document, or (iii) the creation, perfection, priority, sufficiency or protection of any Priority Liens. For the avoidance of doubt, nothing herein shall require any Agent to file financing statements or continuation statements, or be responsible for maintaining the security interests purported to be created as described herein (except for the safe custody of any Collateral in its possession and the accounting for moneys actually received by it hereunder or under any other Loan Document) and such responsibility shall be solely that of the Borrowers.

(e) Nothing in this Agreement shall require any Agent to expend or risk any of their own funds or otherwise incur any liability, financial or otherwise, in the performance of any of their duties hereunder or under the Loan Documents or in the exercise of any of its rights or powers if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

(f) In no event shall any Agent be responsible or liable for special, indirect, punitive or consequential loss or damage of any kind whatsoever (including loss of profit) irrespective of whether such Agent has been advised of the likelihood of such loss or damage and regardless of the form of action.

(g) No Agent shall incur any liability for not performing any act or fulfilling any duty, obligation or responsibility hereunder by reason of any occurrence beyond the control of any such Agent (including any act or provision of any present or future law or regulation or governmental authority, any act of God or war, civil unrest, local or national disturbance or disaster, any act of terrorism, or the unavailability of the Federal Reserve Board's wire or facsimile or other wire or communication facility).

(h) Each Agent shall have the right to, unilaterally and without prior notice, remove itself or not comply with any obligation that would reasonably be expected to result in violation of Sanctions. The parties hereto expressly agree that no Agent shall be liable for not performing and/or delaying the receipt or the payment of any amount solely due to such Agent's compliance with Sanctions.

(i) The exculpatory provisions of the preceding paragraphs shall apply to any such subagent and to the Related Parties of any Agent and any such subagent and shall apply to their respective activities in connection with the syndication of the credit facilities provided for herein as well as activities as Agent.

(j) Without limiting the foregoing, each Agent (1) may treat the payee of any promissory note as its holder until such promissory note has been assigned in accordance with Section 10.02, (2) may rely on the Register to the extent set forth in Section 10.02, (3) may consult with legal counsel (including counsel to the Borrowers), independent public accountants and other experts selected by it, and shall not be liable for any action taken or omitted to be taken in good faith by it in accordance with the advice of such counsel, accountants or experts, (4) makes no warranty or representation to any Lender and shall not be responsible to any Lender for any statements, warranties or representations made by or on behalf of any Borrower or any Loan Party or Guarantor in connection with this Agreement or any other Loan Document and (5) in determining compliance with any condition hereunder to the making of a Loan that by its terms must be fulfilled to the satisfaction of a Lender, may presume that such condition is satisfactory to such Lender unless such Agent shall have received notice to the contrary from such Lender sufficiently in advance of the making of such Loan.

(k) In case of the pendency of any proceeding with respect to any Borrower or any of its Subsidiaries under any Federal, state or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect, the Administrative Agent (irrespective of whether the principal of any Loan or any reimbursement obligation shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether the Administrative Agent shall have made any demand on the Borrowers) shall be entitled and empowered (but not obligated) by intervention in such proceeding or otherwise:

(i) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Loans and all other Obligations that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Lenders, the Administrative Agent and the Collateral Trustee (including any claim under Sections 2.06, 2.13, 2.16 and 10.04) allowed in such judicial proceeding; and

(ii) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such proceeding is hereby authorized by each Lender and each other Secured Party to make such payments to the Administrative Agent and, in the event that the Administrative Agent shall consent to the making of such payments directly to the Lenders or the other Secured Parties, to pay to the Administrative Agent any amount due to it, in its capacity as the Administrative Agent, under the Loan Documents (including under Section 10.04). Nothing contained herein shall be deemed to authorize the Administrative Agent to authorize or consent to or accept or adopt on behalf of any Lender any plan of reorganization, arrangement, adjustment or composition affecting the Obligations or the rights of any Lender or to authorize the Administrative Agent to vote in respect of the claim of any Lender in any such proceeding.

(l) The provisions of this Article 8 are solely for the benefit of the Agents and the Lenders, and, except solely to the extent of the Borrowers' rights to consent pursuant to and subject to the conditions set forth in this Article 8, none of any Borrower or any Subsidiary, or any of their respective Affiliates, shall have any rights as a third party beneficiary under any such provisions. Each Secured Party, whether or not a party hereto, will be deemed, by its acceptance of the benefits of the Collateral and of the Guarantees of the obligations provided under the Loan Documents, to have agreed to the provisions of this Article 8.

Section 2.04. Reimbursement and Indemnification. Each Lender severally agrees (a) to reimburse on demand each Agent (acting in its capacity as such) for such Lender's Aggregate Exposure Percentage of any expenses and fees incurred for the benefit of the Lenders under this Agreement and any of the Loan Documents, including, without limitation, counsel fees and compensation of agents and employees paid for services rendered on behalf of the Lenders, and any other expense incurred in connection with the operations or enforcement thereof, not reimbursed by the Loan Parties and (b) to indemnify and hold harmless each Agent and any of its Related Parties, on demand, in the amount equal to such Lender's Aggregate Exposure Percentage, from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses, or disbursements of any kind or nature whatsoever which may be imposed on, incurred by, or asserted against it or any of them in any way relating to or arising out of this Agreement or any of the Loan Documents or any action taken or omitted by it or any of them under this Agreement or any of the Loan Documents to the extent not reimbursed by the Loan Parties; provided that the indemnification set forth in this clause (b) shall not, as to any Agent or its Related Parties, be available to the extent that such liabilities, obligations, losses, damages, penalties or related expenses are determined by a court of competent jurisdiction by final and non-appealable judgment to have resulted from the gross negligence or willful misconduct of such Agent or such Related Party, as applicable.

Section 2.05. Successor Agents.

(a) Subject to the appointment and acceptance of a successor agent as provided in this paragraph, the Administrative Agent may resign at any time by notifying the Lenders and the Borrowers as to such resignation. Upon any such resignation by the Administrative Agent, the Required Lenders shall have the right, with the consent (provided that no Event of Default or Default has occurred and is continuing) of the Borrowers (such consent not to be unreasonably withheld or delayed), to appoint a successor Administrative Agent. If no successor Administrative Agent shall have been so appointed by the Required Lenders and shall have accepted such appointment within thirty (30) days after the retiring Administrative Agent gives notice of its resignation, then the retiring Administrative Agent may, with the consent (provided no Event of Default or Default has occurred or is continuing) of the Borrowers (such consent not to be unreasonably withheld or delayed), appoint a successor Administrative Agent with respect to the scope of its resignation which, in the case of the retiring Administrative Agent, shall be a bank institution with an office in New York, New York, or an Affiliate of any such bank. Upon the acceptance of its appointment as Administrative Agent hereunder by a successor, such successor shall succeed to and become vested with all the rights, powers, privileges and duties for which the Administrative Agent is retiring, and the retiring Administrative Agent shall be discharged from such duties and obligations hereunder and under the other Loan Documents that are applicable thereto (but not, for the avoidance of doubt, any rights, powers, privileges and duties from which the Administrative Agent is not resigning). The fees payable by the Borrowers to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed among the Borrowers and such successor. After the retiring Administrative Agent's resignation hereunder, the provisions of this Article 8 and Section 10.04 shall continue in effect for the benefit of such retiring Administrative Agent, its subagents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while it was acting as an Administrative Agent.

(b) Notwithstanding Section 8.05(a), in the event no successor Administrative Agent shall have been so appointed and shall have accepted such appointment within 30 days after the retiring Administrative Agent gives notice of its intent to resign, the retiring Administrative Agent may give notice of the effectiveness of its resignation to the Lenders and the Borrowers, whereupon, on the date of effectiveness of such resignation stated in such notice, (1) the retiring Administrative Agent shall be discharged from such duties and obligations hereunder and under the other Loan Documents that are applicable thereto (but not, for the avoidance of doubt, any rights, powers, privileges and duties from which the Administrative Agent is not resigning); provided that, solely for purposes of maintaining any security interest granted to the Administrative Agent under any Collateral Document, if applicable, the retiring Administrative Agent shall continue to be vested with such security interest as collateral agent for the benefit of the Lenders, and continue to be entitled to the rights set forth in such Collateral Documents and the Loan Document, and, in the case of any Collateral in the possession of the Administrative Agent, shall continue to hold such Collateral, in each case until such time as a successor Administrative Agent is appointed and accepts such appointment in accordance with this Section (it being understood and agreed that to the extent the retiring Administrative Agent resigned from such duty, the retiring Administrative Agent shall have no duty or obligation to take any further action under any Collateral Document, including any action required to maintain the perfection of any such security interest), and (2) the Required Lenders shall succeed to and become vested with all the rights, powers, privileges and duties from which such Agent retired (but not, for the avoidance of doubt, any rights, powers, privileges and duties from which the Agent is not resigning); provided that (a) all payments required to be made hereunder or under any other Loan Document to the Administrative Agent for the account of any Person other than the Administrative Agent shall be made directly to such Person and (b) all notices and other communications required or contemplated to be given or made to the Administrative Agent shall directly be given or made to each Lender. Following the effectiveness of the Administrative Agent's resignation from its capacity as such, the provisions of this Article 8 and Section 10.04, as well as any exculpatory, reimbursement and indemnification provisions set forth in any other Loan Document, shall continue in effect for the benefit of the retiring Administrative Agent, its sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while the retiring Administrative Agent was acting as Administrative Agent and in respect of the matters referred to in the proviso under Section 8.07(a).

(c) The Collateral Trustee may resign or be removed and a replacement Collateral Trustee appointed all in accordance with Article VI of the Collateral Trust Agreement. Following the effectiveness of the Collateral Trustee's resignation or removal from its capacity as such, the provisions of this Article 8 and Section 10.04, as well as any exculpatory, reimbursement and indemnification provisions set forth in any other Loan Document, shall continue in effect for the benefit of the retiring Collateral Trustee, its sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while the retiring Collateral Trustee was acting as Collateral Trustee.

Section 2.06. Independent Lenders. Each Lender acknowledges that it has, independently and without reliance upon any Agent, the Joint Lead Arrangers or any other Lender and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender also acknowledges that it will, independently and without reliance upon any Agent, the Joint Lead Arrangers or any other Lender and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any related agreement or any document furnished hereunder or thereunder.

Section 2.07. Advances and Payments.

(a) On the date of each Loan, the Administrative Agent shall be authorized (but not obligated) to advance, for the account of each of the Lenders, the amount of the Loan to be made by such Lender in accordance with such Lender's Commitment hereunder. Should the Administrative Agent do so, each of the Lenders agrees forthwith to reimburse the Administrative Agent in immediately available funds for the amount so advanced on its behalf by the Administrative Agent, together with interest at the Federal Funds Rate if not so reimbursed on the date due from and including the date such Loan was advanced by the Administrative Agent but not including the date of reimbursement.

(b) Any amounts received by the Administrative Agent in connection with this Agreement (other than amounts to which the Administrative Agent is entitled pursuant to Sections 2.08, 8.04 and 10.04), the application of which is not otherwise provided for in this Agreement, shall be applied in accordance with Section 2.14(b). All amounts to be paid to a Lender by the Administrative Agent shall be credited to that Lender, after collection by the Administrative Agent, in immediately available funds either by wire transfer or deposit in that Lender's correspondent account with the Administrative Agent, as such Lender and the Administrative Agent shall from time to time agree.

Section 2.08. Sharing of Setoffs. Subject to the application of payments in Section 2.14(b), each Lender agrees that, except to the extent this Agreement expressly provides for payments to be allocated to a particular Lender, if it shall, through the exercise either by it or any of its banking Affiliates of a right of banker's lien, setoff or counterclaim against any Loan Party under any applicable bankruptcy, insolvency or other similar law, or otherwise, obtain payment in respect of its Loans as a result of which the unpaid portion of its Loans is proportionately less than the unpaid portion of the Loans of any other Lender (a) it shall promptly purchase at par (and shall be deemed to have thereupon purchased) from such other Lender a participation in the Loans of such other Lender, so that the aggregate amount of each Lender's Loans and its participation in Loans of the other Lenders shall be in the same proportion to the aggregate unpaid principal amount of all Loans then outstanding as the amount of its Loans prior to the obtaining of such payment was to the amount of all Loans prior to the obtaining of such payment and (b) such other adjustments shall be made from time to time as shall be equitable to ensure that the Lenders share such payment pro rata; provided that if any such non pro rata payment is thereafter recovered or otherwise set aside, such purchase of participations shall be rescinded (without interest). The Borrowers expressly consent to the foregoing arrangements and agrees, to the fullest extent permitted by law, that any Lender holding (or deemed to be holding) a participation in a Loan acquired pursuant to this Section or any of its banking Affiliates may exercise any and all rights of banker's lien, setoff or counterclaim with respect to any and all moneys owing by the Borrowers to such Lender as fully as if such Lender was the original obligee thereon, in the amount of such participation. The provisions of this Section 8.08 shall not be construed to apply to (a) any payment made by the Borrowers or the Guarantors pursuant to and in accordance with the express terms of this Agreement (including the application of funds arising from the existence of a Defaulting Lender) or (b) any payment obtained by any Lender as consideration for the assignment or sale of a participation in any of its Loans or other Obligations owed to it.

Section 2.09. Withholding Taxes. To the extent required by any applicable law, the Administrative Agent may withhold from any payment to any Lender an amount equivalent to any withholding tax applicable to such payment. If any Governmental Authority asserts a claim that the Administrative Agent did not properly withhold tax from amounts paid to or for the account of any Lender for any reason, or the Administrative Agent has paid over to any Governmental Authority the applicable withholding tax relating to a payment to a Lender but no deduction has been made from such payment, without duplication of any indemnification obligations set forth in Section 8.04 or Section 2.13(g) (and without limiting any obligations of any Borrower or any Guarantor pursuant to Section 2.13) such Lender shall indemnify the Administrative Agent fully for all amounts paid, directly or indirectly, by the Administrative Agent as tax or otherwise, including any penalties or interest and together with any expenses incurred.

Section 2.10. Appointment by Secured Parties. Each Secured Party that is not a party to this Agreement shall be deemed to have appointed the Administrative Agent as its agent and the Collateral Trustee and each Local Collateral Agent as its collateral agent under the Loan Documents in accordance with the terms of this Article 8 and to have acknowledged that the provisions of this Article 8 apply to such Secured Party *mutatis mutandis* as though it were a party hereto (and any acceptance by such Secured Party of the benefits of this Agreement or any other Loan Document shall be deemed an acknowledgment of the foregoing).

Section 2.11. Posting of Communications.

(a) The Borrowers agree that the Administrative Agent may, but shall not be obligated to, make any Communications available to the Lenders by posting the Communications on IntraLinks™, DebtDomain, SyndTrak, ClearPar or any other electronic platform chosen by the Administrative Agent to be its electronic transmission system (the "Approved Electronic Platform").

(b) Although the Approved Electronic Platform and its primary web portal are secured with generally-applicable security procedures and policies implemented or modified by the Administrative Agent from time to time (including, as of the Closing Date, a user ID/password authorization system) and the Approved Electronic Platform is secured through a per-deal authorization method whereby each user may access the Approved Electronic Platform only on a deal-by-deal basis, each of the Lenders and the Borrowers acknowledges and agrees that the distribution of material through an electronic medium is not necessarily secure, that the Administrative Agent is not responsible for approving or vetting the representatives or contacts of any Lender that are added to the Approved Electronic Platform, and that there may be confidentiality and other risks associated with such distribution. Each of the Lenders and the Borrowers hereby approves distribution of the Communications through the Approved Electronic Platform and understands and assumes the risks of such distribution.

(c) THE APPROVED ELECTRONIC PLATFORM AND THE COMMUNICATIONS ARE PROVIDED "AS IS" AND "AS AVAILABLE". THE APPLICABLE PARTIES (AS DEFINED BELOW) DO NOT WARRANT THE ACCURACY OR COMPLETENESS OF THE COMMUNICATIONS, OR THE ADEQUACY OF THE APPROVED ELECTRONIC PLATFORM AND EXPRESSLY DISCLAIM LIABILITY FOR ERRORS OR OMISSIONS IN THE APPROVED ELECTRONIC PLATFORM AND THE COMMUNICATIONS. NO WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OF THIRD PARTY RIGHTS OR FREEDOM FROM VIRUSES OR OTHER CODE DEFECTS, IS MADE BY THE APPLICABLE PARTIES IN CONNECTION WITH THE COMMUNICATIONS OR THE APPROVED ELECTRONIC PLATFORM. IN NO EVENT SHALL THE ADMINISTRATIVE AGENT, THE ARRANGER OR ANY OF ITS RESPECTIVE RELATED PARTIES (COLLECTIVELY, "APPLICABLE PARTIES") HAVE ANY LIABILITY TO ANY BORROWER OR ANY GUARANTOR OR LOAN PARTY, ANY LENDER OR ANY OTHER PERSON OR ENTITY FOR DAMAGES OF ANY KIND, INCLUDING DIRECT OR INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES, LOSSES OR EXPENSES (WHETHER IN TORT, CONTRACT OR OTHERWISE) ARISING OUT ANY BORROWER OR ANY GUARANTOR OR LOAN PARTY OR THE ADMINISTRATIVE AGENT'S TRANSMISSION OF COMMUNICATIONS THROUGH THE INTERNET OR THE APPROVED ELECTRONIC PLATFORM.

"Communications" shall mean, collectively, any notice, demand, communication, information, document or other material provided by or on behalf of the Borrowers pursuant to any Loan Document or the transactions contemplated therein which is distributed by the Administrative Agent, any Lender by means of electronic communications pursuant to this Section, including through an Approved Electronic Platform.

(d) Each Lender agrees that notice to it (as provided in the next sentence) specifying that Communications have been posted to the Approved Electronic Platform shall constitute effective delivery of the Communications to such Lender for purposes of the Loan Documents. Each Lender agrees (i) to notify the Administrative Agent in writing (which could be in the form of electronic communication) from time to time of such Lender's email address to which the foregoing notice may be sent by electronic transmission and (ii) that the foregoing notice may be sent to such email address.

(e) Each of the Lenders and each of the Borrowers agrees that the Administrative Agent may, but (except as may be required by applicable law) shall not be obligated to, store the Communications on the Approved Electronic Platform in accordance with the Administrative Agent's generally applicable document retention procedures and policies.

(f) Nothing herein shall prejudice the right of the Administrative Agent or any Lender to give any notice or other communication pursuant to any Loan Document in any other manner specified in such Loan Document.

Section 2.12. Agents Individually. With respect to its Commitment and Loans, each Person serving as an Agent shall have and may exercise the same rights and powers hereunder and is subject to the same obligations and liabilities as and to the extent set forth herein for any other Lender. The terms "Lenders", "Required Lenders" and any similar terms shall, unless the context clearly otherwise indicates, include each Agent in its individual capacity as a Lender or as one of the Required Lenders, as applicable. Each Person serving as an Agent and its Affiliates may accept deposits from, lend money to, own securities of, act as the financial advisor or in any other advisory capacity for and generally engage in any kind of banking, trust or other business with, any Borrower, any Subsidiary or any Affiliate of any of the foregoing as if such Person was not acting as an Agent and without any duty to account therefor to the Lenders.

Section 2.13. Acknowledgements of Lenders.

(a) Each Lender represents and warrants that (1) the Loan Documents set forth the terms of a commercial lending facility, (2) it is engaged in making, acquiring or holding commercial loans and in providing other facilities set forth herein as may be applicable to such Lender, in each case in the ordinary course of business, and not for the purpose of purchasing, acquiring or holding any other type of financial instrument (and each Lender agrees not to assert a claim in contravention of the foregoing), (3) it has, independently and without reliance upon any Agent, the Joint Lead Arrangers or any other Lender, or any of the Related Parties of any of the foregoing, and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement as a Lender, and to make, acquire or hold Loans hereunder and (4) it is sophisticated with respect to decisions to make, acquire and/or hold commercial loans and to provide other facilities set forth herein, as may be applicable to such Lender, and either it, or the Person exercising discretion in making its decision to make, acquire and/or hold such commercial loans or to provide such other facilities, is experienced in making, acquiring or holding such commercial loans or providing such other facilities. Each Lender also acknowledges that it will, independently and without reliance upon any Agent, the Joint Lead Arrangers or any other Lender, or any of the Related Parties of any of the foregoing, and based on such documents and information (which may contain material, non-public information within the meaning of the United States securities laws concerning the Borrowers and their Affiliates) as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any other Loan Document or any related agreement or any document furnished hereunder or thereunder.

(b) Each Lender, by delivering its signature page to this Agreement on the Closing Date, or delivering its signature page to an Assignment and Acceptance Agreement or any other Loan Document pursuant to which it shall become a Lender hereunder, shall be deemed to have acknowledged receipt of, and consented to and approved, each Loan Document and each other document required to be delivered to, or be approved by or satisfactory to, the Administrative Agent, the Collateral Trustee or the Lenders on the Closing Date.

(c) Each Lender hereby agrees that (x) if the Administrative Agent notifies such Lender that the Administrative Agent has determined in its sole discretion that any funds received by such Lender from the Administrative Agent or any of its Affiliates (whether as a payment, prepayment or repayment of principal, interest, fees or otherwise; individually and collectively, a "Payment") were erroneously transmitted to such Lender (whether or not known to such Lender), and demands the return of such Payment (or a portion thereof), such Lender shall promptly, but in no event later than two Business Days thereafter, return to the Administrative Agent the amount of any such Payment (or portion thereof) as to which such a demand was made in same day funds, together with interest thereon in respect of each day from and including the date such Payment (or portion thereof) was received by such Lender to the date such amount is repaid to the Administrative Agent at the greater of the NYFRB Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation from time to time in effect, and (y) to the extent permitted by applicable law, such Lender shall not assert, and hereby waives, as to the Administrative Agent, any claim, counterclaim, defense or right of set-off or recoupment with respect to any demand, claim or counterclaim by the Administrative Agent for the return of any Payments received, including without limitation any defense based on "discharge for value" or any similar doctrine. A notice of the Administrative Agent to any Lender under this Section 8.13(c) shall be conclusive, absent manifest error.

(i) Each Lender hereby further agrees that if it receives a Payment from the Administrative Agent or any of its Affiliates (x) that is in a different amount than, or on a different date from, that specified in a notice of payment sent by the Administrative Agent (or any of its Affiliates) with respect to such Payment (a "Payment Notice") or (y) that was not preceded or accompanied by a Payment Notice, it shall be on notice, in each such case, that an error has been made with respect to such Payment. Each Lender agrees that, in each such case, or if it otherwise becomes aware a Payment (or portion thereof) may have been sent in error, such Lender shall promptly notify the Administrative Agent of such occurrence and, upon demand from the Administrative Agent, it shall promptly, but in no event later than one Business Day thereafter, return to the Administrative Agent the amount of any such Payment (or portion thereof) as to which such a demand was made in same day funds, together with interest thereon in respect of each day from and including the date such Payment (or portion thereof) was received by such Lender to the date such amount is repaid to the Administrative Agent at the greater of the NYFRB Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation from time to time in effect.

(ii) Each Borrower and each Guarantor hereby agrees that an erroneous Payment shall not pay, prepay, repay, discharge or otherwise satisfy any Obligations owed by any Borrower or any Guarantor, except, in each case, to the extent such Payment is, and solely with respect to the amount of such Payment that is, comprised of funds received by the Administrative Agent from any Borrower or any Guarantor for the purpose of making such Payment.

(iii) Each Borrower and each of its Subsidiaries hereby agrees that (x) in the event an erroneous Payment (or portion thereof) are not recovered from any Lender that has received such Payment (or portion thereof) for any reason, the Administrative Agent shall be subrogated to all the rights of such Lender with respect to such amount and (y) an erroneous Payment shall not pay, prepay, repay, discharge or otherwise satisfy any Obligations owed by each Borrower or any of its Subsidiaries.

(iv) Each party's obligations under this Section 8.13(c) shall survive the resignation or replacement of the Administrative Agent or any transfer of rights or obligations by, or the replacement of, a Lender, the termination of the Commitments or the repayment, satisfaction or discharge of all Obligations under any Loan Document.

For the avoidance of doubt, nothing herein shall limit or waive any of any Borrower's or any Guarantor's rights or remedies to enforce return of any Payment.

Section 2.14. Disqualified Lenders. Neither the Administrative Agent nor any of its Related Parties shall be responsible or have any liability for, or have any duty to ascertain, inquire into, monitor or enforce, compliance with the provisions of this Agreement relating to Disqualified Lenders or Low Tax Jurisdiction Entities. Without limiting the generality of the foregoing, the Administrative Agent shall not (a) be obligated to ascertain, monitor or inquire as to whether any Lender or Participant or prospective Lender or Participant is a Disqualified Lender or Low Tax Jurisdiction Entities or (b) have any liability with respect to or arising out of any assignment or participation of Commitments or Loans, or disclosure of confidential information, to any Disqualified Lender or Low Tax Jurisdiction Entities.

Section 2.15. Credit Bidding. The Secured Parties hereby irrevocably authorize the Administrative Agent, at the direction of the Required Lenders, to authorize the Collateral Trustee to credit bid all or any portion of the Obligations (including by accepting some or all of the Collateral in satisfaction of some or all of the Obligations pursuant to a deed in lieu of foreclosure or otherwise) and in such manner purchase (either directly or through one or more acquisition vehicles) all or any portion of the interests in the Collateral as set forth in Section 9.1(b) of the Pledge and Security Agreement. Notwithstanding that the ratable portion of the Obligations of each Secured Party are deemed assigned to the acquisition vehicle or vehicles as set forth in the Pledge and Security Agreement, each Secured Party shall execute such documents and provide such information regarding the Secured Party (and/or any designee of the Secured Party which will receive interests in or debt instruments issued by such acquisition vehicle) as the Collateral Trustee may reasonably request in connection with the formation of any acquisition vehicle, the formulation or submission of any credit bid or the consummation of the transactions contemplated by such credit bid.

ARTICLE 3.

GUARANTY

Section 3.01. Guaranty.

(a) Each of the Guarantors, hereby jointly and severally, unconditionally, absolutely and irrevocably guarantees the due and punctual payment, when due, whether upon maturity, acceleration or otherwise, by the Borrowers of the Obligations (including interest accruing on and after the filing of any petition in bankruptcy or of reorganization of the obligor whether or not post filing interest is allowed in such proceeding) (collectively, the "Guaranteed Obligations" and the obligations of each Guarantor in respect thereof, its "Guaranty Obligations"). Each of the Guarantors further agrees that, to the extent permitted by applicable law, the Guaranty Obligations may be extended or renewed, in whole or in part, without notice to or further assent from it, and it will remain bound upon this guaranty notwithstanding any extension or renewal of any of the Guaranty Obligations. The Guaranty Obligations of the Guarantors shall be joint and several. Each of the Guarantors further agrees that its guaranty hereunder is a primary obligation of such Guarantor and not merely a contract of surety.

(b) To the extent permitted by applicable law, each of the Guarantors waives presentation to, demand for payment from and protest to any Borrower or any other Guarantor, and also waives notice of protest for nonpayment. The obligations of the Guarantors hereunder shall not, to the extent permitted by applicable law, be affected by (i) the failure of the Administrative Agent, the Collateral Trustee, the Local Collateral Agents or a Lender to assert any claim or demand or to enforce any right or remedy against any Borrower or any other Guarantor under the provisions of this Agreement or any other Loan Document or otherwise; (ii) any extension or renewal of any provision hereof or thereof; (iii) any rescission, waiver, compromise, acceleration, amendment or modification of any of the terms or provisions of any of the Loan Documents; (iv) the release, exchange, waiver or foreclosure of any security held by the Collateral Trustee or the Local Collateral Agents for the Obligations or any of them; (v) the failure of the Administrative Agent, the Collateral Trustee, the Local Collateral Agents or a Lender to exercise any right or remedy against any other Guarantor; or (vi) the release or substitution of any Collateral or any other Guarantor.

(c) To the extent permitted by applicable law, each of the Guarantors further agrees that this guaranty constitutes a guaranty of payment when due and not just of collection, and waives any right to require that any resort be had by the Administrative Agent, the Collateral Trustee, the Local Collateral Agents or a Lender to any security held for payment of the Obligations or to any balance of any deposit, account or credit on the books of the Administrative Agent, the Collateral Trustee, the Local Collateral Agents or a Lender in favor of any Borrower or any other Guarantor, or to any other Person.

(d) To the extent permitted by applicable law, each of the Guarantors hereby waives any defense that it might have based on a failure to remain informed of the financial condition of each Borrower and of any other Guarantor and any circumstances affecting the ability of each Borrower or any other Guarantor to perform under this Agreement.

(e) To the extent permitted by applicable law, each Guarantor's guaranty shall not be affected by the genuineness, validity, regularity or enforceability of the Obligations or any other instrument evidencing any Obligations, or by the existence, validity, enforceability, perfection, or extent of any collateral therefor or by any other circumstance relating to the Obligations which might otherwise constitute a defense to this guaranty (other than Payment in Full in cash of the Obligations in accordance with the terms of this Agreement (other than those that constitute unasserted contingent indemnification obligations)). None of the Administrative Agent, the Collateral Trustee or any of the Lenders makes any representation or warranty in respect to any such circumstances or shall have any duty or responsibility whatsoever to any Guarantor in respect of the management and maintenance of the Obligations.

(f) Upon the occurrence of the Obligations becoming due and payable (whether upon maturity, by acceleration or otherwise), the Lenders shall be entitled to immediate payment of such Obligations, together with any and all expenses which may be incurred by the Secured Parties in collecting any of the Obligations as provided hereunder, by the Guarantors upon written demand by the Administrative Agent.

Section 3.02. No Impairment of Guaranty. To the extent permitted by applicable law, the obligations of the Guarantors hereunder shall not be subject to any reduction, limitation or impairment for any reason, including, without limitation, any claim of waiver, release, surrender, alteration or compromise, other than pursuant to a written agreement in compliance with Section 10.08 and shall not be subject to any defense or set-off, counterclaim, recoupment or termination whatsoever by reason of the invalidity, illegality or unenforceability of the Obligations. To the extent permitted by applicable law, without limiting the generality of the foregoing, the obligations of the Guarantors hereunder shall not be discharged or impaired or otherwise affected by the failure of the Administrative Agent, the Collateral Trustee or a Lender to assert any claim or demand or to enforce any remedy under this Agreement or any other agreement, by any waiver or modification of any provision hereof or thereof, by any default, failure or delay, willful or otherwise, in the performance of the Obligations, or by any other act or thing or omission or delay to do any other act or thing which may or might in any manner or to any extent vary the risk of the Guarantors or would otherwise operate as a discharge of the Guarantors as a matter of law.

Section 3.03. Continuation and Reinstatement, etc. Each Guarantor further agrees that its guaranty hereunder shall continue to be effective or be reinstated, as the case may be, if at any time payment, or any part thereof, of any Obligation is rescinded or must otherwise be restored by the Administrative Agent, the Collateral Trustee any Lender or any other Secured Party upon the bankruptcy or reorganization of a Borrower or a Guarantor, or otherwise.

Section 3.04. Subrogation. Upon payment by any Guarantor of any sums to the Administrative Agent, the Collateral Trustee or a Lender hereunder, all rights of such Guarantor against any Borrower arising as a result thereof by way of right of subrogation or otherwise, shall in all respects be subordinate and junior in right of payment to the prior Payment in Full of all the Obligations (including interest accruing on and after the filing of any petition in bankruptcy or of reorganization of an obligor whether or not post filing interest is allowed in such proceeding). If any amount shall be paid to such Guarantor for the account of any Borrower relating to the Obligations prior to Payment in Full of the Obligations, if an Event of Default has occurred and is continuing, such amount shall be held in trust for the benefit of the Administrative Agent, the Collateral Trustee and the Lenders and shall forthwith be paid to the Administrative Agent, the Collateral Trustee and the Lenders to be credited and applied to the Obligations, whether matured or unmatured.

Section 3.05. Subordination. Any Indebtedness of any Guarantor now or hereafter owing to any other Guarantor or the Borrowers is hereby subordinated to the Obligations. Upon the occurrence and during the continuance of any Event of Default, if the Administrative Agent so requests, all such Indebtedness of any Guarantor to another Guarantor or any Borrower shall be collected, enforced and received by such other Guarantor or such Borrower for the benefit of the Secured Parties and be paid over to the Administrative Agent on behalf of the Secured Parties on account of the Obligations of such Guarantor to the Secured Parties, but without affecting or impairing in any manner the liability of any other Loan Party under the other provisions of this Article 9. Without limiting the generality of the foregoing, each Guarantor hereby agrees with the Secured Parties that it will not exercise any right of subrogation which it may at any time otherwise have as a result of this guaranty (whether contractual, under Section 509 of the Bankruptcy Code or otherwise) until irrevocable Payment in Full of the Obligations in cash.

Section 3.06. Right of Contribution. Each Guarantor hereby agrees that to the extent that a Guarantor shall have paid more than its proportionate share of any payment made hereunder, such Guarantor shall be entitled to seek and receive contribution from and against any other Guarantor hereunder who has not paid its proportionate share of such payment. The provisions of this Section 9.06 shall in no respect limit the obligations and liabilities of any Guarantor to the Administrative Agent and the other Secured Parties, and each Guarantor shall remain liable to the Administrative Agent and the other Secured Parties for the full amount guaranteed by such Guarantor hereunder.

Section 3.07. Discharge of Guaranty.

(a) On and after the Conversion Date, in the event of (i) any sale or other Disposition of all or substantially all of the assets of any Guarantor (other than a Borrower), by way of merger, consolidation or otherwise, or a sale or other Disposition of Capital Stock of any Guarantor (other than a Borrower) such that after giving effect to such sale or other Disposition such Guarantor is no longer a Subsidiary, in each case to a Person that is not (either before or after giving effect to such transactions) a Loan Party (and excluding the merger or consolidation of such Loan Party with or into any Loan Party), (ii) the designation of any Guarantor as an Unrestricted Subsidiary or (iii) the election by Parent to (A) cause a Designated Guarantor to be an Excluded Subsidiary (provided that such Designated Guarantor is either an Excluded Aircraft Subsidiary or does not own any Significant Assets at such time of election (other than pursuant to the thresholds set forth in clause (g) of the definition of "Excluded Subsidiary")) or (B) designate any Post-Closing Guarantor as an Excluded Subsidiary pursuant to clause (g) of the definition thereof, in each case, in a transaction permitted under this Agreement (together with an Officer's Certificate from Parent certifying that such transaction is permitted under this Agreement), then such Guarantor (in the event of a sale or other Disposition, by way of merger, consolidation or otherwise, of all of the Capital Stock of such Guarantor, the designation of an Unrestricted Subsidiary or the election to cause a Designated Guarantor to be an Excluded Subsidiary) or the corporation acquiring the property (in the event of a sale or other Disposition of all or substantially all of the assets of such Guarantor) will be automatically released and relieved of any obligations under its Guarantee of the Guaranteed Obligations; provided that no such release of any Guarantor shall be effective unless such Guarantor is substantially concurrently released from its Guarantees, if any, in respect of all other Priority Lien Debt, Junior Lien Indebtedness and Indebtedness outstanding under Section 6.02(c).

(b) After receipt of the Officer's Certificate referenced in Section 9.07(a), the Administrative Agent, the Collateral Trustee and the Local Collateral Agents shall use commercially reasonable efforts to execute and deliver, at the Borrowers' expense, such documents as any Borrower or any such Guarantor may reasonably request to evidence the release of the guarantee of such Guarantor provided herein.

Section 3.08. Amendments, etc. with Respect to the Obligations; Waiver of Rights. Each Guarantor shall remain obligated hereunder notwithstanding that, without any reservation of rights against any Guarantor and without notice to or further assent by any Guarantor, (a) any demand for payment of any of the Obligations made by the Administrative Agent or any other Secured Party may be rescinded by such party and any of the Obligations continued, (b) the Obligations, Collateral or guarantee therefor or right of offset with respect thereto, may, from time to time, in whole or in part, be renewed, extended, amended, modified, accelerated, compromised, waived, surrendered or released by the Administrative Agent or any other Secured Party, (c) this Agreement, any other Loan Document and any other documents executed and delivered in connection therewith, may be amended, modified, supplemented or terminated, in whole or in part, as the Administrative Agent (or the Required Lenders, as the case may be) may deem advisable from time to time, subject to Section 10.08 and (d) any Collateral, guaranty or right of offset at any time held by the Collateral Trustee or the Local Collateral Agents, as applicable, the Administrative Agent or any other Secured Party for the payment of the Obligations may be sold, exchanged, waived, surrendered or released. Neither the Administrative Agent nor any other Secured Party shall have any obligation to protect, secure, perfect or insure any Lien at any time held by it as security for the Obligations or for this guaranty or any property subject thereto. When making any demand hereunder against any Guarantor, the Administrative Agent or any other Secured Party may, but shall be under no obligation to, make a similar demand on any Borrower or any other Guarantor, and any failure by the Administrative Agent or any other Secured Party to make any such demand or to collect any payments from the Borrowers or any other Guarantor or any release of any Borrower or any other Guarantor shall not relieve any Guarantor in respect of which a demand or collection is not made or any Guarantor not so released of its several obligations or liabilities hereunder, and shall not impair or affect the rights and remedies, express or implied, or as a matter of law, of the Administrative Agent or any other Secured Party against any Guarantor. For the purposes hereof, "demand" shall include the commencement and continuance of any legal proceedings.

ARTICLE 4.

MISCELLANEOUS

Section 4.01. Notices.

(a) Except in the case of notices and other communications expressly permitted to be given by telephone (and subject to Section 10.01(b)), all notices and other communications provided for herein or under any other Loan Document shall be in writing (including by facsimile or electronic mail (with .pdf attached)), and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by telecopy or electronic mail, as follows:

(i) if to any Borrower or any Guarantor, to it at:

LATAM Airlines Group S.A.
Edificio Huidobro
Av. Presidente Riesco 5711
Piso 20
Las Condes
Santiago
Chile
Attention: Corporate Finance Director
Telephone: + 56 2 565 3952
Facsimile: + 56 2 565 3950

with a copy to:

Cleary Gottlieb Steen & Hamilton LLP
One Liberty Plaza
New York, NY 10006
Attn: Duane McLaughlin
Kara A. Hailey
Telephone: + 1 (212) 225-2106
Facsimile: +1 (212) 225-3999

(ii) if to the Administrative Agent, to:

Goldman Sachs Lending Partners LLC
2001 Ross Ave, 29th Floor
Dallas, TX 75201
Telephone: 972-368-2323
Facsimile: (646) 769-7829
E-mail: gs-dallas-adminagency@ny.email.gs.com and gs-sbdagency-borrowernotices@ny.email.gs.com
Attention: SBD Operations

with a copy to:

Simpson Thacher & Bartlett LLP
425 Lexington Avenue
New York, NY 10017
Attn: Jessica Tuchinsky
Telephone: + 1 (212) 455-3623
Email: JTuchinsky@stblaw.com

(iii) if to any Lender, to it at its address (or telecopy number) set forth in its Administrative Questionnaire; and

(iv) if to Wilmington Trust, National Association, as the Collateral Trustee, to Wilmington Trust, National Association, 1100 North Market Street, Wilmington, Delaware 19890, Attention: LATAM Collateral Trust Administrator, facsimile number (302) 636-4149.

(b) Notices and other communications to the Lenders hereunder may be delivered or furnished by electronic communications pursuant to procedures approved by the Administrative Agent; provided that the foregoing shall not apply to notices pursuant to Article 2 unless otherwise agreed by the Administrative Agent and the applicable Lender. The Administrative Agent or Parent may, in its reasonable discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it; provided that approval of such procedures may be limited to particular notices or communications.

(c) Any party hereto may change its address or telecopy number or e-mail address for notices and other communications hereunder by notice to the other parties hereto. Except as otherwise set forth in this Section 10.01, all notices and other communications given to any party hereto in accordance with the provisions of this Agreement shall be deemed to have been given on the date of receipt.

(d) Unless the Administrative Agent otherwise prescribes, (1) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement), and (2) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient, at its e-mail address as described in the foregoing clause (1), of notification that such notice or communication is available and identifying the website address therefor; provided that, for both clauses (1) and (2) above, if such notice, email or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next business day for the recipient.

Section 4.02. Successors and Assigns.

(a) The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that (i) no Borrower may assign or otherwise transfer any of their respective rights or obligations hereunder without the prior written consent of each Lender (and any attempted assignment or transfer by such Borrower without such consent shall ab initio be null and void); provided that the foregoing shall not restrict any transaction permitted by Section 6.09, and (ii) no Lender may assign or otherwise transfer its rights or obligations hereunder except in accordance with this Section 10.02. Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby), Participants (to the extent provided in Section 10.02(d) and, to the extent expressly contemplated hereby, the Related Parties of the Administrative Agent, the Collateral Trustee, the Local Collateral Agents and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) (i) Subject to the conditions set forth in Section 10.02(b)(ii), any Lender may assign to one or more assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitments and the Loans at the time owing to it) with the prior written consent (such consent not to be unreasonably withheld) of:

(A) the Administrative Agent; provided that no consent of the Administrative Agent shall be required for an assignment if the assignee is a Lender, an Affiliate of a Lender or an Approved Fund of a Lender, in each case so long as such assignee is an Eligible Assignee; and

(B) the Borrowers; provided that no consent of the Borrowers shall be required for an assignment (I) if an Event of Default under Section 7.01(b), or, after the Conversion Date, Section 7.01(f)(ii) (with respect to a Borrower) or Section 7.01(g) (with respect to a Borrower), in each case has occurred and is continuing (except with respect to a Disqualified Lender or a Low Tax Jurisdiction Entity), (II) if the assignee is a Lender, an Affiliate of a Lender or an Approved Fund of a Lender, in each case so long as such assignee is an Eligible Assignee or (III) by the Joint Lead Arrangers, Joint Bookrunners or any of their respective Affiliates as part of the primary syndication of the Term Loans (as determined by the Joint Lead Arrangers and Joint Bookrunners and as previously consented to in writing (including by email) by Parent), in each case so long as such assignee is an Eligible Assignee; provided, further, that each Borrower's consent will be deemed given with respect to a proposed assignment if no response is received within ten (10) Business Days after having received a written request from such Lender pursuant to this Section 10.02(b).

(ii) Assignments shall be subject to the following additional conditions:

(A) any assignment of any portion of the Commitments or Term Loans shall be made to an Eligible Assignee;

(B) except in the case of an assignment to a Lender, an Affiliate of a Lender or an Approved Fund of a Lender or an assignment of the entire remaining amount of the assigning Lender's Commitment or Loans, the amount of such Commitment or Loans of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Acceptance with respect to such assignment is delivered to the Administrative Agent) shall not be less than $1.0 million, and after giving effect to such assignment, the portion of the Loan or Commitment held by the assigning Lender of the same tranche as the assigned portion of the Loan or Commitment shall not be less than $1.0 million, in each case unless the Borrowers and the Administrative Agent otherwise consent, such consent not to be unreasonably withheld; provided that no consent of the Borrowers shall be required with respect to such assignment, after the Conversion Date, if an Event of Default under Section 7.01(f) (with respect to a Borrower) or Section 7.01(g) (with respect to a Borrower) has occurred and is continuing; provided, further, that any fees in connection with such assignment may be waived by the Administrative Agent in its sole and absolute discretion.

(C) each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement;

(D) the parties to each assignment shall execute and deliver to the Administrative Agent (x) an Assignment and Acceptance or (y) to the extent applicable, an agreement incorporating an Assignment and Acceptance by reference pursuant to an Approved Electronic Platform as to which the Administrative Agent and the parties to the Assignment and Acceptance are participants, together with, a processing and recordation fee of $3,500 and shall not be borne by any Loan Party for the account of the Administrative Agent, and shall deliver a copy of the Assignment and Acceptance to each Local Collateral Agent (it being understood that delivery of such copies via electronic mail shall be sufficient);

(E) the assignee, if it was not a Lender immediately prior to such assignment, shall deliver (i) to the Administrative Agent an Administrative Questionnaire in which the assignee designates one or more contacts to whom all syndicate-level information (which may contain MNPI about the Borrowers, the Guarantors and their relates parties or their securities) will be made available and who may receive such information in accordance with the assignee's compliance procedures and applicable laws, including Federal and state securities laws and (ii) any documents required to be delivered pursuant to Section 2.13;

(F) the assignee shall have provided to each Agent any information required by such Agent in connection with its "know your customer" process; and

(G) the assignee shall have complied with the requirements under Section 2.13(d).

For the purposes of this Section 10.02(b), the term "Approved Fund" shall mean with respect to any Lender, any Person (other than a natural person) that is engaged in making, purchasing, holding or investing in bank loans and similar extensions of credit in the ordinary course of its business and that is administered or managed by (a) such Lender, (b) an Affiliate of such Lender or (c) an entity or an Affiliate of an entity that administers or manages or is administered or managed by such Lender.

(iii) Subject to acceptance and recording thereof pursuant to Section 10.02(c), from and after the effective date specified in each Assignment and Acceptance, the assignee thereunder shall be a party hereto and, to the extent of the interest assigned by such Assignment and Acceptance, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Acceptance, be released from its obligations under this Agreement, except as provided in Section 2.21(b) (and, in the case of an Assignment and Acceptance covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto but shall continue to be entitled to the benefits of Sections 2.11, 2.13 and 10.04 and shall cease to be a secured party under each Local Collateral Agency Agreement). Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this Section 10.02 shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with Section 10.02(d).

(iv) The Administrative Agent, acting for this purpose as a non-fiduciary agent of the Borrowers, shall maintain at one of its offices a copy of each Assignment and Acceptance delivered to it and a register for the recordation of the names and addresses of the Lenders, the Commitments of, and principal amount (and stated interest) of the Loans owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive absent manifest error, and the Borrowers, the Guarantors, the Administrative Agent and the Lenders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by the Borrowers and any Lender (but only as it relates to the Commitments of such Lender), at any reasonable time and from time to time upon reasonable prior notice. Notwithstanding the foregoing, in no event shall the Administrative Agent be obligated to ascertain, monitor or inquire as to whether any Lender is an Affiliated Lender nor shall the Administrative Agent be obligated to monitor the aggregate amount of Term Loans held by Affiliated Lenders.

(v) Notwithstanding anything to the contrary contained herein, no assignment may be made hereunder to any Defaulting Lender or any of its subsidiaries, or any Person who, upon becoming a Lender hereunder, would constitute any of the foregoing Persons described in this clause (v).

(vi) In connection with any assignment of rights and obligations of any Defaulting Lender hereunder, no such assignment will be effective unless and until, in addition to the other conditions thereto set forth herein, the parties to the assignment make such additional payments to the Administrative Agent in an aggregate amount sufficient, upon distribution thereof as appropriate (which may be outright payment, purchases by the assignee of participations or subparticipations, or other compensating actions, including funding, with the consent of the Borrowers and the Administrative Agent, the applicable pro rata share of Loans previously requested but not funded by the Defaulting Lender, to each of which the applicable assignee and assignor hereby irrevocably consent), to (x) pay and satisfy in full all payment liabilities then owed by such Defaulting Lender to the Borrowers, the Administrative Agent, and each other Lender hereunder (and interest accrued thereon), and (y) acquire (and fund as appropriate) its full pro rata share of all Loans in accordance with its Aggregate Exposure Percentage. Notwithstanding the foregoing, in the event that any assignment of rights and obligations of any Defaulting Lender hereunder becomes effective under applicable law without compliance with the provisions of this paragraph, then the assignee of such interest will be deemed to be a Defaulting Lender for all purposes of this Agreement until such compliance occurs.

(c) Upon its receipt of (x) a duly completed Assignment and Acceptance executed by an assigning Lender and an assignee or (y) to the extent applicable, an agreement incorporating an Assignment and Acceptance by reference pursuant to an Approved Electronic Platform as to which the Administrative Agent and the parties to the Assignment and Acceptance are participants, the assignee's completed Administrative Questionnaire (unless the assignee shall already be a Lender hereunder), the processing and recordation fee referred to in paragraph (b) of this Section and any written consent to such assignment required by paragraph (b) of this Section, the Administrative Agent shall accept such Assignment and Acceptance and record the information contained therein in the Register; provided that if either the assigning Lender or the assignee shall have failed to make any payment required to be made by it pursuant to Section 2.03(b), 8.04 or 10.04(d), the Administrative Agent shall have no obligation to accept such Assignment and Acceptance and record the information therein in the Register unless and until such payment shall have been made in full, together with all accrued interest thereon. No assignment shall be effective for purposes of this Agreement unless it has been recorded in the Register as provided in this paragraph.

(d) Participations.

(i) Any Lender may, without the consent of the Borrowers or the Administrative Agent, sell participations to any of their respective Affiliates (provided that such Affiliates shall not include any Low Tax Jurisdiction Entity) or to one or more banks or other entities (other than a Disqualified Lender or any Low Tax Jurisdiction Entity), Approved Funds (provided that such Approved Funds shall not include any Low Tax Jurisdiction Entity) or another Lender or an Affiliate of such Lender (provided that such Affiliate shall not include any Low Tax Jurisdiction Entity) (any of the foregoing, a "Participant") in all or a portion of such Lender's rights and obligations under this Agreement (including all or a portion of its Commitment and the Loans); provided that (A) such Lender's obligations under this Agreement shall remain unchanged, (B) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, (C) the Borrowers, the Administrative Agent and the other Lenders shall continue to deal solely and directly with such assigning Lender in connection with such assigning Lender's rights and obligations under this Agreement, (D) each prospective Participant shall have confirmed to the assigning Lender its status as a non-Low Tax Jurisdiction Entity by providing to the assigning Lender an Internal Revenue Service Form W-9 or an Internal Revenue Service Form W-8 showing that such prospective Participant is resident in a jurisdiction other than a "low tax jurisdiction" for the purposes of Article 41 F of the Chilean Income Tax Law (provided that receipt from such prospective Participant of an Internal Revenue Service Form W-8IMY without beneficial owner withholding certificates attached shall satisfy the requirement in this clause (D)) and (E) the assigning Lender does not have actual knowledge or reason to believe that the Internal Revenue Service Form W-9 or Internal Revenue Service Form W-8 received in clause (D) is incorrect or such prospective Participant is a Low Tax Jurisdiction Entity. Any agreement or instrument pursuant to which a Lender sells such a participation shall require that the Participant represent that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; provided that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver described in the first proviso to Section 10.08(a) that affects such Participant. Subject to Section 10.02(d)(ii), the Borrowers agree that each Participant shall be entitled to the benefits of Sections 2.11 and 2.13 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to Section 10.02(b); provided that no such Participant shall be entitled to receive any benefits under Sections 2.11 and 2.13 in excess of such amounts as would have been received by the applicable Lender had no participation occurred, except to the extent such entitlement by such Lender to receive a greater payment results from a Change in Law that occurs after the Participant acquired the applicable participation. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 8.08 as though it were a Lender; provided that such Participant agrees to be subject to the requirements of Section 8.08 as though it were a Lender. Each Lender that sells a participation, acting solely for this purpose as a non-fiduciary agent of the Borrowers, shall maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Loans or other obligations under this Agreement (the "Participant Register"); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register to any Person (including the identity of any Participant or any information relating to a Participant's interest in any Commitments, Loans or its other obligations under this Agreement or any Loan Document) except to the extent that such disclosure is necessary to establish that such Commitment, Loan or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations and Section 1.163-5(b) of the United States Proposed Treasury Regulations (or any amended or successor version). The entries in the Participant Register shall be conclusive absent manifest error, and such Lender, the Borrowers, the Guarantors and the Administrative Agent shall treat each person whose name is recorded in the Participant Register pursuant to the terms hereof as the owner of such participation for all purposes of this Agreement, notwithstanding notice to the contrary. For the avoidance of doubt, the Administrative Agent (in its capacity as Administrative Agent) shall have no responsibility for maintaining a Participant Register.

(ii) A Participant shall not be entitled to the benefits of Section 2.13 unless such Participant agrees, for the benefit of the Borrowers, to comply with Section 2.13(g) and Section 2.13(i) as though it were a Lender (it being understood that such Participant shall deliver such forms and information to its participating Lender).

(e) Notwithstanding the foregoing, no assignment may be made or participation sold to a natural person, Disqualified Lender or Low Tax Jurisdiction Entity without the prior written consent of Parent. Notwithstanding anything contained in this Agreement or any other Loan Document to the contrary, if any Lender was a Disqualified Lender or Low Tax Jurisdiction Entity at the time of the assignment of any Loans or Commitments to such Lender, following written notice from Parent to such Lender and the Administrative Agent: (1) such Lender shall promptly assign all Loans and Commitments held by such Lender to an Eligible Assignee; provided that (A) the Administrative Agent shall not have any obligation to the Borrowers, such Lender or any other Person to find such a replacement Lender, (B) the Borrowers shall not have any obligation to such Disqualified Lender or Low Tax Jurisdiction Entity or any other Person to find such a replacement Lender or accept or consent to any such assignment to itself or any other Person subject to the Borrowers' consent and (C) the assignment of such Loans and/or Commitments, as the case may be, shall be at par plus accrued and unpaid interest and fees; (2) any Disqualified Lender (other than a New Low Tax Jurisdiction Entity) shall not have any voting or approval rights under the Loan Documents and shall be excluded in determining whether all Lenders, all affected Lenders or the Required Lenders have taken or may take any action hereunder (including any consent to any amendment or waiver pursuant to this Section 10.02(e)); provided that (x) the Commitment of any Disqualified Lender may not be increased or extended without the consent of such Disqualified Lender and (y) any waiver, amendment or modification requiring the consent of all Lenders or each affected Lender that affects any Disqualified Lender adversely and in a manner that is disproportionate to other affected Lenders shall require the consent of such Disqualified Lender; and (3) no Disqualified Lender (other than a New Low Tax Jurisdiction Entity) is entitled to receive information provided solely to Lenders by the Administrative Agent or any Lender or will be permitted to attend or participate in meetings attended solely by the Lenders and the Administrative Agent, other than the right to receive notices or Borrowings, notices or prepayments and other administrative notices in respect of its Loans or Commitments required to be delivered to Lenders pursuant to Article 2 hereof.

(f) Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, including without limitation any pledge or assignment to secure obligations to a Federal Reserve Bank or any central bank having jurisdiction over such Lender, and this Section 10.02 shall not apply to any such pledge or assignment of a security interest; provided that no such pledge or assignment of a security interest shall release a Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

(g) Any Lender may, in connection with any assignment or participation or proposed assignment or participation pursuant to this Section 10.02, disclose to the assignee or participant or proposed assignee or participant, any information relating to any Borrower or any Guarantor furnished to such Lender by or on behalf of any Borrower or any of the Guarantors; provided that prior to any such disclosure, each such assignee or participant or proposed assignee or participant is subject to an agreement containing provisions substantially the same as those of Section 10.03 (and each Borrower shall be a third party beneficiary thereof).

(h) To the extent any Lender (an "Assignor") assigns its rights and obligations under this Agreement in accordance with this Section 10.02, as of the effective date of such assignment, such assignment shall also assign a proportionate part of (i) all of the Assignor's rights and obligations in its capacity as a Lender under this Agreement, the other Loan Documents (including without limitation under the Local Collateral Agency Agreements) and any other documents or instruments delivered pursuant hereto or thereto to the extent related to the amount and percentage interest identified in the Assignment and Acceptance of all of such outstanding rights and obligations of the Assignor under this Agreement (including, without limitation, any guarantees included in such facility) and (ii) to the extent permitted to be assigned under applicable law, all claims, suits, causes of action and any other right of the Assignor (in its capacity as a Lender) against any Person, whether known or unknown, arising under or in connection with this Agreement, the other Loan Documents (including without limitation the Local Collateral Agency Agreements) and any other documents or instruments delivered pursuant hereto or thereto or the loan transactions governed thereby or in any way based on or related to any of the foregoing, including, but not limited to, contract claims, tort claims, malpractice claims, statutory claims and all other claims at law or in equity related to the rights and obligations sold and assigned by the Assignor to the assignee pursuant to clause (i) above.

(i) Notwithstanding anything else to the contrary contained in this Agreement, any Lender may assign all or a portion of its Term Loans of any Class to Parent or a Subsidiary of Parent in accordance with Section 10.02(b); provided that,

(i) the assigning Lender and the Borrower purchasing such Lender's Term Loans, as applicable, shall execute and deliver to the Administrative Agent an Assignment and Acceptance;

(ii) any Term Loans assigned to the Parent or a Restricted Subsidiary of Parent shall be automatically and permanently cancelled upon the effectiveness of such assignment and will thereafter no longer be outstanding for any purpose hereunder;

(iii) the purchase price of any such assignment may not be funded with the proceeds of any Revolving Loans (as defined in the Revolving Credit Agreement);

(iv) no Event of Default has occurred or is continuing;

(v) the aggregate amount of such Term Loans assigned to the Borrower (or any Affiliate of the Borrower) shall not exceed an aggregate principal amount of (a)[*] plus (b) one third of the aggregate principal amount of any Incremental Term Loans;

(vi) at the time of any such assignment effected pursuant to a Dutch Auction, the Borrower shall affirm to the assigning Term Lenders the No Undisclosed MNPI Representation with respect to its directors and officers (and shall affirm that such No Undisclosed MNPI Representation had been true and correct at the commencement of such Dutch Auction) with respect to the proposed assignment (it being understood that no such assignment of Term Loans pursuant to this Section 10.02(i) shall be required to be made by Dutch Auction);

(vii) neither Parent nor its Subsidiaries shall be required to represent or warrant that it is not in possession of material non-public information with respect to Parent or their respective Subsidiaries and/or their respective loans or securities in connection with any assignment permitted by this Section 10.02(j) or any "Dutch auctions" or other offers to purchase open to all Lenders on a pro rata basis; provided that, Parent and/or its Subsidiaries clearly identify itself as such in any assignment and assumption executed in connection with such assignments or purchases and each such assignment and assumption shall contain customary "big boy" representations but no requirement to make representations as to the absence of any material non-public information; and

(viii) the assignment to the Borrower and cancellation of Term Loans shall not constitute a mandatory or voluntary payment for purposes of Section 2.09 or 2.10 and shall not be subject to Section 8.08, but the aggregate outstanding principal amount of the Term Loans shall be deemed reduced by the full par value of the aggregate principal amount of the Term Loans purchased pursuant to this Section 10.02(i), and each principal repayment installment with respect to the Term Loans of such Class shall be reduced pro rata by the aggregate principal amount of Term Loans of such Class purchased hereunder.

(j) Notwithstanding anything to the contrary herein, in connection with any amendment, modification, waiver or other action requiring the consent or approval of Required Lenders or Required Class Lenders, Affiliated Lenders shall not be permitted, in the aggregate, to account for more than 15.0% of the amounts actually included in determining whether the threshold in the definition of Required Lenders or Required Class Lenders, as applicable, has been satisfied. The voting power of each Affiliated Lender shall be reduced, pro rata, to the extent necessary in order to comply with the immediately preceding sentence.

(k) Notwithstanding anything in this Agreement or the other Loan Documents to the contrary, each Affiliated Lender will be subject to the following limitations:

(i) Affiliated Lenders will not make any challenge to the Administrative Agent's or any other Lender's attorney-client privilege on the basis of its status as a Lender; and

(ii) Each Affiliated Lender hereby agrees that if a proceeding under any Debtor Relief Law shall be commenced by or against any Borrower or any other Loan Party at a time when such Lender is an Affiliated Lender, such Affiliated Lender irrevocably authorizes and empowers the Administrative Agent to vote on behalf of such Affiliated Lender with respect to the Term Loans held by such Affiliated Lender in any manner in the Administrative Agent's sole discretion (except as otherwise directed by the Required Lenders in writing), unless the Required Lenders instruct such Affiliated Lender to vote, in which case such Affiliated Lender shall vote with respect to the Term Loans held by it as the Required Lenders direct; *provided* that such Affiliated Lender shall be entitled to vote in accordance with its sole discretion (and not in accordance with the direction of the Administrative Agent) in connection with any plan of reorganization to the extent any such plan of reorganization proposes to treat any Obligations held by such Affiliated Lender in a disproportionately adverse manner to such Affiliated Lender than the proposed treatment of similar Obligations held by Term Lenders that are not Affiliated Lenders.

Section 4.03. Confidentiality. Each of the Administrative Agent, the Collateral Trustee and each Lender (each, a "Lender Party") agrees to keep any information delivered or made available by any Borrower or any Guarantor to it confidential, in accordance with its customary procedures, from anyone other than persons employed or retained by such Lender Party or its Affiliates who are or are expected to become engaged in evaluating, approving, structuring, insuring or administering the Loans, and who are advised by such Lender Party of the confidential nature of such information and instructed to keep such information confidential; provided that nothing herein shall prevent any Lender Party from disclosing such information to any of its Affiliates and their respective agents, advisors, officers, directors and employees (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such information and instructed to keep such information confidential) or to any other Lender Party, upon the order of any court or administrative agency, upon the request or demand of any regulatory agency or authority (including any self-regulatory authority), which has been publicly disclosed other than as a result of a disclosure by the Administrative Agent, the Collateral Trustee or any Lender which is not permitted by this Agreement, in connection with any litigation to which the Administrative Agent, the Collateral Trustee, any Lender, or their respective Affiliates may be a party to the extent reasonably required under applicable rules of discovery, to the extent reasonably required in connection with the exercise of any remedy hereunder, to such Lender Party's legal counsel, independent auditors, accountants and other professional advisors, on a confidential basis to (I) any rating agency in connection with rating Parent and its Subsidiaries or the Term Loan Facility or (II) any direct or indirect provider of credit protection to such Lender Party or its Affiliates (or its brokers), with the consent of the Borrowers, to any actual or proposed participant or assignee of all or part of its rights hereunder or to any direct or indirect contractual counterparty (or the professional advisors thereto) to any swap or derivative transaction relating to each Borrower and its obligations, in each case, subject to the proviso in Section 10.02(f) (with any reference to any assignee or participant set forth in such proviso being deemed to include a reference to such contractual counterparty for purposes of this Section 10.03(j)), (k) to the extent that such information is received by such Lender Party from a third party that is not, to such Lender Party's knowledge, subject to confidentiality obligations to the Borrowers, (l) to the extent that such information is independently developed by such Lender Party and (m) the Agents, the Lead Arrangers and the Lenders may disclose the existence of this Agreement and publicly available information about this Agreement to market data collectors, similar service providers to the lending industry, and service providers to the Agents and the Lenders in connection with the administration and management of this Agreement, the other Loan Documents, the Commitments, and the Loans. If any Lender Party is in any manner requested or required to disclose any of the information delivered or made available to it by any Borrower or any Guarantor under Section 10.03(b) or (e), such Lender Party will, to the extent permitted by law, provide Parent with prompt notice, to the extent reasonable, so that such Borrower or Guarantor may seek, at its sole expense, a protective order or other appropriate remedy or may waive compliance with this Section 10.03.

Section 4.04. Expenses; Indemnity; Damage Waiver.

(a) Expenses. The Loan Parties agree to pay on demand (i) all reasonable out-of-pocket fees, costs and expenses of the each of the Lenders and each Agent in connection with the preparation, execution and delivery of the Loan Documents (including, without limitation, all due diligence, collateral review, transportation, computer, duplication, appraisal, audit, insurance, consultant, search, filing and recording fees and expenses), including (x) the reasonable and documented fees and expenses of one primary counsel for the Lenders collectively and one local law counsel in each relevant local jurisdiction and a single firm of regulatory counsel in each relevant jurisdiction for the Lenders collectively, and (y) the reasonable fees and expenses of each Agent, in each case with respect thereto, and (ii) all reasonable out-of-pocket fees, costs and expenses of each Agent (including reasonable and documented fees and expenses of counsel to such Agent) and the reasonable and documented fees and expenses of one primary counsel for the Lenders collectively and one local law counsel in each relevant local jurisdiction and a single firm of regulatory counsel in each relevant jurisdiction for the Lenders collectively in connection with participating and monitoring the Chapter 11 Cases solely in their capacity as Lenders, the administration, modification and amendment of, or any consent or waiver under, the Loan Documents and the other documents to be delivered hereunder and with respect to advising the Lenders and each Agent as to its rights and responsibilities, or the perfection, protection or preservation of rights or interests, under the Loan Documents, with respect to negotiations with the Obligors or with other creditors of the Obligors or any of their Subsidiaries arising out of any Default or any events or circumstances that may give rise to a Default and with respect to presenting claims in or otherwise participating in or monitoring any bankruptcy, insolvency or other similar proceeding involving creditors' rights generally and any proceeding ancillary thereto and (iii) all costs and expenses of each Agent and each Lender in connection with the enforcement of the Loan Documents, whether in any action, suit or litigation, or any bankruptcy, insolvency, workout or restructuring or other similar proceeding affecting creditors' rights generally (including, without limitation, the reasonable and documented fees and expenses of counsel for each Agent and each Lender with respect thereto). All payments or reimbursements pursuant to the foregoing clause (a)(i) shall be paid within five (5) Business Days after the applicable Review Period (as defined in the Final DIP Order); provided that, (y) on and after the Conversion Date, such payments and reimbursements shall be made thirty (30) days after receipt of a written notice and (z) prior to the Conversion Date, payment of such fees, expenses and disbursements in this Section 10.04(a) shall be subject to the procedures set forth in the Final DIP Order.

(b) Indemnity. The Borrowers shall indemnify each Agent, the Joint Lead Arrangers and each Lender, and each Related Party of any of the foregoing Persons (each such Person being called an "Indemnitee") against, and hold each Indemnitee harmless from, any and all losses, taxes that are, or imposed in respect of, any Collateral Taxes, claims, damages, liabilities and related expenses, including reasonable and documented fees, charges and disbursements of any counsel for any Indemnitee, arising out of, relating to, in connection with, or as a result of any actual or prospective claim, litigation, investigation or proceeding, whether based on contract, tort or any other theory and regardless of whether any Indemnitee is a party thereto and whether or not any such claim, litigation, investigation or proceeding is brought by a Borrower, its equity holders, its Affiliates, its creditors or any other Person (including any investigating, preparing for or defending any such claims, actions, suits, investigations or proceedings, whether or not in connection with pending or threatened litigation in which such Indemnitee is a party), relating to (i) the execution or delivery of this Agreement or any agreement or instrument contemplated hereby, the performance by the parties hereto of their respective obligations hereunder or the consummation of the Transactions or any other transactions contemplated hereby, (ii) any Loan or the use of the proceeds therefrom, (iii) any actual or alleged presence, Use or Release of Hazardous Materials on, at, under, in or from any Real Estate or any other property owned or operated by any Borrower or any of its Subsidiaries, or any Environmental Liability of, or asserted against, the Borrowers or any of their Subsidiaries, (iv) any Collateral Taxes or the imposition of any Collateral Taxes or (v) prior to the Conversion Date, the operation, possession, use, non-use, control, leasing, subleasing, maintenance, storage, overhaul, testing, acceptance flights at return or inspections of (A) any Pledged Engine or B) any Pledged Spare Part, by the Borrowers, any Guarantor or any Person (other than such Indemnitee), including, without limitation, claims for death, personal injury, property damage, other loss or harm to any Person and claims relating to any applicable requirement of law, including, without limitation, Environmental Laws, noise and pollutions laws, rules or regulations; provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses are determined by a court of competent jurisdiction by final and non-appealable judgment to have resulted from (x) the gross negligence or willful misconduct of such Indemnitee or any of its controlled affiliates, (y) other than in the case of the Collateral Trustee such Indemnitee's or any of its controlled affiliates' material breach of the Loan Documents in performing its activities or in furnishing its commitments or services under the Loan Documents or (z) disputes solely among Lenders not arising from a Borrower's breach of its obligations under the Loan Documents (other than a dispute involving a claim against an Indemnitee for its acts or omissions in its capacity as an arranger, bookrunner, agent or similar role in respect of the Term Loan Facility), except, with respect to this clause (z), to the extent such acts or omissions are determined by a court of competent jurisdiction by a final and non-appealable judgment to have constituted the gross negligence, bad faith or willful misconduct of such Indemnitee in such capacity.

(c) Limitation of Liability. To the extent permitted by applicable law, each party hereto shall not assert, and hereby waives, any claim against any other party hereto, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement or any agreement or instrument contemplated hereby, the Transactions, any Loan or the use of the proceeds thereof; provided that nothing in this clause (c) shall relieve any Borrower of any obligation it may have to indemnify an Indemnitee against special, indirect, consequential or punitive damages asserted against such Indemnitee by a third party; further, provided, that any release, waiver or exculpation by any Borrower does not apply to the Lenders in their capacity as shareholders or in respect to their involvement in any contractual arrangements with the Obligors or its affiliates other than with regard to this Term Loan Facility. No Indemnitee referred to in Section 10.04(b) above shall be liable for any damages arising from the use by recipients of any information or other materials distributed by it through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Loan Documents or the transactions contemplated hereby or thereby (except to the extent determined in a final and nonappealable judgment by a court of competent jurisdiction to have arisen from the bad faith, willful misconduct or gross negligence of such Indemnitee).

(d) The Loan Parties agree not to compel marshalling and affirmatively waive any claim they otherwise might have under section 506(c) and 552(b) of the Bankruptcy Code and agree that the Collateral securing this Term Loan Facility may not be charged with any costs or expenses they or their estates may have except with respect to the priority provided under this Agreement for the Carve-Out.

(e) In the event of any claim hereunder or under any other Loan Document against the Borrowers or other Loan Parties in respect of Taxes attributable to or arising out of the use, non-use, operation, ownership, possession, control, leasing, subleasing, maintenance, storage, import, or export of, or otherwise in connection with, the Collateral ("Collateral Taxes"), the relevant Indemnitee shall within forty-five (45) calendar days of the date such Indemnitee has received written notification of such claim, give any Borrower written notice of such claim; provided that, a failure to give such notice in a timely manner shall not preclude a claim for indemnification hereunder, except to the extent such failure precludes such Borrower's right to contest such claim and such failure is not the result of the action or omission of such Borrower. If any Borrower so requests in writing within thirty (30) calendar days after receipt of such notice, the Indemnitee shall consult with such Borrower to consider what action may be taken to resist payment of the relevant Collateral Taxes, and following such consultation the Indemnitee shall take all reasonable action as determined in the Indemnitee's reasonable sole discretion in the name of the Indemnitee to contest the claim in the name of the Indemnitee or, if permitted by applicable law to be contested in the Borrowers' name, allow such Borrower at its expense to contest in the name of such Borrower, in which case such Borrower shall control the contest; provided that the following conditions are met:

(i) the Indemnitee shall have received adequate provision satisfactory to it for such claim and any liability, expense or loss arising out of or related to such contest (including without limitation indemnification for all costs, expenses, losses, reasonable legal and accounting fees and disbursements, penalties and interest);

(ii) the contest will not result in any material danger of the sale, forfeiture or loss of, or the creation of any Lien on, the Collateral;

(iii) the contest does not involve any risk of criminal or any material risk of civil liability against the Indemnitee;

(iv) if such contest shall be conducted in a manner requiring the payment of the claim, the Borrowers shall have paid such claim to the extent required;

(v) no Event of Default shall have occurred and be continuing;

(vi) the Indemnitee shall have received a legal opinion (at the expense of the Borrowers) from counsel selected by the Borrowers (and reasonably satisfactory to such Indemnitee) indicating that there is a reasonable basis for contesting such Taxes; and

(vii) the Indemnitee has not determined that the proposed actions to contest such claim give rise to a material risk of creating a local franchise issue of the Tax Indemnitee (e.g. material adverse publicity or material impairment of the Tax Indemnitee's relationship with local regulators) or impairing the status of other open Tax matters (e.g. Tax audits) between the Indemnitee and the relevant taxing authorities.

(viii) Unless one of the conditions enumerated in paragraphs (i) through (vii) above shall cease to be satisfied, the Indemnitees shall not settle any claim in respect of Collateral Taxes without the prior written consent of the Parent, which consent shall not be unreasonably withheld or delayed.

Section 4.05. Governing Law; Jurisdiction; Consent to Service of Process.

(a) This Agreement shall be construed in accordance with and governed by the law of the State of New York without giving effect to applicable principles of conflicts of law to the extent that the application of the laws of another jurisdiction would be required thereby and, during any Bankruptcy Event, including prior to the Conversion Date, the Bankruptcy Code.

(b) Each party hereto hereby irrevocably and unconditionally submits, for itself and its property, (i) prior to the Conversion Date, if the Bankruptcy Court does have (and does not abstain from) jurisdiction, to the exclusive jurisdiction of the Bankruptcy Court, and (ii) (x) prior to the Conversion Date, if the Bankruptcy Court does not have (or abstains from) jurisdiction, and (y) on and after the Conversion Date, in each case of (x) and (y), to the exclusive jurisdiction of the United States District Court for the Southern District of New York sitting in the Borough of Manhattan (or if such court lacks subject matter jurisdiction, the Supreme Court of the State of New York sitting in the Borough of Manhattan), and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement or any other Loan Document or the transactions relating hereto or thereto, or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may (and any such claims, cross-claims or third party claims brought against the Administrative Agent or any of its Related Parties may only) be heard and determined in such Federal (to the extent permitted by law) or New York State court. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

(c) Each party hereto hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement in any court referred to in Section 10.05(a). Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(d) Each party to this Agreement irrevocably consents to service of process in the manner provided for notices in Section 10.01, except that each Loan Party hereby agrees that service of all writs, process and summonses in any such suit, action or proceeding brought in such courts may be made upon the Process Agent and irrevocably appoints the Process Agent as its true and lawful attorneyinfact in its name, place and stead (as well as that of its respective successors and assigns) to accept such service of any and all such writs, process and summonses (including any *citação inicial*), and agrees that the failure of the Process Agent to give any notice of any such service of process to it shall not impair or affect the validity of such service or of any judgment based thereon. Each Loan Party further agrees (to the extent permitted by applicable laws) that a final judgment against it in any such action or proceeding may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law, a certified or true copy of which final judgment shall be conclusive evidence of the fact and of the amount of any indebtedness or liability of the Borrowers and/or the Guarantors, as the case may be, therein described. Each Loan Party agrees that (x) the sole responsibilities of the Process Agent shall be (i) to receive such process, (ii) to send a copy of any such process so received to such Loan Party, by airmail, or overnight courier at its address set forth in Section 10.01, or at the last address filed in writing by it with the Process Agent and (iii) to give prompt facsimile notice of receipt thereof to such Loan Party, at such address and (y) the Process Agent shall have no responsibility for the receipt or nonreceipt by such Loan Party of such process. Each Loan Party hereby agrees to pay to the Process Agent such compensation as shall be agreed upon from time to time by it and the Process Agent for the Process Agent's services hereunder. Each Loan Party hereby agrees that its submission to jurisdiction and its designation of the Process Agent is made for the express benefit of the Lenders, the Agents, and their respective successors, subrogees and assigns. Each Loan Party agrees that it will at all times continuously maintain a Process Agent to receive service of process in the City, County and State of New York on behalf of itself and its properties with respect to this Agreement and the other relevant Loan Documents and shall give each party hereto written notice prior to any change of address for such Process Agent, and in the event that, for any reason, the Process Agent named pursuant to this Section 10.05 shall no longer serve as Process Agent to receive service of process on such Loan Party's behalf, such Loan Party shall promptly appoint a successor Process Agent. Each Loan Party hereby irrevocably further consents to the service of process in any suit, action or proceeding in said courts by the mailing thereof by any party hereto by registered or certified mail, postage prepaid, to it at its address specified in Section 10.01. Nothing in this Section 10.05 shall affect the right of any party hereto to serve legal process in any other manner permitted by law or affect the right of such party or its successors, subrogees or assigns to bring any action or proceeding against such Loan Party or any of their respective property in the courts of other jurisdictions.

(e) Each party hereto acknowledges and agrees that the activities contemplated by the provisions of the Loan Documents are commercial in nature rather than governmental or public and therefore acknowledges and agrees that it is not entitled to any right of immunity on the grounds of sovereignty or otherwise with respect to such activities or in any legal action or proceeding arising out of or relating to the Loan Documents. Each such party in respect of itself and its properties and revenues, expressly and irrevocably waives any such right of immunity (including, but not limited to, any immunity from suit, from the jurisdiction of any court, from service of process, from setoff, from any execution or attachment in aid of execution prior to judgment or otherwise or from any other legal process) or claim thereto which may now or hereafter exist (whether or not claimed) and irrevocably agrees not to assert any such right or claim in any such action or proceeding that may at any time be commenced, whether in the United States of America or otherwise.

Section 4.06. No Waiver. No failure on the part of the Administrative Agent, the Collateral Trustee, or the Local Collateral Agents or any of the Lenders to exercise, and no delay in exercising, any right, power or remedy hereunder or any of the other Loan Documents shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or remedy preclude any other or further exercise thereof or the exercise of any other right, power or remedy. All remedies hereunder are cumulative and are not exclusive of any other remedies provided by law.

Section 4.07. Extension of Maturity. Should any payment of principal of or interest or any other amount due hereunder become due and payable on a day other than a Business Day, the maturity thereof shall be extended to the next succeeding Business Day and, in the case of principal, interest shall be payable thereon at the rate herein specified during such extension.

Section 4.08. Amendments, etc.

(a) No modification, amendment or waiver of any provision of this Agreement or any other Loan Document (other than a Deposit Account Control Agreement or as otherwise expressly provided in any Collateral Document, including the Collateral Trust Agreement, with respect to amendment of Collateral Documents), and no consent to any departure by any Borrower or any Guarantor therefrom, shall in any event be effective unless the same shall be in writing and signed by the Required Lenders (or signed by the Administrative Agent with the consent of the Required Lenders), and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given; provided, however, that no such modification, waiver or amendment shall without the prior written consent of:

(i) each Lender directly and adversely affected thereby (A) increase the Commitment of any Lender or extend the termination date of the Commitment of any Lender (it being understood that a waiver of an Event of Default shall not constitute an increase in or extension of the termination date of the Commitment of a Lender), or (B) reduce or forgive the principal amount of any Loan (it being understood that a waiver of an Event of Default shall not constitute a reduction or forgiveness of the principal amount of any Loan), or the rate of interest payable thereon or fees related thereto (provided that only the consent of the Required Lenders shall be necessary for a waiver of default interest referred to in Section 2.07), or extend any date for the payment of principal (including scheduled amortization payments), interest or Fees hereunder or reduce any Fees payable hereunder or extend the final maturity of the Borrowers' obligations hereunder (it being understood that a waiver of an Event of Default shall not constitute an extension of any Maturity Date) or (C) amend, modify or waive any provision of Section 2.14(b), the last sentence of Section 7.02, or Section 8.08 or (D) amend, modify or waive any provision of Section 2.01(e) or Section 2.08(a) to amend the pro rata provisions therein;

(ii) prior to the Conversion Date, all of the Lenders, amend, modify or waive any provision of this Agreement in order to permit the incurrence of any financing pursuant to Section 364 of the Bankruptcy Code that would be secured by the Collateral (or any portion thereof) on a *pari passu* or senior basis with the Obligations or that would benefit from any Superpriority Claim in the Chapter 11 Cases that is *pari passu* or senior to the Superpriority Claims with respect to the Obligations as provided in the Final DIP Order; provided, further, that notwithstanding anything in this clause (ii), any Collateral Document may be amended, supplemented or otherwise modified with the consent of the applicable Loan Party and the Administrative Agent (i) to add assets (or categories of assets) to the Collateral covered by such Collateral Document or (ii) to remove any asset or type or category of asset (including after acquired assets of that type or category) from the Collateral covered by such Collateral Document to the extent the release thereof is expressly permitted by this Agreement;

(iii) prior to the Conversion Date, no modification of the Final DIP Order that adversely effects any Lender or any Agent in particular shall be effective unless consented to by such affected Secured Party, as applicable;

(iv) all of the Lenders (A) amend or modify any provision of this Agreement which provides for the unanimous consent or approval of the Lenders, (B) amend this Section 10.08 that has the effect of changing the number or percentage of Lenders that must approve any modification, amendment, waiver or consent or modify the percentage of the Lenders required in the definition of Required Lenders, (C) alter the relative priority of the Liens in favor of the holders of Priority Lien Debt or subordinate (in payment or lien priority) any Loans in security or contractual right of payment to any senior indebtedness, (D) release all or substantially all of the Liens granted to the Collateral Trustee and the Local Collateral Agents for the benefit of the Secured Parties hereunder or under any other Loan Document (except to the extent contemplated by Section 6.08 on the date hereof or by the terms of the Collateral Documents), or release all or substantially all of the Guarantors (except to the extent contemplated by Section 9.05) or (E) amend or modify any provision of this Agreement to permit any additional "superpriority" or "first out" Indebtedness;

(v) any amendment or waiver that disproportionately affects a particular class of Lenders shall require the prior consent of the Required Class Lenders;

(vi) the Required Class Lenders of each Class that is being allocated a lesser repayment or prepayment as a result thereof (relating to the amount of repayment or prepayment being allocated to another Class), change the application of prepayments as among or between Classes under Section 2.09 (it being understood that if additional Classes of Term Loans or additional Loans under this Agreement consented to by the Required Lenders or additional Loans pursuant to Section 2.22 are made, such new Loans may be included on a pro rata basis in the various prepayments required pursuant to Section 2.09); and

(vii) all Lenders under any Class, reduce the percentage specified in the definition of "Required Class Lenders" with respect to such Class;

provided, further, that any Collateral Document may be amended, supplemented or otherwise modified with the consent of the applicable Loan Party and the Collateral Trustee (i) to add assets (or categories of assets) to the Collateral covered by such Collateral Document, as contemplated by the definition of "Additional Collateral" set forth in Section 1.01 hereof or (ii) to remove any asset or type or category of asset (including after-acquired assets of that type or category) from the Collateral covered by such Collateral Document to the extent the release thereof is permitted by the Loan Documents; provided that, if any such amendment, supplement or modification would change the terms and conditions (including in connection with the addition or removal of any categories of assets) reflected in the corresponding Collateral Document, or as required by the definition of "Additional Collateral" set forth in Section 1.01 hereof or otherwise, then the reasonable consent of the Administrative Agent shall also be required.

(b) No such amendment or modification shall adversely affect the rights and obligations of any Agent hereunder without such Agent's prior written consent.

(c) No notice to or demand on the Borrowers or any Guarantor shall entitle any Borrower or any Guarantor to any other or further notice or demand in the same, similar or other circumstances, unless otherwise required under a Loan Document. Each assignee under Section 10.02(b) shall be bound by any amendment, modification, waiver, or consent authorized as provided herein, and any consent by a Lender shall bind any Person subsequently acquiring an interest on the Loans held by such Lender. No amendment to this Agreement shall be effective against any Borrower or any Guarantor unless signed by such Borrower or such Guarantor, as the case may be.

(d) Notwithstanding anything to the contrary contained in Section 10.08(a), (i) in the event that any Borrower requests that this Agreement be modified or amended in a manner which would require the unanimous consent of all of the Lenders or the consent of all Lenders directly and adversely affected thereby and, in each case, such modification or amendment is agreed to by the Required Lenders, then the Borrowers may replace any non-consenting Lender in accordance with an assignment pursuant to Section 10.02 (and such non-consenting Lender shall reasonably cooperate in effecting such assignment); provided that (x) such amendment or modification can be effected as a result of the assignment contemplated by such Section (together with all other such assignments required by the Borrowers to be made pursuant to this clause (i)) and (y) such non-consenting Lender shall have received payment of an amount equal to the outstanding principal amount of its Loans, accrued interest thereon, accrued Fees and all other amounts due and payable to it under this Agreement from the applicable assignee or the Borrowers; (ii) no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder, except that the Commitment of such Lender may not be increased or extended without the consent of such Lender (it being understood that the Commitment and the outstanding Loans or other extensions of credit held or deemed held by any Defaulting Lender shall be excluded for a vote of the Lenders hereunder requiring any consent of any Lender), (iii) notwithstanding anything to the contrary herein or any Loan Document, any modifications or amendments under (1) an Increase Joinder entered in accordance with Section 2.22(c), (2) any Extension Amendment entered in accordance with Section 2.23 or (3) a Refinancing Amendment entered in accordance with Section 2.24, may in each case be made without the consent of any Lenders other than as provided therein, and (iv) if the Administrative Agent and the Borrowers shall have jointly identified an obvious error or any error or omission of a technical or immaterial nature (including to correct or cure incorrect cross references or similar inaccuracies) in any provision of the Loan Documents, then the Administrative Agent and the Borrowers shall be permitted to amend such provision and such amendment shall become effective without any further action or consent of any other party to any Loan Document if the same is not objected to in writing by the Required Lenders within five (5) Business Days after written notice thereof to the Lenders.

(e) In addition, notwithstanding anything to the contrary contained in Section 10.08(a), this Agreement and, as appropriate, the other Loan Documents, may be amended (or amended and restated) with the written consent of the Required Lenders, the Administrative Agent and the Borrowers (a) to add one or more additional credit facilities to this Agreement (whether pursuant to Section 2.22 or otherwise) and to permit the extensions of credit from time to time outstanding thereunder and the accrued interest and fees in respect thereof to share ratably in the benefits of this Agreement and the other Loan Documents with the Term Loans and the accrued interest and fees in respect thereof and (b) to include appropriately the Lenders holding such credit facilities in any determination of the Required Lenders.

(f) In addition, notwithstanding anything to the contrary contained in Section 7.01 or Section 10.08(a), following the consummation of any Term Loan Extension pursuant to Section 2.23, no modification, amendment or waiver (including, for the avoidance of doubt, any forbearance agreement entered into with respect to this Agreement) shall limit the right of any non-extending Lender (each, a "Non-Extending Lender") to enforce its right to receive payment of amounts due and owing to such Non-Extending Lender on the applicable Maturity Date, applicable to the Loans of such Non-Extending Lenders without the prior written consent of Non-Extending Lenders that would constitute the Required Class Lenders with respect to any affected Class of such Loans if the Non-Extending Lenders were the only Lenders hereunder at the time.

(g) It is understood that the amendment provisions of this Section 10.08 shall not apply to extensions of the Maturity Date made in accordance with Section 2.23.

Section 4.09. Severability. Any provision of this Agreement held to be invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and enforceability of the remaining provisions hereof; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction.

Section 4.10. Headings. Section headings used herein are for convenience only and are not to affect the construction of or be taken into consideration in interpreting this Agreement.

Section 4.11. Survival. All covenants, agreements, representations and warranties made by the Borrowers herein and in the certificates or other instruments delivered in connection with or pursuant to this Agreement shall be considered to have been relied upon by the other parties hereto and shall survive the execution and delivery of this Agreement and the making of any Loans, regardless of any investigation made by any such other party or on its behalf and notwithstanding that the Administrative Agent, the Collateral Trustee or any Lender may have had notice or knowledge of any Event of Default or incorrect representation or warranty at the time any credit is extended hereunder. The provisions of Sections 2.11, 2.12, 2.13, 2.16, 10.04 and 10.11 and Article 8 shall survive and remain in full force and effect regardless of the consummation of the transactions contemplated hereby, the repayment of the Loans and the Commitments, or the termination of this Agreement or any provision hereof.

Section 4.12. Execution in Counterparts; Integration; Effectiveness.

(a) This Agreement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement constitutes the entire contract among the parties relating to the subject matter hereof and supersedes any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. Except as provided in Section 4.01, this Agreement shall become effective when it shall have been executed by the Administrative Agent and when the Administrative Agent shall have received counterparts hereof which, when taken together, bear the signatures of each of the other parties hereto, and thereafter shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. Delivery of an executed counterpart of a signature page of this Agreement by telecopy, electronic .pdf copy, electronic signature or other electronic means shall be effective as delivery of a manually executed counterpart of this Agreement. The parties hereto agree that the signatures appearing on this Agreement are the same as handwritten signatures for purposes of validity, enforceability and admissibility.

(b) Delivery of an executed counterpart of a signature page of (x) this Agreement, (y) any other Loan Document and/or (z) any document, amendment, approval, consent, information, notice (including, for the avoidance of doubt, any notice delivered pursuant to Section 10.01), certificate, request, statement, disclosure or authorization related to this Agreement, any other Loan Document and/or the transactions contemplated hereby and/or thereby (each an "Ancillary Document") that is an Electronic Signature transmitted by telecopy, emailed pdf. or any other electronic means that reproduces an image of an actual executed signature page shall be effective as delivery of a manually executed counterpart of this Agreement, such other Loan Document or such Ancillary Document, as applicable. The words "execution," "signed," "signature," "delivery," and words of like import in or relating to this Agreement, any other Loan Document and/or any Ancillary Document shall be deemed to include Electronic Signatures, deliveries or the keeping of records in any electronic form (including deliveries by telecopy, emailed pdf. or any other electronic means that reproduces an image of an actual executed signature page), each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be; provided that nothing herein shall require any Agent to accept Electronic Signatures in any form or format without its prior written consent and pursuant to procedures approved by it; provided, further, without limiting the foregoing, (1) to the extent an Agent has agreed to accept any Electronic Signature, such Agent and each of the Lenders shall be entitled to rely on such Electronic Signature purportedly given by or on behalf of any Borrower or any Guarantor without further verification thereof and without any obligation to review the appearance or form of any such Electronic Signature and (2) upon the request of any Agent or any Lender, any Electronic Signature shall be promptly followed by a manually executed counterpart. Without limiting the generality of the foregoing, each Borrower and each Guarantor hereby (a) agrees that, for all purposes, including without limitation, in connection with any workout, restructuring, enforcement of remedies, bankruptcy proceedings or litigation among the Administrative Agent, the Collateral Trustee, the Lenders, any Borrower and any Guarantor, Electronic Signatures transmitted by telecopy, emailed pdf. or any other electronic means that reproduces an image of an actual executed signature page and/or any electronic images of this Agreement, any other Loan Document and/or any Ancillary Document shall have the same legal effect, validity and enforceability as any paper original, (b) the Administrative Agent, the Collateral Trustee and each of the Lenders may, at its option, create one or more copies of this Agreement, any other Loan Document and/or any Ancillary Document in the form of an imaged electronic record in any format, which shall be deemed created in the ordinary course of such Person's business, and destroy the original paper document (and all such electronic records shall be considered an original for all purposes and shall have the same legal effect, validity and enforceability as a paper record), (c) waives any argument, defense or right to contest the legal effect, validity or enforceability of this Agreement, any other Loan Document and/or any Ancillary Document based solely on the lack of paper original copies of this Agreement, such other Loan Document and/or such Ancillary Document, respectively, including with respect to any signature pages thereto and (d) waives any claim against any Indemnitee for any Liabilities arising solely from the Administrative Agent's, the Collateral Trustee's and/or any Lender's reliance on or use of Electronic Signatures and/or transmissions by telecopy, emailed pdf. or any other electronic means that reproduces an image of an actual executed signature page, including any Liabilities arising as a result of the failure of any Borrower and/or any Guarantor to use any available security measures in connection with the execution, delivery or transmission of any Electronic Signature.

Section 4.13. USA Patriot Act; Beneficial Ownership Regulation. Each Lender that is subject to the requirements of the Patriot Act and the requirements of 31 C.F.R. § 1010.230 (the "Beneficial Ownership Regulation") hereby notifies each Borrower and each Guarantor that pursuant to the requirements of the Act and the Beneficial Ownership Regulation, it is required to obtain, verify and record information that identifies each Borrower and each Guarantor, which information includes the name and address of each Borrower and each Guarantor and other information that will allow such Lender to identify each Borrower and each Guarantor in accordance with the Patriot Act and the Beneficial Ownership Regulation (after giving effect to any applicable exclusions under the Beneficial Ownership Regulation, including, without limitation, 31 C.F.R. §1010.230(e)(2)). This notice is given in accordance with the requirements of the Patriot Act and the Beneficial Ownership Regulation and is effective for each Lender subject thereto.

Section 4.14. New Value. It is the intention of the parties hereto that any provision of Collateral by a Loan Party as a condition to, or in connection with, the making of any Loan shall be made as a contemporaneous exchange for new value given by the Lenders to the Borrowers.

Section 4.15. WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO ANY OF THE LOAN DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS Section 10.15.

Section 4.16. No Fiduciary Duty.

(a) Each Borrower acknowledges and agrees, and acknowledges its Subsidiaries' understanding, that no Agent, Lender or any of their respective Affiliates (collectively, the "Credit Parties") will have any obligations except those obligations expressly set forth herein and in the other Loan Documents and each Credit Party is acting solely in the capacity of an arm's length contractual counterparty to the Borrowers with respect to the Loan Documents and the transactions contemplated herein and therein and not as a financial advisor or a fiduciary to, or an agent of, any Borrower or any other Person. The Borrowers agree that they will not assert any claim against any Credit Party based on an alleged breach of fiduciary duty by such Credit Party in connection with this Agreement and the transactions contemplated hereby. Additionally, the Borrowers acknowledge and agree that no Credit Party is advising any Borrower as to any legal, tax, investment, accounting, regulatory or any other matters in any jurisdiction. The Borrowers shall consult with their own advisors concerning such matters and shall be responsible for making its own independent investigation and appraisal of the transactions contemplated herein or in the other Loan Documents, and the Credit Parties shall have no responsibility or liability to the Borrowers with respect thereto.

(b) Each Borrower further acknowledges and agrees, and acknowledges its Subsidiaries' understanding, that each Credit Party, together with its Affiliates, is a full service securities or banking firm engaged in securities trading and brokerage activities as well as providing investment banking and other financial services. In the ordinary course of business, any Credit Party may provide investment banking and other financial services to, and/or acquire, hold or sell, for its own accounts and the accounts of customers, equity, debt and other securities and financial instruments (including bank loans and other obligations) of, the Borrowers and other companies with which the Borrowers may have commercial or other relationships. With respect to any securities and/or financial instruments so held by any Credit Party or any of its customers, all rights in respect of such securities and financial instruments, including any voting rights, will be exercised by the holder of the rights, in its sole discretion.

(c) In addition, each Borrower acknowledges and agrees, and acknowledges its Subsidiaries' understanding, that each Credit Party and its affiliates may be providing debt financing, equity capital or other services (including financial advisory services) to other companies in respect of which a Borrower may have conflicting interests regarding the transactions described herein and otherwise. No Credit Party will use confidential information obtained from the Borrowers by virtue of the transactions contemplated by the Loan Documents or its other relationships with the Borrowers in connection with the performance by such Credit Party of services for other companies, and no Credit Party will furnish any such information to other companies. Each Borrower also acknowledges that no Credit Party has any obligation to use in connection with the transactions contemplated by the Loan Documents, or to furnish to the Borrowers, confidential information obtained from other companies.

Section 4.17. Currency Indemnity. The payment obligations of any party to a Loan Document (the "payor") expressed to be payable thereunder in one currency (the "first currency") shall not be discharged by an amount paid in another currency, whether pursuant to a judgment or otherwise, to the extent that the amount so paid on prompt conversion to the first currency under normal banking procedures would not yield the full amount of the first currency due thereunder, and the payor shall indemnify the recipient of such payment (the "payee") against any such shortfall; and in the event that any payment by the payor, whether pursuant to a judgment or otherwise, upon conversion and transfer does not result in payment of such amount of the first currency, the payee shall have a separate cause of action against the payor for the additional amount necessary to yield the amount due and owing to the payee. If it is necessary to determine for any reason other than that referred to above the equivalent in the first currency of a sum denominated in the second currency, the rate of exchange used shall be that at which in accordance with normal banking procedures the Administrative Agent could purchase the first currency with the second currency on the Business Day on which such determination is to be made (or, if such day is not a Business Day, on the next preceding Business Day).

Section 4.18. Collateral Trust Agreements. Notwithstanding anything to the contrary contained in this Agreement, so long as the Collateral Trust Agreement shall remain outstanding, the rights granted to the Secured Parties hereunder and under the other Loan Documents, the lien and security interest granted to the Collateral Trustee pursuant to this Agreement or any other Loan Document and the exercise of any right or remedy by the Administrative Agent and/or the Collateral Trustee hereunder or under any other Loan Document shall be subject to the terms and conditions of the Collateral Trust Agreement. In the event of any conflict between the terms of this Agreement, any other Loan Document and the Collateral Trust Agreement, the terms of the Collateral Trust Agreement shall govern and control with respect to any right or remedy, and no right, power or remedy granted to the Administrative Agent and/or the Collateral Trustee hereunder or under any other Loan Document shall be exercised by the Administrative Agent, and/or the Collateral Trustee and no direction shall be given by the Administrative Agent and/or the Collateral Trustee, in contravention of the Collateral Trust Agreement. In addition to the benefits afforded it under this Agreement, in acting under this Agreement, the Collateral Trustee shall be entitled to all of the rights, privileges, immunities and indemnities granted to it under the Collateral Trust Agreement, as if such rights, privileges, immunities and indemnities were set forth herein.

Section 4.19. Acknowledgement and Consent to Bail-In of Affected Financial Institutions. Notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Affected Financial Institution arising under any Loan Document, to the extent such liability is unsecured, may be subject to the Write-Down and Conversion Powers of the applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an Affected Financial Institution; and

(b) the effects of any Bail-In Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such Affected Financial Institution, its parent entity, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document; or

(iii) the variation of the terms of such liability in connection with the exercise of the Write-Down and Conversion Powers of any applicable Resolution Authority.

Section 4.20. Certain ERISA Matters.

(a) Each Lender (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent and the Joint Lead Arrangers and not, for the avoidance of doubt, to or for the benefit of any Borrower or any other Loan Party, that at least one of the following is and will be true:

(i) such Lender is not using "plan assets" (within the meaning of the Plan Asset Regulations) with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Commitments or this Agreement,

(ii) the transaction exemption set forth in one or more PTEs, such as PTE 84-14 (a class exemption for certain transactions determined by independent qualified professional asset managers), PTE 95-60 (a class exemption for certain transactions involving insurance company general accounts), PTE 90-1 (a class exemption for certain transactions involving insurance company pooled separate accounts), PTE 91-38 (a class exemption for certain transactions involving bank collective investment funds) or PTE 96-23 (a class exemption for certain transactions determined by in-house asset managers), is applicable and the conditions of such exemption are and will continue to be satisfied with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Commitments and this Agreement,

(iii) (A) such Lender is an investment fund managed by a "Qualified Professional Asset Manager" (within the meaning of Part VI of PTE 84-14), (B) such Qualified Professional Asset Manager made the investment decision on behalf of such Lender to enter into, participate in, administer and perform the Loans, the Commitments and this Agreement, (C) the entrance into, participation in, administration of and performance of the Loans and this Agreement satisfies the requirements of sub-sections (b) through (g) of Part I of PTE 84- 14 and (D) to the best knowledge of such Lender, the requirements of subsection (a) of Part I of PTE 84-14 are satisfied with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Commitments and this Agreement; or

(iv) Such other representation, warranty and covenants as may be agreed in writing between the Administrative Agent, in its sole discretion, and such Lender.

(b) In addition, unless either (1) sub-clause (i) in the immediately preceding clause (a) is true with respect to a Lender or (2) a Lender has provided another representation, warranty and covenant in accordance with sub-clause (iv) in the immediately preceding clause (a), such Lender further (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of each party to this Agreement, the Joint Lead Arrangers and their respective Affiliates, that, that the Administrative Agent is not a fiduciary with respect to the assets of such Lender involved in such Lender's entrance into, participation in, administration of and performance of the Loans and this Agreement (including in connection with the reservation or exercise of any rights by the Administrative Agent under this Agreement, any Loan Document or any documents related hereto or thereto).

(c) The Administrative Agent and the Joint Lead Arrangers hereby inform the Lenders that each such Person is not undertaking to provide investment advice or to give advice in a fiduciary capacity, in connection with the transactions contemplated hereby, and that such Person has a financial interest in the transactions contemplated hereby in that such Person or an Affiliate thereof (i) may receive or other payments with respect to the Loans, the Commitments, this Agreement and any other Loan Documents (ii) may recognize a gain if it extended the Loans, or the Commitments for an amount less than the amount being paid for an interest in the Loans or the Commitments by such Lender or (iii) may receive fees or other payments in connection with the transactions contemplated hereby, the Loan Documents or otherwise, including structuring fees, commitment fees, arrangement fees, facility fees, upfront fees, underwriting fees, ticking fees, agency fees, administrative agent or collateral agent fees, utilization fees, minimum usage fees, letter of credit fees, fronting fees, deal-away or alternate transaction fees, amendment fees, processing fees, term out premiums, banker's acceptance fees, breakage or other early termination fees or fees similar to the foregoing.

Section 4.21. Registrations with International Registry. Subject to Section 4.03, upon the Closing Date, each of the parties hereto consents to the registrations with the International Registry of the International Interests constituted by the Engine Mortgages, and covenants and agrees that it will take all such action reasonably requested by any Borrower or Administrative Agent in order to make any registrations with the International Registry, including without limitation establishing a valid and existing account with the International Registry and appointing an Administrator and/or a Professional User reasonably acceptable to the Administrative Agent to make registrations with respect to the Mortgaged Collateral and providing consents to any registration as may be contemplated by the Loan Documents.

Section 4.22. Joint and Several Liability of the Borrowers.

(a) Each Borrower agrees that it is jointly and severally liable for the obligations of the other Borrower hereunder, including with respect to the payment of principal of and interest on all Loans and the payment of fees and indemnities and reimbursement of costs and expenses. Each Borrower is accepting joint and several liability hereunder in consideration of the financial accommodations to be provided by the Administrative Agent, the Collateral Trustee and the Lenders under this Agreement, for the mutual benefit, directly and indirectly, of each of the Borrowers and in consideration of the undertakings of each of the Borrowers to accept joint and several liability for the obligations of each of them. Each Borrower, jointly and severally, hereby irrevocably and unconditionally accepts, as a co-debtor, joint and several liability with each other Borrower, with respect to the payment and performance of all of the Obligations, it being the intention of the parties hereto that all Obligations shall be the joint and several obligations of all of the Borrowers without preferences or distinction among them. If and to the extent that any Borrower shall fail to make any payment with respect to any of the Obligations as and when due or to perform any of such Obligations in accordance with the terms thereof, then in each such event each other Borrower will make such payment with respect to, or perform, such Obligations. A breach hereof or Default or Event of Default hereunder as to any single Borrower shall constitute a breach, Default or Event of Default as to all the Borrowers. Each Borrower waives any and all notice of the creation, renewal, extension or accrual of any of the Obligations and notice of or proof of reliance by the Administrative Agent or any Lender upon the agreements contained in this Section 10.22 or acceptance of the agreements contained in this Section 10.22; the Obligations, and any of them, shall conclusively be deemed to have been created, contracted or incurred, or renewed, extended, amended or waived, in reliance upon the agreements contained in this Section 10.22; and all dealings between the Loan Parties, on the one hand, and the Administrative Agent on behalf of the Lenders, on the other hand, likewise shall be conclusively presumed to have been had or consummated in reliance upon the agreements contained in this Section 10.22. Each Borrower waives diligence, presentment, protest, demand for payment and notice of default or nonpayment to or upon such Borrower with respect to the Obligations. When making any demand hereunder or otherwise pursuing its rights and remedies hereunder against any Borrower, the Administrative Agent may, but shall be under no obligation to, make a similar demand on or otherwise pursue such rights and remedies as it may have against any other Borrower, any other Guarantor or any other Person or against any collateral security or guarantee for the Obligations or any right of offset with respect thereto, and any failure by the Administrative Agent to make any such demand, to pursue such other rights or remedies or to collect any payments from any other Borrower, any other Guarantor or any other Person or to realize upon any such collateral security or guarantee or to exercise any such right of offset, or any release of any other Borrower, any other Guarantor or any other Person or any such collateral security, guarantee or right of offset, shall not relieve any Borrower of any obligation or liability hereunder, and shall not impair or affect the rights and remedies, whether express, implied or available as a matter of law, of the Administrative Agent on behalf of the Lenders against such Borrower. For the purposes hereof "demand" shall include the commencement and continuance of any legal proceedings. The joint and several liability of the Borrowers hereunder shall continue in full force and effect notwithstanding any absorption, merger, amalgamation or any other change whatsoever in the name, membership, constitution or place of formation of any Borrower. With respect to any Borrower's Obligations arising as a result of the joint and several liability of the Borrowers hereunder with respect to Loans or other extensions of credit made to any of the other Borrowers hereunder, such Borrower waives, until the Obligations shall have been Paid in Full (other than contingent indemnification obligations that are not yet due and payable or as to which no claim has been asserted) and this Agreement shall have been terminated, any right to enforce any right of subrogation or any remedy which an Agent and/or any Lender now has or may hereafter have against any other Borrower, any endorser or any guarantor of all or any part of the Obligations, and any benefit of, and any right to participate in, any security or collateral given to an Agent and/or any Lender to secure payment of the Obligations or any other liability of any Borrower to an Agent and/or any Lender. Subject to the immediately preceding sentence, to the extent that any Borrower shall be required to pay a portion of the Obligations which shall exceed the amount of Loans or other extensions of credit received by such Borrower and all interest, costs, fees and expenses attributable to such Loans or other extensions of credit, then such Borrower shall be reimbursed by the other Borrower for the amount of such excess. This clause is intended only to define the relative rights of Borrowers, and nothing set forth in this clause is intended or shall impair the obligations of each Borrower, jointly and severally, to pay to Administrative Agent, the Collateral Trustee and Lenders the Obligations as and when the same shall become due and payable in accordance with the terms hereof. Notwithstanding anything to the contrary set forth in this clause or any other provisions of this Agreement, it is the intent of the parties hereto that the liability incurred by each Borrower in respect of the Obligations of the other Borrowers (and any Lien granted by any Borrower to secure such Obligations), not constitute a fraudulent conveyance or fraudulent transfer under the provisions of any applicable law of any state or other governmental unit ("Fraudulent Conveyance"). Consequently, each Borrower, each Agent and each Lender hereby agree that if a court of competent jurisdiction determines that the incurrence of liability by any Borrower in respect of the Obligations of any other Borrower (or any Liens granted by such Borrower to secure such Obligations) would, but for the application of this sentence, constitute a Fraudulent Conveyance, such liability (and such Liens) shall be valid and enforceable only to the maximum extent that would not cause the same to constitute a Fraudulent Conveyance, and this Agreement and the other Loan Documents shall automatically be deemed to have been amended accordingly, nunc pro tunc.

(b) Each Borrower's obligation to pay and perform the Obligations shall be continuing, absolute, unconditional and irrevocable, and shall be paid and performed strictly in accordance with the terms of this Agreement under any and all circumstances whatsoever and irrespective of (i) any lack of validity or enforceability of this Agreement or any other Loan Document, or any term or provision therein, as to any other Borrower, (ii) any amendment or waiver of or any consent to departure from this Agreement or any other Loan Document, in respect of any other Borrower, (iii) the application of any Loan proceeds to, or the extension of any other credit for the benefit of, any other Borrower, any other Loan Party, or any of their Subsidiaries, (iv) any defense, set-off or counterclaim (other than a defense of payment or performance) which may at any time be available to or be asserted by such Borrower or any other Person against the Administrative Agent, the Collateral Trustee or any Lender or (v) any other event or circumstance whatsoever, whether or not similar to any of the foregoing, that might, but for the provisions of this Section 10.22(b), constitute a legal or equitable discharge of, or provide a right of setoff against, any Borrower's obligations hereunder, in each case other than any Payment in Full of the Obligations (other than contingent indemnification obligations not yet due or owing). Each of the Borrowers further agree that (i) its obligations under this Agreement and the other Loan Documents shall continue to be effective or be reinstated, as the case may be, if at any time any payment of any such obligations is rescinded or must otherwise be returned by any Person upon the insolvency, bankruptcy or reorganization of, or the application of any bankruptcy, insolvency or similar law to, any other Borrower, all as though such payment had not been made and (ii) it hereby unconditionally and irrevocably waives any right to revoke its joint and several liability under the Loan Documents and acknowledges that such liability is continuing in nature and applies to all obligations of the Borrowers under the Loan Documents, whether existing now or in the future.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the day and the year first written.

LATAM AIRLINES GROUP S.A.,
as a Borrower

By: /s/ Andres del Valle Eitel
Name: Andres del Valle Eitel
Title: Attorney-in-Fact

PROFESSIONAL AIRLINE SERVICES, INC.,
as a Borrower

By: /s/ Paola Peñarete
Name: Paola Peñarete
Title: President

[*]

Exhibit 4.47.2

[Certain confidential portions of this exhibit have been redacted pursuant to 4(a) of the Instructions as to Exhibits of Form 20-F. The omitted information (i) is not material and (ii) is the type of information the Company treats as private or confidential. In addition, schedules and similar attachments to this exhibit have been omitted pursuant to the Instructions as to Exhibits of Form 20-F.]

INCREMENTAL AMENDMENT

This INCREMENTAL AMENDMENT, dated as of November 3, 2022 (this "Agreement"), among LATAM Airlines Group S.A. (the "Parent"), Professional Airline Services, Inc. (the "Co-Borrower" and, together with Parent, the "Borrowers"), the other Loan Parties (as defined in the Credit Agreement referred to below) party hereto, Goldman Sachs Lending Partners LLC, as Administrative Agent, the Incremental Term Lender (as defined below) and the other Lenders (as defined below) party hereto.

W I T N E S S E T H:

WHEREAS, the Parent is party to that certain Debtor-in-Possession and Exit Term Loan Credit Agreement, dated as of October 12, 2022 (as amended, amended and restated, supplemented or otherwise modified from time to time, prior to the date hereof, the "Existing Credit Agreement", and the Existing Credit Agreement as amended hereby, the "Credit Agreement"), among the Parent, the Co-Borrower, the guarantors party thereto from time to time, the lenders party thereto from time to time (the "Lenders"), Goldman Sachs Lending Partners LLC, as Administrative Agent, and Wilmington Trust, National Association as Collateral Trustee;

WHEREAS, the Parent has, by notice dated as of October 14, 2022 to the Administrative Agent delivered pursuant to Section 2.22(a) of the Existing Credit Agreement, requested the establishment of Incremental Term Loan Commitments on the Increase Effective Date (as defined below) in an aggregate principal amount of $350,000,000 (the loans in respect thereof "Incremental Term Loans") and the borrowing thereof on the terms set forth therein on the Increase Effective Date, which Incremental Term Loans shall be fungible with the Existing Initial Term Loans (as defined below) after giving effect to the Conversion Date;

WHEREAS, in connection with the primary syndication of the Term Loan Facility, Goldman Sachs Lending Partners LLC (the "Incremental Term Lender") has agreed on the terms and conditions set forth herein and in the Existing Credit Agreement, to provide the full aggregate principal amount of the Incremental Term Loans;

WHEREAS, the Parent has requested that certain other amendments be made to the Existing Credit Agreement; and

WHEREAS, the Required Lenders on the terms and conditions set forth herein are willing to provide the requested consent and agree to the amendment set forth herein.

NOW, THEREFORE, in consideration of the premises and mutual covenants contained herein, and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

I. DEFINED TERMS

Terms defined in the Credit Agreement and not defined herein are used herein as defined therein.

II. INCREMENTAL TERM LOANS

(a) Subject to and upon the terms and conditions set forth herein, the Incremental Term Lender severally agrees to make, on the Increase Effective Date, an Incremental Term Loan in dollars to the Parent in an amount equal to the commitment amount set forth next to the Incremental Term Lender's name in Schedule I hereto under the caption "Incremental Term Commitment"; provided that the Incremental Term Loans shall each constitute the same Class of Term Loans under the Credit Agreement as the Initial Term Loans made prior to the date hereof (the "Existing Initial Term Loans") and shall be fungible with the Existing Initial Term Loans. Except as necessary to give effect to the provisions of clauses (b) through (h) below, the Incremental Term Loans shall be "Loans", "Term Loans", "Initial Term Loans" and "Incremental Term Loans" for all purposes of the Credit Agreement and the other Loan Documents. The Incremental Term Loans may be repaid or prepaid in the same manner as the Initial Term Loans in accordance with the provisions of the Credit Agreement and this Agreement, but once repaid or prepaid may not be reborrowed.

(b) The proceeds of the Incremental Term Loans shall be used to repay outstanding amounts under (a) that certain Senior Secured Bridge to 5Y Notes Credit Agreement, dated as of October 12, 2022 and (b) that certain Senior Secured Bridge to 7Y Notes Credit Agreement, dated as of October 12, 2022, in each case with the Parent and Co-Borrower as borrowers and JPMorgan Chase Bank, N.A., as administrative agent (the "Bridge Facilities").

(c) The aggregate principal amount of the Incremental Term Loans made on the Increase Effective Date shall be $350,000,000.

(d) The Incremental Term Lender shall make the entire Incremental Term Loan on the Increase Effective Date by wire transfer of immediately available funds by 12:00 p.m., New York City time, to the account of the Administrative Agent most recently designated by it for such purpose by notice to the Lenders. Upon satisfaction or waiver of the applicable conditions precedent specified herein, the Administrative Agent will make the Incremental Term Loans available to the Borrowers by promptly crediting the proceeds so received, in like funds, to an account designated by the Borrowers in the applicable borrowing notice.

(e) Maturity. The maturity date in respect of the Incremental Term Loans (the "Incremental Term Loan Maturity Date") shall be the Maturity Date in respect of the Existing Initial Term Loans as set forth in the definition "Maturity Date" in the Credit Agreement.

(f) Interest. The Incremental Term Loans shall accrue interest on the same basis, and with the same Applicable Margin, as the Existing Initial Term Loans. The Incremental Term Loans shall have the same Interest Period and Interest Payment Date as the Existing Initial Term Loans (it being understood that, as of the Increase Effective Date, the Incremental Term Loans shall constitute Term Benchmark Loans having an initial Interest Period ending on the last day of the last day of the initial Interest Period applicable to the Existing Initial Term Loans). For the avoidance of doubt, upon the payment of all accrued and unpaid interest to but excluding the Increase Effective Date on the Existing Initial Term Loans on the Increase Effective Date, the duration, the Interest Payment Date and the Adjusted Term SOFR Rate applicable to the Interest Period that commenced on the Closing Date (the "Initial Interest Period") shall each remain unchanged, and following the Increase Effective Date, (i) the Initial Interest Period shall end on the same date that the Initial Interest Period would have ended on had no payment of interest been made on the Increase Effective Date and (ii) the interest on the Initial Term Loans (constituting the Existing Initial Term Loans and the Incremental Term Loans) for the remaining Initial Interest Period shall be (x) calculated using such unchanged Adjusted Term SOFR Rate and (y) payable on the same Interest Payment Date applicable to the Initial Interest Period had no payment of interest been made on the Increase Effective Date.

(g) Amortization. Commencing with the fiscal quarter ending March 31, 2023, the Incremental Term Loans shall be repayable in equal quarterly installments such that the amount repaid in each such quarterly installment is equal to 0.25% of the original aggregate principal amount of the Incremental Term Loans (as such amounts may be reduced pursuant to Section 2.09 and Section 2.10 of the Credit Agreement, as applicable) on the same dates as for the Existing Initial Term Loans as set forth in Section 2.08(a) of the Credit Agreement. The balance of the Incremental Term Loans will be repayable on the Incremental Term Loan Maturity Date.

(h) Guarantees and Security. The Incremental Term Loans shall (i) benefit from the same guarantees as the Guarantees in respect of the Existing Initial Term Loans, (ii) be secured by Liens on the Collateral on a pari passu basis with the Liens on the Collateral securing the Existing Initial Term Loans and (iii) be pari passu in right of payment with the Existing Initial Term Loans.

(i) Other Terms of Incremental Term Loans. Except as expressly set forth herein, the Incremental Term Loans shall have the same terms and conditions as the Existing Initial Term Loans and shall be "Initial Term Loans" for all purposes under the Credit Agreement and the other Loan Documents.

III. AMENDMENTS

(a) The definition "Conversion Date Indebtedness" in the Credit Agreement is hereby amended and restated in its entirety as follows:

> "Conversion Date Indebtedness" shall mean (a) Priority Lien Debt in an aggregate principal amount not to exceed $[*], which Indebtedness is incurred solely to either (i) make payments required to unsecured creditors pursuant to the Reorganization Plan in connection with the Conversion Date or (ii) refinance any payment made pursuant to clause (i) above or (b) Permitted Refinancing Indebtedness in respect of any Priority Lien Debt incurred on the Closing Date.

(b) The definition "Initial Term Loans" in the Credit Agreement is hereby amended and restated in its entirety as follows:

> "Initial Term Loans" shall mean (a) the Term Loans incurred by the Borrowers on the Closing Date in an amount not to exceed the aggregate amount of the Term Loan Commitments set forth on Annex A attached hereto and (b) any the Incremental Term Loans incurred by the Borrower following the Closing Date and designated as an "Initial Term Loan" by the relevant Increase Joinder (it being understood that any references to Initial Term Loans being made on the Closing Date shall refer solely to the Term Loans referred to in clause (a) of this definition).

(c) The following definition of "Term Loan Commitment" is hereby amended and restated in its entirety as follows:

"Term Loan Commitment" shall mean the commitment of each Term Lender to make Term Loans hereunder, as the same may be changed from time to time pursuant to the terms hereof and, in the case of the Initial Term Loans on the Closing Date, in an aggregate principal amount equal to the amount set forth under the heading "Term Loan Commitment" opposite its name in Annex A hereto or in the Assignment and Acceptance pursuant to which such Term Lender became a party hereto. The aggregate amount of the Term Loan Commitments as of the Closing Date is $750.0 million of Initial Term Loans.

(d) Section 2.01(a) ("Closing Date; Term Loan Commitments") in the Credit Agreement is hereby amended and restated in its entirety as follows:

Closing Date; Term Loan Commitments. Each Term Lender severally, and not jointly with the other Term Lenders, agrees, upon the terms and subject to the conditions herein set forth, to make an Initial Term Loan denominated in Dollars to the Borrowers on the Closing Date in an aggregate principal amount equal to the Term Loan Commitment of such Term Lender as of the Closing Date, which Initial Term Loans shall constitute Term Loans for all purposes of this Agreement and shall be repaid in accordance with the provisions of this Agreement. Any amount borrowed under this Section 2.01(a) and subsequently repaid or prepaid may not be reborrowed. Each Term Lender's Term Loan Commitment as of the Closing Date shall terminate automatically and without further action on the Closing Date after giving effect to the funding by such Term Lender of the Initial Term Loans to be made by it on such date and permanently be reduced to $0 upon the funding of the Commitment on the Closing Date.

(e) Both instances of the term "New Low Tax Jurisdiction Entity" in Section 10.02(e) in the Credit Agreement shall be replaced with "Low Tax Jurisdiction Entity."

IV. ACKNOWLEDGEMENT OF INCREMENTAL TERM LENDER

The Incremental Term Lender represents and warrants that it has full power and authority, and has taken all action necessary, to execute and deliver this Agreement and to consummate the transactions contemplated hereby.

V. EFFECT ON THE LOAN DOCUMENTS

Except as expressly provided herein, (a) the Incremental Term Loans shall be subject to the provisions of the Credit Agreement and the other Loan Documents that apply to "Loans", "Term Loans", "Initial Term Loans" and "Incremental Term Loans" thereunder and (b) all of the terms and provisions of the Credit Agreement and the other Loan Documents are and shall remain in full force and effect. This Agreement shall constitute an "Increase Joinder" and a "Loan Document" for all purposes of the Credit Agreement and the other Loan Documents. Provisions of this Agreement are deemed incorporated into the Credit Agreement as if fully set forth therein.

VI. CONDITIONS

This Agreement shall become effective on the date of satisfaction or waiver of the following conditions precedent (such date, the "Increase Effective Date"):

(a) The Administrative Agent shall have received (i) executed signature pages to this Agreement from the Parent, the Co-Borrower, each other Loan Party party hereto, the Administrative Agent, the Incremental Term Lender and the Required Lenders, (ii) a notice, duly executed by the Parent, setting forth the information required pursuant to Section 2.22(a) of the Credit Agreement requesting the borrowing of the Incremental Term Loans on the Increase Effective Date (it being understood that such notice, satisfying the requirements of Section 2.22(a) of the Credit Agreement, had already been received by Administrative Agent as of the date hereof).

(b) The Administrative Agent shall have received a written opinion (addressed to the Administrative Agent and the Lenders and dated as of the Increase Effective Date) of Cleary Gottlieb Steen & Hamilton LLP and from counsel in each jurisdiction in which a Borrower is organized in form and substance reasonably satisfactory to the Administrative Agent. The Parent hereby requests such counsel to deliver such opinion.

(c) The Administrative Agent shall have received such documents and certificates substantially consistent with those delivered pursuant to Sections 4.01(e) of the Existing Credit Agreement and otherwise as the Administrative Agent or its counsel may reasonably request relating to the organization, existence and good standing of the Borrowers and the authorization of the borrowing of the Incremental Term Loans, all in form and substance satisfactory to the Administrative Agent.

(d) The Administrative Agent shall have received a customary certificate, in form and substance reasonably satisfactory to the Administrative Agent, dated the Increase Effective Date and signed by an authorized officer of the Parent, certifying compliance with the conditions set forth in clauses (f), (g) and (h) below.

(e) The Administrative Agent shall have received, or shall have been authorized by the Parent to deduct from the proceeds of the Incremental Term Loans, all fees and other amounts due and payable on or prior to the Increase Effective Date, including, to the extent invoiced at least five (5) Business Days prior to the Increase Effective Date, reimbursement or payment of all reasonable out-of-pocket expenses (including fees, charges and disbursements of one counsel in each applicable jurisdiction) required to be reimbursed or paid by any Loan Party hereunder or under any Loan Document. In addition, the Borrowers shall have executed and delivered a Funds Flow Direction Letter to the Administrative Agent instructing the Administrative Agent as to the flow of the proceeds of the Incremental Term Loans on the Increase Effective Date.

(f) No Event of Default has occurred and is continuing or would result from giving effect to the increased Commitments on, or the making of the Incremental Term Loans on, such Increase Effective Date.

(g) After giving Pro Forma Effect to the increased Commitments and the Incremental Term Loans to be made on the Increase Effective Date, the aggregate principal amount of the sum of all Priority Lien Debt and, without duplication, all Senior Priority Refinancing Indebtedness (including, in each case, without duplication of any outstanding principal amounts, the amount of any unfunded commitments under a revolving credit facility as of such date) will not exceed the greater of (A) $3.5 billion and (B) such an amount that would cause the Asset Coverage Ratio to be equal to 2.35 to 1.0.

(h) The representations and warranties of the Loan Parties set forth in the Loan Documents are true and correct in all material respects as though made on the Increase Effective Date, except to the extent that any such representation or warranty expressly relates to a specified date, in which case, shall be true and correct in all material respects as though made as of such date (provided that any representation or warranty that is qualified by materiality or "Material Adverse Effect" shall be true and correct in all respects as of the applicable date, before and after giving effect to the Incremental Term Loans). Notwithstanding anything herein or any other Loan Document to the contrary, for purposes of this Section 6(h), the representations and warranties contained in Section 3.04 of the Credit Agreement shall be deemed to refer to the "Increase Effective Date" instead of the "Closing Date".

(i) Substantially concurrently with the Increase Effective Date, (A) the Bridge Facilities shall have been paid in full, (B) the Conversion Date shall have occurred and (C) the Administrative Agent shall have received the Conversion Date Certificate pursuant to the terms of the Credit Agreement.

(j) The Parent shall pay all accrued and unpaid interest to but excluding the Increase Effective Date on the Existing Initial Term Loans on the Increase Effective Date.

VII. REAFFIRMATION

By signing this Agreement, each Loan Party hereby confirms that (a) its obligations and liabilities under the Credit Agreement (including with respect to the Incremental Term Loans contemplated by this Agreement) and the other Loan Documents to which it is a party remain in full force and effect on a continuous basis after giving effect to this Agreement, (b) the Secured Parties remain entitled to the benefits of the Guarantees and the security interests set forth or created in the Security Documents and the other Loan Documents and (c) notwithstanding the effectiveness of the terms hereof, the Security Documents and the other Loan Documents are, and shall continue to be, in full force and effect and are hereby ratified and confirmed in all respects. Each Loan Party ratifies and confirms that all Liens granted, conveyed, or assigned to any Agent by such Person pursuant to each Loan Document to which it is a party remain in full force and effect, are not released or reduced, and continue to secure full payment and performance of the Obligations as increased hereby.

VIII. EXPENSES

The Parent agrees to pay and reimburse the Administrative Agent for all its reasonable costs and out-of-pocket expenses incurred in connection with the preparation and delivery of this Agreement, including, without limitation, the reasonable and invoiced fees, charges and disbursements of one counsel in each relevant local jurisdiction to the Administrative Agent.

IX. MISCELLANEOUS

(a) This Agreement is binding and enforceable as of the date hereof against each party hereto and its successors and permitted assigns.

(b) THIS AGREEMENT SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAW OF THE STATE OF NEW YORK WITHOUT GIVING EFFECT TO APPLICABLE PRINCIPLES OF CONFLICTS OF LAW TO THE EXTENT THAT THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION WOULD BE REQUIRED THEREBY AND, DURING ANY BANKRUPTCY EVENT, INCLUDING PRIOR TO THE CONVERSION DATE, THE BANKRUPTCY CODE.

(c) Section 10.05 of the Existing Credit Agreement shall be incorporated, *mutatis mutandis*, by reference herein and shall have the same force and effect with respect to this Agreement as if fully set forth herein.

(d) This Agreement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement constitutes the entire contract among the parties relating to the subject matter hereof and supersedes any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. The words "execution," "signed," "signature," "delivery," and words of like import in or relating to this Amendment and/or any document to be signed in connection with this Amendment and the transactions contemplated hereby shall be deemed to include Electronic Signatures (as defined below), as well as deliveries or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be. As used herein, "Electronic Signatures" means any electronic symbol or process attached to, or associated with, any contract or other record and adopted by a person with the intent to sign, authenticate or accept such contract or record. Delivery of an executed signature page of this Amendment by email or facsimile transmission (or other electronic transmission) shall be effective as delivery of a manually executed counterpart hereof.

[Signature Pages Follow.]

LATAM AIRLINES GROUP S.A.

By: /s/ Andres del Valle Eitel
Name: Andres del Valle Eitel
Title: Attorney-in-Fact

PROFESSIONAL AIRLINE SERVICES, INC.

By: /s/ Paola Peñarete
Name: Paola Peñarete
Title: President

[*]

Exhibit 4.48

[Certain confidential portions of this exhibit have been redacted pursuant to 4(a) of the Instructions as to Exhibits of Form 20-F. The omitted information (i) is not material and (ii) is the type of information the Company treats as private or confidential. In addition, schedules and similar attachments to this exhibit have been omitted pursuant to the Instructions as to Exhibits of Form 20-F.]

LATAM AIRLINES GROUP S.A.
PROFESSIONAL AIRLINE SERVICES, INC.

EACH OF THE GUARANTORS PARTY HERETO

13.375% SENIOR SECURED NOTES DUE 2027

INDENTURE

Dated as of October 18, 2022

Wilmington Trust, National Association
as Trustee

and

Wilmington Trust, National Association
as Collateral Trustee

TABLE OF CONTENTS

INDENTURE dated as of October 18, 2022, among LATAM Airlines Group S.A., a Chilean *sociedad anónima* (the "Chilean Issuer"), Professional Airline Services, Inc., a Florida corporation (the "U.S. Co-Issuer" and, together with the Chilean Issuer, the "Issuers"), each of the Guarantors party hereto and Wilmington Trust, National Association, as trustee and as collateral trustee.

Each Issuer, each Guarantor, the Trustee and the Collateral Trustee agree as follows for the benefit of each other and for the equal and ratable benefit of the Holders (as defined herein) of the 13.375% Senior Secured Notes due 2027 (the "Notes"):

ARTICLE 1

DEFINITIONS AND INCORPORATION BY REFERENCE

Section 1.01. Definitions.

From the Issue Date and for so long as any of the Notes remain outstanding until the Exit Conversion Date, the definitions set out in Annex A hereto shall apply to the covenants in Annex B hereto and the Events of Default in Annex C hereto.

"144A Global Note" means a Global Note substantially in the form of Exhibit A hereto bearing the Global Note Legend and the Private Placement Legend and deposited with or on behalf of, and registered in the name of, the Depositary or its nominee that will be issued in a denomination equal to the outstanding principal amount of the Notes sold in reliance on Rule 144A.

"2027 Bridge Loan Administrative Agent" shall have the meaning assigned to such term in the Collateral Trust Agreement.

"2027 Bridge Loan Credit Agreement" means the Senior Secured Bridge to 5Y Notes Credit Agreement, dated as of October 12, 2022, among the Chilean Issuer, each guarantor party thereto from time to time, the 2027 Bridge Loan Administrative Agent and the Collateral Trustee.

"2027 Bridge Loans" shall mean the "Bridge Loans" as defined in the 2027 Bridge Loan Credit Agreement.

"2027 Exchange Notes" shall have the meaning assigned to such term in the 2027 Bridge Loan Credit Agreement.

"2027 Exchange Notes Indenture" shall mean the "Exchange Notes Indenture" as defined in the 2027 Bridge Loan Credit Agreement.

"2027 Notes Documents" means the Notes, this Indenture, the Security Documents and any other instrument or agreement (which is designated as a 2027 Notes Document herein and therein) executed and delivered by an Issuer or a Guarantor to the Trustee, the Collateral Trustee or a Local Collateral Agent, in each case, as the same may be amended, restated, modified, supplemented, extended or amended and restated from time to time in accordance with the terms hereof.

"2027 Notes Obligations" means Obligations with respect to the Notes, the related Note Guarantees and under this Indenture.

"2027 Securities" shall have the meaning assigned to such term in the 2027 Bridge Loan Credit Agreement.

"2029 Bridge Loan Administrative Agent" shall have the meaning assigned to such term in the Collateral Trust Agreement.

"2029 Bridge Loan Credit Agreement" means the Senior Secured Bridge to 7Y Notes Credit Agreement, dated as of October 12, 2022, among the Chilean Issuer, each guarantor party thereto from time to time, the 2029 Bridge Loan Administrative Agent and the Collateral Trustee.

"2029 Bridge Loans" shall mean the "Bridge Loans" as defined in the 2029 Bridge Loan Credit Agreement.

"2029 Exchange Notes" shall have the meaning assigned to such term in the 2029 Bridge Loan Credit Agreement.

"2029 Exchange Notes Indenture" shall mean the "Exchange Notes Indenture" as defined in the 2029 Bridge Loan Credit Agreement.

"2029 Notes" means the Issuers' 13.375% Senior Secured Notes due 2029.

"2029 Notes Indenture" means the indenture, dated as of October 18, 2022, by and among the Issuers, the Guarantors, Wilmington Trust, National Association, as trustee, and Wilmington Trust, National Association, as collateral trustee, pursuant to which the 2029 Notes were issued.

"2029 Notes Obligations" means Obligations with respect to the 2029 Notes, the related note guarantees under the 2029 Notes Indenture and under the 2029 Notes Indenture.

"2029 Securities" shall have the meaning assigned to such term in the 2029 Bridge Loan Credit Agreement.

"2029 Trustee" means Wilmington Trust, National Association, as trustee under the 2029 Notes Indenture.

"Acceptable Letter of Credit" means an irrevocable standby letter of credit on customary terms issued by a bank or branch having a long term unsecured debt rating of at least [*] (or the equivalent) or better by S&P, Moody's or Fitch and drawable by the applicable Priority Lien Representative or Collateral Trustee, as applicable, upon presentation in New York.

"Account" means all "accounts" as defined in the UCC, and all rights to payment for interest (other than with respect to debt and credit card receivables).

"Additional Collateral" means any of the following assets pledged or mortgaged to the Collateral Trustee or a Local Collateral Agent, as applicable, after the Issue Date which would not have automatically been pledged or mortgaged pursuant to the Security Documents in existence as of the Issue Date without modifying such Security Documents or entering into new Security Documents not then in existence: (a) any category of Collateral set forth in the Security Documents as of the Issue Date (provided that any Slots or Gate Leaseholds pledged as Additional Collateral shall be at an Eligible Airport), (b) Aircraft, Engines, Spare Parts, Appliances or Parts, or (c) any other assets acceptable to the Controlling Representative (it being understood that cash, Cash Equivalents and Receivables shall be acceptable to the Controlling Representative), which in each case shall (i) be valued by a new Appraisal at the time the Chilean Issuer designates such assets as Additional Collateral (except for any cash or Cash Equivalents), (ii) as of the date such assets are added as Collateral, be subject, to the extent purported to be created by the applicable Security Documents, to a perfected first priority Lien in favor of the Collateral Trustee (or a sub-trustee or sub-agent designated pursuant to the applicable Security Document) or a Local Collateral Agent, as applicable, for the benefit of the Secured Parties and otherwise subject only to Permitted Liens (other than Liens referred to in clause (5) and (13) of the definition of Permitted Liens in effect as of the Issue Date).

"Additional Notes" means Notes (other than the Initial Notes) issued under this Indenture in accordance with Sections 2.02, 2.14 and 4.09 hereof which shall have identical terms as the Initial Notes, other than with respect to the date of issuance and issue price.

"Additional Obligors" means, collectively, TAM S.A., Tam Linhas Aereas S.A., Prismah Fidelidade Ltda., Fidelidade de Viagens e Turismo S.A., TP Franchising Ltda., ABSA Aerolinhas Brasileiras S.A. and Holdco I S.A.

"Additional Priority Lien Debt" means additional Priority Secured Debt permitted to be incurred under each applicable Priority Lien Document to be secured by a Priority Lien equally and ratably with all previous existing and future Priority Secured Debt.

"Affiliate" means, as to any Person, any other Person which, directly or indirectly, is in control of, is controlled by, or is under common control with, such Person. For purposes of this definition, a Person (a "Controlled Person") shall be deemed to be "controlled by" another Person (a "Controlling Person") if the Controlling Person possesses, directly or indirectly, power to direct or cause the direction of the management and policies of the Controlled Person whether by contract or otherwise; provided that (i) beneficial ownership by any "person" or "group" of 10% or more of the Voting Stock of a Person shall be deemed to be control and (ii) the terms "person," "group" and "beneficial owner" shall have the meanings ascribed to them when such terms are used pursuant to Sections 13(d), Section 14(d) and Rule 13d-3 of the Exchange Act, respectively.

"Agent" means any Registrar, co-registrar, Paying Agent or additional paying agent.

"Aggregate Exposure" shall mean, with respect to any Holder at any time, an amount equal to the sum of the amount of such Holder's Notes then outstanding.

"Aggregate Exposure Percentage" shall mean, with respect to any Holder at any time, the ratio (expressed as a percentage) of such Holder's Aggregate Exposure at such time to the Aggregate Exposure of all Holders at such time.

"Air Carrier Entity" means the Chilean Issuer and each other Guarantor that owns or operates Aircraft.

"Aircraft" means any contrivance invented, used, or designed to navigate, or fly in, the air, including, without duplication, the airframes related thereto.

"Aircraft Financing" means (i) any indebtedness, guarantee, finance lease, operating lease, sale and lease back or other financing arrangements (including any bonds, debentures, notes or similar instruments) in respect of or secured by Engines, Spare Parts, Aircraft, airframes or Appliances, Parts, components, instruments, appurtenances, furnishings, other equipment installed on such Engines, Spare Parts, Aircraft, airframes or any other related assets, (ii) any financing arrangements assumed or incurred in connection with the acquisition, construction (including any pre-delivery payments in connection with such acquisition or construction), modifications or improvement of any Engines, Spare Parts, Aircraft, airframes or Appliances, Parts, components, instruments, appurtenances, furnishings, other equipment installed on such Engines, Spare Parts, Aircraft, airframes or any other related assets, and (iii) extensions, renewals and replacements of such financing arrangements under clauses (i) and (ii); provided that, in each case under clauses (i), (ii) or (iii), such financing arrangement, if secured, is secured on a usual and customary basis (which may include the collateralization thereof with cash, Cash Equivalents or letters of credit) as determined by the Chilean Issuer in good faith for such financing arrangement or Indebtedness in respect of Engines, Spare Parts, Aircraft, airframes or Appliances, Parts, components, instruments, appurtenances, furnishings, other equipment installed on such Engines, Spare Parts, Aircraft, airframes or any other related assets.

"Aircraft Financing Related Cargo Business Assets" means assets described in clauses (a) and (b) of the definition of Cargo Business Assets.

"Airport Authority" means any city or any public or private board or other body or organization chartered or otherwise established for the purpose of administering, operating or managing airports or related facilities, which in each case is an owner, administrator, operator or manager of one or more airports or related facilities.

"Anti-Corruption Laws" means all applicable anti-corruption and anti-bribery laws, rules and regulations of any jurisdiction from time to time, including, without limitation, the U.S. Foreign Corrupt Practices Act of 1977, as amended.

"Anti-Money Laundering Laws" means any and all laws, rules and regulations of any jurisdiction applicable to the Chilean Issuer or its Subsidiaries or Affiliates from time to time concerning or relating to terrorism financing, money laundering or any predicate crime to money laundering, including, without limitation, any applicable provision of the Patriot Act and The Currency and Foreign Transactions Reporting Act (also known as the "Bank Secrecy Act," 31 U.S.C. §§ 5311-5330 and 12 U.S.C. §§ 1818(s), 1820(b) and 1951-1959).

"Appliance" means any instrument, equipment, apparatus, part, appurtenance or accessory used, capable of being used, or intended to be used, in operating or controlling Aircraft in flight, including a parachute, communication equipment and another mechanism installed in or attached to an Aircraft during flight, and not a part of an Aircraft or Engine.

"Applicable Premium" means, with respect to any Note on any applicable Redemption Date, the greater of:

(A) 1.0% of the principal amount of such Note; and

(B) the excess (to the extent positive) of:

(a) the present value at such Redemption Date of (i) the redemption price of such Note at the First Call Date (such redemption price (expressed in percentage of principal amount) being set forth in Section 3.07(d) hereof (excluding accrued but unpaid Special Interest and other interest, if any)), plus (ii) all required interest payments due on such Note to and including such date set forth in clause (i) (excluding accrued but unpaid interest, if any), computed upon the Redemption Date using a discount rate equal to the Applicable Treasury Rate at such Redemption Date plus 50 basis points; over

(b) the outstanding principal amount of such Note,

in each case, as calculated by the Issuers or on behalf of the Issuers by such Person as the Issuers shall designate. The Trustee shall have no duty to calculate or verify the calculations of the Applicable Premium.

"Applicable Procedures" means, with respect to any transfer or exchange of or for beneficial interests in any Global Note, the rules and procedures of the Depositary, Euroclear and Clearstream that apply to such transfer or exchange.

"Applicable Treasury Rate" means the weekly average for each Business Day during the most recent week that has ended at least two Business Days prior to the Redemption Date of the yield to maturity at the time of computation of United States Treasury securities with a constant maturity (as compiled and published in the Federal Reserve Statistical Release H.15 (or, if such statistical release is not so published or available, any publicly available source of similar market data selected by the Issuers in good faith)) most nearly equal to the period from the Redemption Date to the First Call Date; provided, however, that if the period from the Redemption Date to the First Call Date is not equal to the constant maturity of a United States Treasury security for which a yield is given, the Applicable Treasury Rate shall be obtained by linear interpolation (calculated to the nearest one-twelfth of a year) from the yields of United States Treasury securities for which such yields are given, except that if the period from the Redemption Date to such applicable date is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year shall be used.

"Appraisal" means (a) the Initial Appraisals, (b) any other appraisal (a "Subsequent Appraisal"), certifying, at the time of determination, in reasonable detail the Appraised Value of the Coverage Assets that are the subject thereof, which is prepared by either, at the option of the Chilean Issuer, (i) an Initial Appraiser and any successor thereof (including any appraiser whose employees or principals previously appraised the relevant Coverage Assets) but solely in respect of asset classes assigned to such Initial Appraiser in the definition thereof or (ii) another independent appraisal firm appointed by the Chilean Issuer in good faith; provided that, (x) in the case of Pledged SGR, the methodology and form of presentation of such Subsequent Appraisal are consistent in all material respects with the methodology and form of presentation of the Initial Appraisal applicable to such type of Coverage Assets, or which, as to any deviations from such methodology (including as to discount rate and terminal value growth rate) and/or form of presentation, are otherwise in form and substance consistent with market practice for assets of such type in a manner as determined by the Chilean Issuer in good faith or (y) in the case of assets other than Pledged SGR, the Subsequent Appraisal sets forth the Fair Market Value thereof in a manner consistent with market practice for assets of such type as determined by the Chilean Issuer in good faith.

"Appraised Value" means, as of any date of determination, the sum of the aggregate value of all Coverage Assets as of such date, as reflected in the most recent Appraisals delivered to the Trustee in respect of such Coverage Assets in accordance with this Indenture as of that date (for the avoidance of doubt, calculated after giving effect to any additions to or eliminations from the Coverage Assets since the date of delivery of such Appraisal); provided that (i) if any Pledged Slots at an airport have been added to or eliminated from the Coverage Assets since the most recent Appraisal of the Pledged Slots at such airport and such most recent Appraisal assigned differing Appraised Values to Pledged Slots at such airport based on the criteria set forth in such most recent Appraisal, such added or eliminated Pledged Slots at such airport shall, for purposes of determining the Appraised Value of all remaining Pledged Slots at such airport (including any added Pledged Slots as the case may be), be assigned an Appraised Value in accordance with such criteria set forth in such most recent Appraisal (and for clarity, such assignment of Appraised Value to such added or eliminated Pledged Slots shall not otherwise impact the Appraised Value of any other Pledged Slots at such airport), and (ii) when used in reference to any particular Coverage Asset, "Appraised Value" shall mean the value of such Coverage Asset as reflected in such most recent Appraisal of such Coverage Asset; provided that if at the relevant time the Chilean Issuer has not previously delivered to the Trustee an Appraisal of a specific Coverage Asset item (such as a single Route), but has delivered to the Trustee an Appraisal that includes the Appraised Value of a portion of the Coverage Assets (such as all Routes to a particular region) that includes such specific Coverage Asset item, the Chilean Issuer shall allocate the Appraised Value of such specific Coverage Asset item on a reasonable basis, and such allocated amounts shall be the Appraised Value of such specific Coverage Asset item, except that this proviso shall not be applicable in a case where this Indenture or other 2027 Notes Document expressly requires that the Issuers obtain an Appraisal in respect of such specific Coverage Asset item.

"Asset Coverage Ratio" means, as of any date, the ratio of (a) the Appraised Value of the Coverage Assets as of such date to (b) the sum of (i) the aggregate principal amount of all Priority Lien Debt as of such date (including, other than for purposes of Section 4.16 hereof, without duplication of any outstanding principal amounts, the amount of any unfunded commitments under all revolving credit facilities (including the Revolving Credit Agreement) of the Chilean Issuer and its Restricted Subsidiaries) plus (ii) without duplication, any Senior Priority Refinancing Indebtedness plus (iii) the aggregate outstanding amount of Currency under any Frequent Flyer Program as of such date that has been Disposed by the Chilean Issuer or any Restricted Subsidiary pursuant to a financing arrangement for cash in advance of such Currency being redeemed for goods or services provided by the Chilean Issuer or its Restricted Subsidiaries ("Pre-Sold Currency").

"Asset Coverage Test" means, with respect to the applicable Reference Date, the Asset Coverage Ratio will not be less than [*].

"Bankruptcy Code" means Title 11 of the United States Code (11 U.S.C. § 101 et seq.), as it has been, or may be, amended, from time to time.

"Bankruptcy Court" means the United States Bankruptcy Court for the Southern District of New York (together with any other court having jurisdiction over any of the Chapter 11 Cases or any proceeding therein from time to time).

"Bankruptcy Law" means the Bankruptcy Code or any similar federal or state law for the relief of debtors.

"Board of Directors" means the board of directors of the Chilean Issuer or any committee thereof duly authorized to act on behalf of the board of directors of the Chilean Issuer.

"Brazilian Engine Mortgage" shall have the meaning assigned to such term in the Collateral Trust Agreement.

"Business Day" means any day other than a Legal Holiday.

"Capital Lease Obligation" means, at the time any determination is to be made, the amount of the liability in respect of a capital lease that would at that time be required to be capitalized and reflected as a liability on a balance sheet prepared in accordance with IFRS, as in effect immediately prior to the adoption of IFRS 16 (Leases), and the Stated Maturity thereof shall be the date of the last payment of rent or any other amount due under such lease prior to the first date upon which such lease may be prepaid by the lessee without payment of a penalty.

"Capital Stock" means:

(1) in the case of a corporation, corporate stock;

(2) in the case of an association or business entity or exempted company, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock;

(3) in the case of a partnership or limited liability company, partnership interests (whether general or limited) or membership interests; and

(4) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person,

but excluding from all of the foregoing any debt securities convertible into Capital Stock, whether or not such debt securities include any right of participation with Capital Stock.

"Cargo Business Assets" means (a) all intercompany Aircraft leases in respect of freighter Aircraft used in the cargo business of the Chilean Issuer and its Restricted Subsidiaries, (b) all intercompany contracts providing rights to use the belly of passenger Aircraft for the cargo business of the Chilean Issuer and its Restricted Subsidiaries, (c) all accounts receivable in respect of the cargo business of the Chilean Issuer and its Restricted Subsidiaries and (d) all owned and leased real estate assets used in the cargo business of the Chilean Issuer and its Restricted Subsidiaries; provided that, for purposes of calculating the Asset Coverage Ratio and the Total Asset Coverage Ratio, the Cargo Business Assets shall not include any of the foregoing assets described in clauses (a) through (d) above to the extent owned or acquired by a Non-Guarantor Acquired Airline.

"Carve-Out" shall have the meaning given to it in the Final DIP Order.

"Cash Equivalents" means each of the following:

(1) direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States (or by any agency thereof to the extent such obligations are backed by the full faith and credit of the United States), in each case maturing within one (1) year from the date of acquisition thereof;

(2) each Acceptable Letter of Credit;

(3) investments in commercial paper maturing within 365 days from the date of acquisition thereof and having, at such date of acquisition, a rating of at least A-2 (or the equivalent thereof) from S&P or P-2 (or the equivalent thereof) from Moody's;

(4) investments in certificates of deposit (including investments made through an intermediary, such as the certificated deposit account registry service), banker's acceptances, time deposits, eurodollar time deposits and overnight bank deposits maturing within one (1) year from the date of acquisition thereof issued or guaranteed by or placed with, and money market deposit accounts issued or offered by, any domestic office of any commercial bank of recognized standing organized under the laws of the United States or any State thereof that has a combined capital and surplus and undivided profits of not less than [*];

(5) fully collateralized repurchase agreements with a term of not more than six (6) months for underlying securities that would otherwise be eligible for investment;

(6) investments in money in an investment company registered under the Investment Company Act of 1940, as amended, or in pooled accounts or funds offered through mutual funds, investment advisors, banks and brokerage houses which invest its assets in obligations of the type described in clauses (1) through (5) above. This could include, but not be limited to, money market funds or short-term and intermediate bonds funds;

(7) money market funds that (i) comply with the criteria set forth in SEC Rule 2a-7 under the Investment Company Act of 1940, as amended, (ii) are rated AAA (or the equivalent thereof) by S&P and Aaa (or the equivalent thereof) by Moody's and (iii) have portfolio assets of at least $5.0 billion;

(8) securities with maturities of one (1) year or less from the date of acquisition issued or fully guaranteed by any state, commonwealth or territory of the United States, by any political subdivision or taxing authority of any such state, commonwealth or territory or by any foreign government, the securities of which state, commonwealth, territory, political subdivision, taxing authority or foreign government (as the case may be) are rated at least A- by S&P or A3 by Moody's;

(9) any other securities or pools of securities that are classified under IFRS as Cash Equivalents or short-term investments on a balance sheet; and

(10) instruments or investments denominated in any currency that have a comparable tenor and credit quality to those referred to above (as determined by the Chilean Issuer in good faith) and (x) are customarily utilized in the countries in which such instrument is used or investment is made or (y) are consistent with the cash management practices of the Chilean Issuer (as determined by the Chilean Issuer in good faith).

"Cayman Companies Act" means the Companies Act (as revised) of the Cayman Islands.

"Cayman JPL Applications" means the applications pursuant to section 104(3) of the Cayman Companies Act for the appointment of the Cayman JPLs in furtherance of the Chapter 11 Cases.

"Cayman JPLs" means the joint provisional liquidators appointed by the Grand Court of the Cayman Islands with regard to LATAM Finance Limited and Peuco Finance Limited pursuant to the Cayman JPL Applications.

[*]

"Chapter 11 Case" or "Chapter 11 Cases" means the filing by the Obligors on the applicable Petition Date of voluntary petitions for relief under Chapter 11 of the Bankruptcy Code in the Bankruptcy Court.

"Chilean Debtors" means collectively the Chilean Issuer, HoldCo I.S.A., Lan Cargo S.A., Fast Air Almacenes de Carga S.A., Latam Travel Chile II S.A., Lan Cargo Inversiones S.A., Holdco Colombia I SpA, Holdco Colombia II SpA, Transporte Aéreo S.A., Inversiones Lan S.A., Lan Pax Group S.A., Technical Training LATAM S.A. and Holdco Ecuador S.A.

"Chilean Engine Pledge" shall have the meaning assigned to such term in the Collateral Trust Agreement.

"Chilean Recognition Proceeding" means the proceeding conducted before the Second Civil Court of Santiago, Chile, titled LATAM Airlines Group S.A./ Technical Training Latam S.A., Rol N° C-8.553-2020, concerning the recognition in Chile of the Chapter 11 Cases as foreign main insolvency proceedings pursuant to the Chilean Insolvency and Reorganization Law No. 20,720 (Ley de Insolvencia y Reemprendimiento) with respect to the Chilean Debtors.

"Clearstream" Clearstream Banking, société anonyme.

"Code" means the U.S. Internal Revenue Code of 1986, as amended from time to time.

"Collateral" means all assets and properties (real and personal) of the Issuers and the Guarantors now owned or hereafter acquired upon which Liens have been granted to the Collateral Trustee or a Local Collateral Agent, as applicable, to secure the 2027 Notes Obligations or any other Priority Lien Obligations, including without limitation any Additional Collateral and all of the "Collateral" as defined in (or such other equivalent term in the Security Documents), and pledged pursuant to, the Security Documents (but excluding all such assets and properties released from such Liens pursuant to the applicable Security Document), together with all proceeds of the foregoing (including, without limitation, proceeds from Dispositions of the foregoing).

"Collateral Trust Agreement" means that certain Collateral Trust Agreement dated as of October 12, 2022, among the Issuers and the Guarantors from time to time party thereto, the Term Loan Administrative Agent, the Revolver Administrative Agent, 2027 Bridge Loan Administrative Agent, the 2029 Bridge Loan Administrative Agent, the Collateral Trustee, each Local Collateral Agent from time to time party thereto and each other Priority Lien Representative (as defined in the Collateral Trust Agreement) from time to time party thereto, substantially in the form attached hereto as Exhibit F, as the same may be amended, restated, modified, supplemented, extended or amended and restated from time to time in accordance with the terms thereof.

"Collateral Trustee" means Wilmington Trust, National Association, in its capacity as Collateral Trustee under the Collateral Trust Agreement, together with its successors in such capacity.

"Colombian Engine Pledge" shall have the meaning assigned to such term in the Collateral Trust Agreement.

"Colombian Recognition Proceeding" means the recognition proceeding conducted before the Superintendence of Companies of Colombia, under legal record 20641 of 2020, whereby the Chapter 11 Cases have been recognized as foreign main insolvency proceedings pursuant to Title III of Law No. 1116 of 2006 by court order proffered in a 12 June of 2020 hearing.

"Commitment Date Reorganization Plan" shall mean the *Joint Plan of Reorganization of LATAM Airlines Group, S.A., et al. Under Chapter 11 of the Bankruptcy Code* [Docket No. 5331], without giving effect to any amendment, supplement or modification thereto.

"Confirmation Order" means the Order (I) Confirming Debtors' Joint Plan of Reorganization of LATAM Airlines Group S.A. et al. Under Chapter 11 of the Bankruptcy Code and (II) Granting Related Relief [Docket No. 5754] entered by the Bankruptcy Court on June 18, 2022, as amended, supplemented or modified from time to time after entry thereof in accordance with the terms hereto.

"Consolidated Liquidity" means, as of any date, the sum of (i) the Unrestricted Cash Amount as of such date, (ii) the aggregate principal amount committed and available to be drawn by the Chilean Issuer and its Restricted Subsidiaries (taking into account all borrowing base limitations, collateral coverage requirements and other restrictions on borrowing in effect as of such date) under all revolving credit facilities (including the Revolving Credit Agreement) of the Chilean Issuer and its Restricted Subsidiaries and (iii) the net proceeds, as determined by the Issuers in good faith (after giving effect to any expected repayment of existing indebtedness using such proceeds) of any offerings of "securities" (as defined under the Securities Act) in (a) a public offering registered under the Securities Act, or (b) an offering not required to be registered under the Securities Act (including, without limitation, a private placement under section 4(a)(2) of the Securities Act, an exempt offering pursuant to Rule 144A and/or Regulation S of the Securities Act and an offering of exempt securities) of the Chilean Issuer or any of its Restricted Subsidiaries that has priced but has not yet closed (until the earliest of the closing thereof, the termination thereof without closing or the date that falls five (5) Business Days after the initial scheduled closing date thereof).

"Consolidated Net Income" means, with respect to any specified Person for any period, the aggregate of the net income (or loss) of such Person and its Restricted Subsidiaries for such period, on a consolidated basis (excluding the net income (or loss) of any Unrestricted Subsidiary of such Person), determined in accordance with IFRS and without any reduction in respect of preferred stock dividends; provided that:

(1) all net after-tax extraordinary, non-recurring or unusual gains or losses and all gains or losses realized in connection with the Disposition of securities by such Person or the early extinguishment of Indebtedness of such Person, together with any related provision for Taxes on any such gain, will be excluded;

(2) the net income of any Unrestricted Subsidiary or any other Person that is not the specified Person or a Restricted Subsidiary or that is accounted for by the equity method of accounting will be included for such period only to the extent of the amount of dividends or similar distributions paid in cash to the specified Person or a Restricted Subsidiary of the specified Person;

(3) the net income of any Restricted Subsidiary will be excluded to the extent that the declaration or payment of dividends or similar distributions by that Restricted Subsidiary of that net income is not at the date of determination permitted (x) without any prior governmental approval (that has not been obtained) or (y) directly or indirectly, by operation of the terms of its charter or any agreement, instrument, judgment, decree, order, statute, rule or governmental regulation applicable to that Restricted Subsidiary or its stockholders;

(4) the cumulative effect of a change in accounting principles on such Person will be excluded;

(5) any non-cash compensation expense recorded from grants by such Person of stock appreciation or similar rights, stock options or other rights to officers, directors or employees, will be excluded;

(6) the effect on such Person of any non-cash items resulting from any amortization, write-up, writedown or write-off of assets (including intangible assets, goodwill and deferred financing costs) in connection with any acquisition, Disposition, merger, consolidation or similar transaction or any other non-cash impairment charges incurred subsequent to the Issue Date resulting from the application of Financial Accounting Standards Board Accounting Standards Codifications 205 – Presentation of Financial Statements, 350 – Intangibles – Goodwill and Other, 360 – Property, Plant and Equipment and 805 – Business Combinations or, to the extent applicable, the equivalent standard under IFRS (excluding any such non-cash item to the extent that it represents an accrual of or reserve for cash expenditures in any future period except to the extent such item is subsequently reversed), will in each case be excluded;

(7) any provision for income tax reflected on such Person's financial statements for such period will be excluded to the extent such provision exceeds the actual amount of taxes paid in cash during such period by such Person and its consolidated Subsidiaries;

(8) any gain (or loss) attributable to the mark to market movement in the valuation of hedging obligations or other derivative instruments pursuant to FASB Accounting Standards Codification 815 – Derivatives and Hedging or mark to market movement of other financial instruments pursuant to FASB Accounting Standards Codification 825 – Financial Instruments or, to the extent applicable, the equivalent standard under IFRS, will be excluded; provided that any cash payments or receipts relating to transactions realized in a given period shall be taken into account in such period;

(9) any gain (or loss) on asset sales, disposals or abandonments (other than asset sales, disposals or abandonments in the ordinary course of business) or income (or loss) from closed or discontinued operations (but if such operations are classified as discontinued due to the fact that they are subject to an agreement to Dispose of such operations, only when and to the extent such operations are actually Disposed of) will be excluded; and

(10) any non-cash gain (or loss) related to currency remeasurements of Indebtedness (including the net loss or gain resulting from Currency Agreements and revaluations of intercompany balances or any other currency-related risk), unrealized or realized net foreign currency translation or transaction gains or losses impacting net income will be excluded.

"Consolidated Total Assets" means, as of any date of determination, the sum of the amounts that would appear on a consolidated balance sheet of the Chilean Issuer and its consolidated Restricted Subsidiaries as the total assets of the Chilean Issuer and its consolidated Restricted Subsidiaries in accordance with IFRS.

"Controlling Representative" shall have the meaning assigned to such term in the Collateral Trust Agreement.

"Corporate Trust Office of the Trustee" will be at the address of the Trustee specified in Section 13.01 hereof or such other address as to which the Trustee may give notice to the Issuers.

"Coverage Assets" means (a) the Frequent Flyer Program Assets of the Issuers and the Guarantors, (b) the Cargo Business Assets of the Issuers and the Guarantors, (c) Intellectual Property constituting Collateral, (d) Pledged Slots, Pledged Routes and Pledged Gate Leaseholds, in each case held at Eligible Airports and (e) any Additional Collateral not covered by the foregoing clauses.

"Credit Agreement" means each of the Revolving Credit Agreement, the Term Loan Credit Agreement, the 2027 Bridge Loan Credit Agreement, the 2029 Bridge Loan Credit Agreement and, prior to the Exit Conversion Date, the Junior DIP Credit Agreement.

"Credit Facilities" means, one or more debt facilities (including, without limitation, the Credit Agreements) or, commercial paper facilities, reimbursement agreements or other agreements providing for the extension of credit, or securities purchase agreements, indentures or similar agreements, whether secured or unsecured, in each case, with banks, insurance companies, financial institutions or other institutional lenders or investors providing for, or acting as initial purchasers of, revolving credit loans, term loans, receivables financing (including through the sale of receivables to such lenders or to special purpose entities formed to borrow from such lenders against such receivables) or, letters of credit, surety bonds, insurance products or the issuance and sale of securities, in each case, as amended, restated, modified, renewed, extended, refunded, replaced in any manner (whether upon or after termination or otherwise) or refinanced (including by means of sales of debt securities to institutional investors) in whole or in part from time to time.

"Currency" means miles, points and/or other units that are a medium of exchange constituting a convertible, virtual and private currency that is tradeable property and that can be sold or issued to persons.

"Currency Agreement" means any foreign exchange contract, currency swap agreement or other similar agreement or arrangement.

"Custodian" means the Trustee, as custodian with respect to the Notes in global form, or any successor entity thereto.

"Default" means any event that, unless cured or waived, is, or with the passage of time or the giving of notice or both would be, an Event of Default.

"Deferred Asset" shall have the meaning assigned to such term in the Pledge and Security Agreement.

"Definitive Note" means a certificated Note registered in the name of the Holder thereof and issued in accordance with Section 2.06 hereof, substantially in the applicable form of Exhibit A hereto except that such Note shall not bear the Global Note Legend and shall not have the "Schedule of Exchanges of Interests in the Global Note" attached thereto.

"Delta Airlines" means Delta Air Lines, Inc., a Delaware corporation.

"Deposit Account" shall have the meaning assigned to such term in the Pledge and Security Agreement.

"Deposit Account Control Agreement" shall have the meaning assigned to such term in the Pledge and Security Agreement.

"Depositary" means, with respect to the Notes issuable or issued in whole or in part in global form, the Person specified in Section 2.03 hereof as the Depositary with respect to the Notes, and any and all successors thereto appointed as depositary hereunder and having become such pursuant to the applicable provision of this Indenture.

"DIP Intercreditor Agreement" shall have the meaning assigned to such term in the Collateral Trust Agreement.

"Disbursement Account" means that certain deposit account number ending 9980 maintained by the Chilean Issuer at JPMorgan Chase Bank, N.A.

"Disposition" means, with respect to any property, any sale (including conditional sale), lease, sale and leaseback, conveyance, transfer or other disposition thereof (including by means of a Restricted Payment or an Investment). The terms "Dispose", "Disposes" and "Disposed of" shall have correlative meanings.

"Disqualified Stock" means, as determined for purposes of covenants herein with respect to the Notes, any Capital Stock that, by its terms (or by the terms of any security into which it is convertible, or for which it is exchangeable, in each case, at the option of the holder of the Capital Stock), or upon the happening of any event, matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise (other than as a result of a change of control or asset sale), is convertible or exchangeable for Indebtedness or Disqualified Stock, or is redeemable at the option of the holder of the Capital Stock, in whole or in part (other than as a result of a change of control or asset sale), on or prior to the date that is 91 days after the date on which the Notes mature. Notwithstanding the preceding sentence, any Capital Stock that would constitute Disqualified Stock solely because the holders of the Capital Stock have the right to require the Chilean Issuer to repurchase such Capital Stock upon the occurrence of a change of control or an asset sale will not constitute Disqualified Stock if the terms of such Capital Stock provide that the Chilean Issuer may not repurchase or redeem any such Capital Stock pursuant to such provisions unless such repurchase or redemption complies with Section 4.06. The amount of Disqualified Stock deemed to be outstanding at any time for purposes of this Indenture will be the maximum amount that the Chilean Issuer and its Restricted Subsidiaries may become obligated to pay upon the maturity of, or pursuant to any mandatory redemption provisions of, such Disqualified Stock, exclusive of accrued dividends.

"Dollar Equivalent" means, at any time, (a) with respect to any amount denominated in Dollars, such amount and (b) with respect to any amount denominated in any other currency, the equivalent amount thereof in Dollars as determined in accordance Section 1.04 hereof.

"Dollars" and "$" mean lawful money of the United States of America.

"DOT" means the U.S. Department of Transportation and any successor thereto.

"Eligible Airport" means John F. Kennedy International Airport, Heathrow Airport or any other airport proposed by the Chilean Issuer that is reasonably acceptable to the Controlling Representative.

"Engine" means an engine used, or intended to be used, to propel an Aircraft, including a Part, appurtenance, and accessory of such Engine and any records relating to such Engine.

"Engine Collateral Documents" shall have the meaning set forth in the Collateral Trust Agreement.

"Engine Mortgage" means, as the context may require a Chilean Engine Pledge, Colombian Engine Pledge, Peruvian Engine Pledge or Brazilian Engine Mortgage.

"Equity Interests" means Capital Stock and all warrants, options or other rights to acquire Capital Stock (but excluding any debt security that is convertible into, or exchangeable for, Capital Stock).

"Equity Offering" means (x) a sale of Capital Stock (other than through the issuance of Disqualified Stock or through an Excluded Contribution) other than (a) offerings registered on Form S-8 (or any successor form) under the Securities Act or any similar offering in other jurisdictions or other securities of the Chilean Issuer and (b) issuances of Capital Stock to any Subsidiary of the Chilean Issuer or (y) a cash equity contribution to the Chilean Issuer.

"ERISA Legend" means the legend set forth in Section 2.06(f)(3) hereof, which is required to be placed on all Global Notes issued under this Indenture.

"Euroclear" means Euroclear Bank, S.A./N.V., as operator of the Euroclear system.

"Event of Loss" means, with respect to any Collateral, any of the following events: (i) the destruction of or damage to such property that renders repair uneconomic or that renders such property permanently unfit for normal use; (ii) any damage or loss to or other circumstance with respect to such property that results in an insurance settlement with respect to such property on the basis of a total loss, or a constructive or arranged total loss; (iii) the confiscation or nationalization of, or requisition of title to such property by any Governmental Authority; (iv) the theft or disappearance of such property that shall have resulted in the loss of possession of such property by any Issuer or any Guarantor for a period in excess of thirty (30) days; or (v) the seizure of, detention of or requisition for use of, such property by any Governmental Authority that shall have resulted in the loss of possession of such property by any Issuer or any Guarantor and such requisition for use shall have continued beyond the earlier of (A) sixty (60) days and (B) the date of receipt of insurance or condemnation proceeds with respect thereto.

An Event of Loss shall be deemed to have occurred:

(1) in the case of an actual total loss, at 12 midnight (London time) on the actual date the relevant Collateral was lost;

(2) in the case of any of the events described in paragraph (i) of the definition of Event of Loss above (other than an actual total loss), upon the date of occurrence of such destruction, damage or rendering unfit;

(3) in the case of any of the events described in paragraph (ii) of the definition of Event of Loss above (other than an actual total loss), the date and time at which either a total loss is subsequently admitted by the insurers or a competent court or arbitration tribunal issues a judgment to the effect that a total loss has occurred;

(4) in the case of any of the events referred to in paragraph (iii) of the definition of Event of Loss above, upon the occurrence thereof; and

(5) in the case of any of the events referred to in paragraphs (iv) and (v) of the definition of Event of Loss above, upon the expiration of the period of time specified therein.

"Exchange Act" means the Securities Exchange Act of 1934, as amended.

"Exchange Rate" means, on any day, with respect to conversions from any Non-U.S. Currency to Dollars, (i) the rate of exchange for the purchase of Dollars with such Non-U.S. Currency last provided by Reuters on the Business Day (New York City time) immediately preceding the date of determination or (ii) if at the time of any such determination, no such rate pursuant to clause (i) is being provided, then the Chilean Issuer may, at its election, use any customary method that it reasonably determines in good faith is an appropriate substitute to determine such rate and shall promptly notify the Trustee of such substitute. The Chilean Issuer shall promptly provide the Trustee with the then current Exchange Rate used by the Chilean Issuer upon the Trustee's request therefor.

"Excluded Aircraft Subsidiary" means (a) any Subsidiary involved or contemplated to be involved in an Aircraft Financing, where substantially all of the assets of such Subsidiary consists of an interest in Aircraft (including airframes), Engines, Spare Parts, intercompany obligations, cash and/or Cash Equivalents and that owns no Significant Assets other than Aircraft Financing Related Cargo Business Assets as a result of the relevant Subsidiary being a party to an intercompany lease or contract and (b) any Subsidiary that owns the Equity Interest in one or more Subsidiaries referred to in clause (a) and no other material assets.

"Excluded Assets" shall have the meaning provided in the Pledge and Security Agreement.

"Excluded Contributions" means net cash proceeds received by the Chilean Issuer after the Exit Conversion Date from:

(1) contributions to its common equity capital (other than from any Subsidiary); or

(2) the sale (other than to a Subsidiary or to any management equity plan or stock option plan or any other management or employee benefit plan or agreement of the Chilean Issuer or any Subsidiary) of Qualifying Equity Interests,

in each case designated as Excluded Contributions pursuant to an Officer's Certificate executed on or around the date such capital contributions are made or the date such Equity Interests are sold, as the case may be. Excluded Contributions will not be considered to be net proceeds of Qualifying Equity Interests for purposes of Section 4.06(a)(iv)(3)(C) hereof.

"Excluded Subsidiary" means any Subsidiary of the Chilean Issuer (a) that is not or ceases to be a Subsidiary in which at least 85% of its capital stock is owned by the Chilean Issuer or another Subsidiary of the Chilean Issuer, other than due to a minority interest required to comply with a local ownership requirement; provided that this clause (i) shall not apply to [*], and any other Restricted Subsidiary of the Chilean Issuer that the Chilean Issuer may elect to exclude from time to time from the application of this clause (a) by written notice to the Trustee (which election may be subsequently revoked by the Chilean Issuer from time to time by written notice to the Trustee), (b) that is prohibited or restricted by applicable law, or regulation from being or becoming a Guarantor, (c) that is subject to any contract or other restrictions existing prior to the Issue Date or the date such entity is acquired by the Chilean Issuer or a Restricted Subsidiary of the Chilean Issuer, as applicable, that prohibits such Subsidiary from providing a Note Guarantee, (d) for which the Chilean Issuer and the Controlling Representative (with respect to the corresponding requirement under the applicable Priority Lien Documents) mutually agree that the granting or maintenance of a Note Guarantee by such Subsidiary would result in material adverse tax consequences to an Issuer or any of its Restricted Subsidiaries, (e) that is a captive insurance company, special purpose entity, securitization, receivables subsidiary, not-for-profit subsidiary or Excluded Aircraft Subsidiary, (f) that is a Non-Guarantor Acquired Airline or (g) at the election of the Chilean Issuer by written notice to the Trustee, [*] or any other Restricted Subsidiary of the Chilean Issuer that owns Significant Assets, in the good faith determination of the Chilean Issuer (i) in an aggregate amount not to exceed [*] and (ii) together with all other Restricted Subsidiaries excluded pursuant to this clause (g), in an aggregate amount not to exceed [*] (provided that any such election pursuant to this clause (g) may be subsequently revoked and reallocated to any other Restricted Subsidiary from time to time); provided, further, that "Excluded Subsidiary" shall not include any Designated Guarantor that becomes a Guarantor pursuant to Section 4.13 hereof for as long as such Subsidiary remains a Designated Guarantor.

"Exit Conditions" means the conditions set forth on Annex E hereto.

"Exit Conversion Anniversary Date" means the date that is one year after the Exit Conversion Date.

"Exit Conversion Date" means the date all the conditions on Annex E have been satisfied and the Officer's Certificate has been delivered as required in clause I. of Article 4 hereof.

"Exit Conversion Date Indebtedness" means Priority Lien Debt in an aggregate principal amount not to exceed [*], which Indebtedness is incurred solely to either (a) make payments required to unsecured creditors pursuant to the Reorganization Plan in connection with the Exit Conversion Date or (b) refinance any payment made pursuant to clause (a) above.

"FAA" means the Federal Aviation Administration of the United States of America and any successor thereto.

"Fair Market Value" means the value that would be paid by a willing buyer to an unaffiliated willing seller in a transaction not involving distress or necessity of either party, determined in good faith by the Board of Directors or an officer of the Chilean Issuer (unless otherwise provided in this Indenture); provided that the Board of Directors or such officer of the Chilean Issuer, as applicable, shall be permitted to consider the circumstances existing at such time (including, without limitation, economic or other conditions affecting the U.S. airline industry generally and any relevant legal compulsion, judicial proceeding or administrative order or the possibility thereof) in determining such Fair Market Value in connection with such transaction; and provided, further, that nothing herein shall be construed as a limitation of the fiduciary duties of the Board of Directors pursuant to applicable law.

"Final DIP Order" means the *Order (I) Authorizing the Debtors to (A) Obtain DIP and DIP-To-Exit Financing and (B) Grant Superpriority Administrative Expense Claims, and (II) Granting Related Relief* [Docket No. 5791] entered by the Bankruptcy Court on June 24, 2022.

"Fitch" means Fitch, Inc., also known as Fitch Ratings, and its successors.

"Flood Insurance Laws" means, collectively, (i) the National Flood Insurance Reform Act of 1994 (which comprehensively revised the National Flood Insurance Act of 1968 and the Flood Disaster Protection Act of 1973) as now or hereafter in effect or any successor statute thereto, (ii) the Flood Disaster Reform Act of 2004 as now or hereafter in effect or any successor statute thereto, and (iii) the Biggert-Waters Flood Insurance Reform Act of 2012 as now or hereafter in effect or any successor statute thereto.

"Frequent Flyer Program" means any customer loyalty program available to individuals that is operated, owned or controlled, directly or indirectly, by the Chilean Issuer or any of its Restricted Subsidiaries and which loyalty program grants members in such program Currency based on a member's purchasing behavior and that entitles a member to accrue and redeem such Currency for a benefit or reward, including flights and/or other goods and services.

"Frequent Flyer Program Agreements" means all currently existing, future and successor co-branding agreements, partnering agreements, airline-to-airline frequent flyer program agreements or similar agreements related to or entered into in connection with a Frequent Flyer Program.

"Frequent Flyer Program Assets" means (a) all Frequent Flyer Program Agreements, (b) Intellectual Property owned or purported to be owned, or later developed or acquired and owned or purported to be owned, by the Chilean Issuer or any of its Restricted Subsidiaries and required or necessary to operate a Frequent Flyer Program, (c) customer data (i) owned, or later developed or acquired and owned or purported to be owned, by the Chilean Issuer or any of its Restricted Subsidiaries and (ii) used, generated or produced as part of a Frequent Flyer Program (including a list of all members and profile data for each member), (d) all currently existing or future intercompany agreements governing the sale, transfer or redemption of Currency under any Frequent Flyer Program ("Intercompany Frequent Flyer Agreements") and (e) accounts receivable in respect of any Frequent Flyer Program, including accounts receivable arising under Frequent Flyer Program Agreements or Intercompany Frequent Flyer Agreements; provided that, for purposes of calculating the Asset Coverage Ratio and the Total Asset Coverage Ratio, as of any date of determination, the Frequent Flyer Program Assets shall not include any of the foregoing assets described in clauses (a) through (e) above to the extent owned or acquired by a Non-Guarantor Acquired Airline, as of such date.

"Fuel Hedging Agreement" means any spot, forward or option fuel price protection agreements and other types of fuel hedging agreements or economically similar arrangements designed to protect against or manage exposure to fluctuations in fuel prices.

"Gate Leaseholds" means, at any time, all of the right, title, privilege, interest and authority, now held or hereafter acquired, of any Issuer or any Guarantor in connection with the right to use or occupy holdroom and passenger boarding and deplaning space in an airport terminal at any airport at which such Issuer or such Guarantor conducts scheduled operations.

"Global Note Legend" means the legend set forth in Section 2.06(f)(2) hereof, which is required to be placed on all Global Notes issued under this Indenture.

"Global Notes" means, individually and collectively, each of the Restricted Global Notes and the Unrestricted Global Notes deposited with or on behalf of and registered in the name of the Depositary or its nominee, substantially in the form of Exhibit A hereto and that bears the Global Note Legend and that has the "Schedule of Exchanges of Interests in the Global Note" attached thereto, issued in accordance with Section 2.01 or 2.06(b)(3), 2.06(b)(4), 2.06(d)(2) or 2.06(d)(3).

"Governmental Authority" means the government of Chile, the United States of America, Peru, Colombia, Ecuador, Brazil and any other nation or any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank organization, or other entity exercising executive, legislative, judicial, taxing or regulatory powers or functions of or pertaining to government. Governmental Authority shall not include any Person in its capacity as an Airport Authority.

"Government Securities" means direct obligations of, or obligations guaranteed by, the United States of America, and the payment for which the United States pledges its full faith and credit.

"Guarantee" means a guarantee (other than (a) by endorsement of negotiable instruments for collection or (b) customary contractual indemnities, in each case in the ordinary course of business), direct or indirect, in any manner including, without limitation, by way of a pledge of assets or through letters of credit or reimbursement agreements in respect thereof, of all or any part of any Indebtedness (whether arising by virtue of partnership arrangements, or by agreements to keep-well, to purchase assets, goods, securities or services, to take or pay or to maintain financial statement conditions).

"Guarantor" means, collectively, each Subsidiary of the Chilean Issuer (including any Designated Guarantor) that is either (i) party to this Indenture on the Issue Date or (ii) becomes a guarantor pursuant to Section 4.13 hereof.

"Guaranty and Security Principles" shall have the meaning assigned to such term in the Collateral Trust Agreement.

"Hedging Agreement" means any Interest Rate Agreement, any Currency Agreement, any Fuel Hedging Agreement and any other derivative or hedging contract, agreement, confirmation or other similar transaction or arrangement that is entered into by any Issuer or any Guarantor, including any commodity or equity exchange, swap, collar, cap, floor, adjustable strike cap, adjustable strike corridor, cross-currency swap or forward rate agreement, spot or forward foreign currency or commodity purchase or sale, listed or over-the-counter option or similar derivative right related to any of the foregoing, non-deliverable forward or option, foreign currency swap agreement, currency exchange rate price hedging arrangement or other arrangement designed to protect against fluctuations in interest rates or currency exchange rates, commodity, currency or securities values, or any combination of the foregoing agreements or arrangements.

"Hedging Obligations" means obligations under or with respect to Hedging Agreements.

"Holder" means a Person in whose name a Note is registered.

"IATA" means the International Air Transport Association and any successor thereto.

"IFRS" means the International Financial Reporting Standards.

"Indebtedness" means, with respect to any specified Person, any indebtedness of such Person (excluding advance ticket sales, accrued expenses and trade payables), whether or not contingent:

(1) in respect of borrowed money;

(2) evidenced by bonds, notes, debentures or similar instruments or letters of credit (or reimbursement agreements in respect thereof);

(3) in respect of banker's acceptances;

(4) representing Capital Lease Obligations;

(5) representing the balance deferred and unpaid of the purchase price of any property or services due more than eighteen (18) months after such property is acquired or such services are completed, but excluding in any event trade payables arising in the ordinary course of business;

(6) representing any Hedging Obligations; or

(7) representing Disqualified Stock,

if and to the extent any of the preceding items (other than letters of credit and Hedging Obligations) would appear as a liability upon a balance sheet of the specified Person prepared in accordance with IFRS. In addition, the term "Indebtedness" includes all Indebtedness of others secured by a Lien on any asset of the specified Person (whether or not such Indebtedness is assumed by the specified Person) and, to the extent not otherwise included, the Guarantee by the specified Person of any Indebtedness of any other Person. Indebtedness shall be calculated without giving effect to the effects of IFRS 9, Chapter 6 – Hedge Accounting (or any successor provision thereto) and related interpretations to the extent such effects would otherwise increase or decrease an amount of Indebtedness for any purpose under this Indenture as a result of accounting for any embedded derivatives created by the terms of such Indebtedness.

"Indenture" means this Indenture, as amended or supplemented from time to time.

"Indirect Participant" means a Person who holds a beneficial interest in a Global Note through a Participant.

"Initial Appraisals" means, collectively, the report of (a) BK Associates, Inc., dated as of February 14, 2022, setting forth the Appraised Value of the Cargo Business Assets of the Issuers and the Guarantors; (b) BK Associates, Inc., dated as of February 11, 2022, setting forth the Appraised Value of the Frequent Flyer Program Assets of the Issuers and the Guarantors; (c) Ocean Tomo, LLC, dated as of February 17, 2022, setting forth the Appraised Value of Intellectual Property of the Issuers and the Guarantors; (d) mba Aviation, dated as of December 23, 2021, setting forth the Appraised Value of certain Routes in Brazil; (e) ICF SH&E Limited, dated as of December 17, 2021, setting forth the Appraised Value of certain Slots and Routes; (f) mba Aviation, dated as of December 23, 2021, setting forth the Appraised Value of certain Routes in Peru; (g) mba Aviation, dated as of December 23, 2021, setting forth the Appraised Value of certain Routes in Chile; (h) mba Aviation, dated as of December 23, 2021, setting forth the Appraised Value of certain Routes in Colombia; (i) mba Aviation, dated as of December 17, 2021, setting forth the Appraised Value of certain Slots; and (j) AVITAS, Inc., dated as of February 8, 2022, setting forth the Appraised Value of certain Aircrafts and Engines, in each case as delivered to the Collateral Trustee by the Chilean Issuer pursuant to Section 4.15 hereof.

"Initial Appraiser" means, collectively, (a) BK Associates, Inc. (as it relates to appraisals of any Cargo Business Assets or any Frequent Flyer Program Assets); (b) Ocean Tomo, LLC, (as it relates to any Intellectual Property); (c) mba Aviation (as it relates to Slots and Routes); (d) ICF SH&E Limited (as it related to Slots and Routes); and (e) AVITAS, Inc. (as it relates to Aircrafts and Engines).

"Initial Notes" means the first $450.0 million aggregate principal amount of Notes issued under this Indenture on the Issue Date.

"Initial Obligors" means each Issuer and each Guarantor that filed a voluntary petition for relief under Chapter 11 of the Bankruptcy Code on May 26, 2020.

"Initial Purchasers" means J.P. Morgan Securities LLC, Goldman Sachs & Co. LLC, Barclays Capital Inc., BNP Paribas Securities Corp. and Natixis Securities Americas LLC or, in each case, the Affiliate designated by such Initial Purchaser in connection with an Exit Condition Event Offer (it being understood that each reference in this Indenture to the Initial Purchasers shall be deemed to include all such Affiliates).

"Insolvency or Liquidation Proceeding" shall have the meaning given to such term in the Collateral Trust Agreement.

"Intellectual Property" shall have the meaning given to such term in the Pledge and Security Agreement.

"Intellectual Property Security Agreement" shall have the meaning given to such term in the Pledge and Security Agreement.

"Intercompany Note" means a subordinated global promissory note among the Issuers and the Guarantors and certain other Restricted Subsidiaries that are not Issuers and the Guarantors substantially in the form attached hereto as Exhibit G.

"Intercreditor Agreements" means, collectively, the DIP Intercreditor Agreement, the Junior Lien Intercreditor Agreement and any other junior lien intercreditor agreement or other subordination agreement entered into pursuant to terms of the Priority Lien Documents.

"Interest Rate Agreement" means any interest rate protection agreement, interest rate future agreement, interest rate option agreement, interest rate swap agreement, interest rate cap agreement, interest rate collar agreement, interest rate hedge agreement, option or future contract or other similar agreement or arrangement.

"Investments" means, with respect to any Person, all direct or indirect investments made from and after the Issue Date by such Person in other Persons (including Affiliates) in the forms of loans (including Guarantees), capital contributions or advances (but excluding advance payments and deposits for goods and services and similar advances to officers, employees and consultants made in the ordinary course of business), purchases or other acquisitions for consideration of Indebtedness, Equity Interests or other securities of other Persons, together with all items that are or would be classified as investments on a balance sheet prepared in accordance with IFRS. If the Chilean Issuer or any Restricted Subsidiary of the Chilean Issuer sells or otherwise Disposes of any Equity Interests of any direct or indirect Restricted Subsidiary of the Chilean Issuer after the Issue Date such that, after giving effect to any such sale or Disposition, such Person is no longer a Restricted Subsidiary of the Chilean Issuer, the Chilean Issuer will be deemed to have made an Investment on the date of any such sale or Disposition equal to the Fair Market Value of the Chilean Issuer's Investments in such Subsidiary that were not sold or Disposed of in an amount determined as provided in Section 4.06(c). Notwithstanding the foregoing, any Equity Interests retained by the Chilean Issuer or any of its Subsidiaries after a Disposition or dividend of assets or Capital Stock of any Person in connection with any partial "spin-off" of a Subsidiary or similar transactions shall not be deemed to be an Investment. The acquisition by the Chilean Issuer or any Restricted Subsidiary of the Chilean Issuer after the Issue Date of a Person that holds an Investment in a third Person will be deemed to be an Investment by the Chilean Issuer or such Restricted Subsidiary in such third Person in an amount equal to the Fair Market Value of the Investments held by the acquired Person in such third Person in an amount determined as provided in Section 4.06(c). Except as otherwise provided in this Indenture, the amount of an Investment will be determined at the time the Investment is made and without giving effect to subsequent changes in value.

"Issue Date" means October 18, 2022.

"Issue Price" means the issue price of the Initial Notes (expressed as a percentage of the principal amount of the Notes) set forth on the cover of the Offering Memorandum.

"Junior DIP Agents" means, collectively, the administrative agent under the Junior DIP Credit Agreement and the collateral agent under the Junior DIP Credit Agreement.

"Junior DIP Credit Agreement" means that certain U.S.$1,145,672,141.67 Debtor-in-Possession Term Loan Credit Agreement, dated as of October 3, 2022, among the Chilean Issuer, each of the several banks and other financial institutions or entities from time to time party thereto and JPMorgan Chase Bank, N.A., as administrative agent and Wilmington Trust, National Association, as collateral agent, as amended, restated, amended and restated, supplemented or otherwise modified, refinanced or replaced from time to time.

"Junior DIP Facility" shall have the meaning assigned to such term in the DIP Intercreditor Agreement.

"Junior DIP Loan Documents" shall have the meaning assigned to such term in the DIP Intercreditor Agreement.

"Junior DIP Obligations" means all Obligations arising under the Junior DIP Loan Documents.

"Junior Lien" means a Lien granted by a Security Document to the Collateral Trustee, at any time, upon any property of the Chilean Issuer or any other Issuer or Guarantor to secure Junior Lien Obligations.

"Junior Lien Documents" means, collectively any indenture, credit agreement or other agreement governing each Series of Junior Lien Indebtedness and the security documents related thereto.

"Junior Lien Indebtedness" means, with respect to the Notes, any Indebtedness incurred by an Issuer or a Guarantor that is secured by all or a portion of the Collateral on a junior lien basis to the Liens on the Collateral securing any such 2027 Notes Obligations; provided that (a) such Indebtedness is subordinated in right of payment to such 2027 Notes Obligations pursuant to the Junior Lien Intercreditor Agreement or otherwise on terms reasonably satisfactory to the Controlling Representative; provided that, for clarity, any Permitted Refinancing Indebtedness in respect of Priority Lien Debt (or any successive Permitted Refinancing Indebtedness) may be pari passu in right of payment to the Obligations, (b) the Liens on Collateral, if any, securing such Indebtedness are junior to the Liens on the Collateral securing the Obligations pursuant to the Junior Lien Intercreditor Agreement or otherwise on terms reasonably satisfactory to the Controlling Representative, (c) such Indebtedness matures no earlier than the date on which the Notes mature, (d) such Indebtedness has a Weighted Average Life to Maturity no shorter than the Weighted Average Life to Maturity of such Notes with the longest Weighted Average Life to Maturity at the time of incurrence of such Indebtedness, (e) is not subject to any Guarantee by any Person other than an Issuer or any Guarantor and (f) such Indebtedness is secured only by Collateral.

"Junior Lien Intercreditor Agreement" shall have the meaning assigned to such term in the Collateral Trust Agreement.

"Junior Lien Obligations" means Junior Lien Indebtedness and all other Obligations in respect thereof under the Junior Lien Documents.

"Junior Lien Representative" means (a) in the case of the Junior DIP Credit Agreement, JPMorgan Chase Bank, N.A. or any successor administrative agent thereunder, (b) in the case of any other Series of Junior Lien Indebtedness, the trustee, agent or representative of the holders of any Series of Junior Lien Indebtedness who maintains the transfer register for such Series of Junior Lien Indebtedness and (x) is appointed as a Junior Lien Representative (for purposes related to the administration of the security documents) pursuant to the credit agreement, indenture or other agreement governing such Series of Junior Lien Indebtedness, together with its successors in such capacity, and (y) has executed a Lien Sharing and Priority Confirmation.

"Lease Subordination Agreement" shall have the meaning assigned to such term in the Collateral Trust Agreement.

"Legal Holiday" means a Saturday, a Sunday or a day on which banking institutions in the City of New York or Santiago, Chile or at a place of payment are authorized by law, regulation or executive order to remain closed. If a payment date is a Legal Holiday at a place of payment, payment may be made at that place on the next succeeding day that is not a Legal Holiday, and no interest shall accrue on such payment for the intervening period.

"Lien" means, with respect to any asset, any mortgage, lien, pledge, charge, security interest or similar encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected under applicable law (but excluding any lease, sublease, use or license agreement or similar arrangement by any Issuer or Guarantor described in clauses (7) or (8) of the definition of "Permitted Disposition"), including any conditional sale or other title retention agreement, any option or other agreement to sell or give a security interest in and, except in connection with any Qualified Receivables Transaction, any agreement to give any financing statement under the UCC (or equivalent statutes) of any jurisdiction.

"Lien Sharing and Priority Confirmation" means as to any Series of Priority Lien Debt incurred after the Issue Date, the written agreement of the holders of Priority Lien Obligations (or the Priority Lien Representative with respect to such Series of Priority Lien Debt), as set forth in the applicable Priority Lien Document governing such Series of Priority Lien Debt, for the benefit of all holders of Priority Lien Obligations:

(1) that all Priority Lien Obligations will be and are secured equally and ratably, subject to the priorities and rights set forth in the Collateral Trust Agreement, by all Liens at any time granted by the Chilean Issuer or any other Issuer or Guarantor to the Collateral Trustee (or, where applicable, a Local Collateral Agent) to secure the Priority Lien Obligations in respect of such Series of Priority Lien Debt and that all such Liens will be enforceable by the Collateral Trustee and such Local Collateral Agent (acting at the direction of the Collateral Trustee) for the benefit of all holders of Priority Lien Obligations equally and ratably all of the foregoing, subject in each case to the priorities and rights set forth in the Collateral Trust Agreement;

(2) that the holders of Obligations in respect of such Series of Priority Lien Debt are bound by the provisions of the Collateral Trust Agreement, including the provisions relating to the ranking of Liens and the order of application of proceeds from enforcement of Liens; and

(3) consenting to the terms of the Collateral Trust Agreement and the Collateral Trustee's and each Local Collateral Agent's performance of, and directing the Collateral Trustee and each Local Collateral Agent to perform its obligations under, the Collateral Trust Agreement and the other Security Documents.

"Local Collateral Agency Agreements" shall have the meaning assigned to such term in the Collateral Trust Agreement.

"Local Collateral Agents" shall have the meaning assigned to such term in the Collateral Trust Agreement.

"Material Adverse Effect" means a material adverse effect on (a) the consolidated business, operations or financial condition of the Chilean Issuer and its Restricted Subsidiaries, taken as a whole, (b) the validity or enforceability of the Notes, the Note Guarantees, this Indenture or any material Security Documents or the material rights or remedies of the Trustee, the Collateral Trustee and the Holders of the Notes or (c) the ability of the Issuers and Guarantors, collectively, to pay the Obligations or otherwise perform their material obligations under the 2027 Notes Documents.

"Material Indebtedness" means Indebtedness of the Issuers and/or Guarantors (other than the Notes) outstanding under the same agreement in a principal amount exceeding [*].

"Material Pledged Routes" means the [*] Routes of the Issuers and the Guarantors with the highest revenues from ticket revenues during the [*] calendar year.

"Material Pledged Slots" means the Slots of any Issuer or any Guarantor held at John F. Kennedy International Airport and London Heathrow Airport.

"Moody's" means Moody's Investors Service, Inc. and its successors.

"Mortgaged Collateral" shall mean all of the "Collateral" as defined in any Engine Mortgage or the "Real Property" as defined in the U.S. Real Estate Mortgage.

"Net Proceeds" means (i) with respect to any incurrence of Indebtedness, the cash received by any Issuer or any Guarantor in respect of such incurrence net of fees, commissions, taxes, costs and expenses incurred in connection therewith and (ii) the aggregate cash and Cash Equivalents received by the Chilean Issuer or any of its Restricted Subsidiaries in respect of any Disposition (including, without limitation, any cash or Cash Equivalents received in respect of or upon the sale or other disposition of any non-cash consideration received in any Disposition) or Recovery Event, net of (a) the direct costs and expenses relating to such Disposition and incurred by the Chilean Issuer or a Restricted Subsidiary (including the sale or disposition of such non-cash consideration) or any such Recovery Event, including, without limitation, legal, accounting and investment banking fees, and sales commissions, and any relocation expenses incurred as a result of the Disposition or Recovery Event, (b) any Taxes paid or payable as a result of the Disposition or Recovery Event, in each case, after taking into account any available Tax credits or deductions and any Tax sharing arrangements; (c) any reserve for adjustment or indemnification obligations in respect of the sale price of such asset or assets established in accordance with IFRS; (d) any portion of the purchase price from a Disposition placed in escrow pursuant to the terms of such Disposition (either as a reserve for adjustment of the purchase price, or for satisfaction of indemnities in respect of such Disposition) until the termination of such escrow; (e) with respect to (i) any Disposition of Significant Assets that are not Collateral or (ii) any Recovery Event in respect of Significant Assets that are not Collateral, any portion of the aggregate cash and Cash Equivalents received by the Chilean Issuer or any of its Restricted Subsidiaries in respect of such Disposition that are required to be applied to any contractual arrangement permitted by this Indenture or any financing arrangement that is secured by such Significant Assets; and (f) with respect to any Disposition prior to the Exit Conversion Date, amounts for payment of the outstanding principal amount of, premium or penalty, if any, and interest on any claim allowed by the Bankruptcy Court in the Chapter 11 Cases relating to Indebtedness or any other obligation (other than any 2027 Notes Obligations, any other Priority Lien Debt and the Indebtedness outstanding under the Junior DIP Loan Documents) that is secured by a Permitted Priority Lien on the Collateral subject to such Disposition and that is required to be repaid under the terms thereof as a result of such Disposition.

"Non-Guarantor Acquired Airline" means any Restricted Subsidiary acquired by the Chilean Issuer after the Exit Conversion Date that owns a passenger airline and is not principally a cargo business for so long as such Restricted Subsidiary operates its cargo business and its Frequent Flyer Program business separately from, and on an arms' length basis with, the Chilean Issuer.

"Non-Recourse Debt" means Indebtedness:

(1) as to which neither the Chilean Issuer, nor any of its Restricted Subsidiaries (a) provides credit support of any kind (including any undertaking, agreement or instrument that would constitute Indebtedness) or (b) is directly or indirectly liable as a guarantor or otherwise; and

(2) as to which the holders of such Indebtedness do not otherwise have recourse to the stock or assets of the Chilean Issuer or any of its Restricted Subsidiaries (other than the Equity Interests of an Unrestricted Subsidiary).

"Non-U.S. Aviation Authority" means any non-U.S. governmental, quasi-governmental, regulatory or other agency, public corporation or private entity that exercises jurisdiction over the issuance or authorization (a) to serve any non-U.S. point on any flights that any Issuer or any Guarantor is serving at any time and/or to conduct operations related to routes or gates that constitute Significant Assets and/or (b) to hold and operate any Non-U.S. Route or Slots at any time.

"Non-U.S. Cases" means the Cayman JPL Applications, the Chilean Recognition Proceeding, the Colombian Recognition Proceeding and the Peruvian Preventivo.

"Non-U.S. Currency" shall mean any currency other than Dollars.

"Non-U.S. IP Security Agreements" shall have the meaning assigned to such term in the Pledge and Security Agreement.

"Non-U.S. Person" means a Person who is not a U.S. Person.

"Non-U.S. Pledge Agreements" shall have the meaning assigned to such term in the Collateral Trust Agreement.

"Non-U.S. Route or Slot" means any Slot of any Person at any airport outside the United States that is an origin and/or destination point.

"Note Guarantees" means the Guarantee by each Guarantor of the Issuers' obligations under this Indenture and the Notes, executed pursuant to the provisions of this Indenture.

"Notes" has the meaning assigned to it in the preamble to this Indenture. The Initial Notes and the Additional Notes shall be treated as a single class for all purposes under this Indenture, and unless the context otherwise requires, all references to the Notes shall include the Initial Notes and any Additional Notes.

"Notes Obligations" means, collectively, the 2027 Notes Obligations and the 2029 Notes Obligations.

"Obligations" means, with respect to any Indebtedness, any principal (including reimbursement obligations with respect to letters of credit whether or not drawn), interest (including all interest and fees accrued thereon after the commencement of any Insolvency or Liquidation Proceeding, at the rate, including any applicable post-default rate, specified in such indebtedness, even if such interest or fees are not enforceable, allowable or allowed as a claim in such proceeding), premium (if any), fees, indemnifications, reimbursements, expenses and other liabilities, in each case payable under the documentation governing such Indebtedness.

"Obligors" means, collectively, the Initial Obligors and the Additional Obligors.

"Offering Memorandum" the Issuers' Offering Memorandum dated October 11, 2022, relating to the initial offering of the Notes.

"Officer" means, with respect to any Person, the Chairman of the Board, the Chief Executive Officer, the President, the Director, the Chief Operating Officer, the Chief Financial Officer, the Treasurer, any Assistant Treasurer, the Controller, the Secretary or any Vice President of such Person.

"Officer's Certificate" means a certificate signed on behalf of the Issuers or Guarantors by an Officer of the applicable Issuer or Guarantor that meets the requirements of Section 13.03 hereof.

"Opinion of Counsel" means an opinion from legal counsel who is reasonably acceptable to the Trustee that meets the requirements of Section 13.03 hereof. The counsel may be an employee of or counsel to the Chilean Issuer, any Subsidiary of the Chilean Issuer or the Trustee.

"Participant" means, with respect to the Depositary, Euroclear or Clearstream, a Person who has an account with the Depositary, Euroclear or Clearstream, respectively (and, with respect to DTC, shall include Euroclear and Clearstream).

"Parts" means all Appliances, parts, modules, accessories, furnishings and instruments, appurtenances and other equipment (including all inflight equipment, buyer-furnished and buyer-designated equipment) of whatever nature which may from time to time be incorporated or installed in or attached to any Aircraft or any Engine, and including all such parts removed from an Aircraft or Engine, so long as title thereto either (i) remains vested in the owner of such parts (provided that such owner is not an Issuer or a Guarantor) or (ii) is subject to the Lien of any applicable financing party, in each case until such parts have been replaced in accordance with the terms of any applicable lease or financing or security agreement.

"Passenger Accounts Receivable" means any Account of the Chilean Issuer and its Restricted Subsidiaries arising as a result of the passenger business of the Chilean Issuer and its Restricted Subsidiaries (and not, for the avoidance of doubt, arising out of the cargo business of the Chilean Issuer and its Restricted Subsidiaries or any Frequent Flyer Program).

"Payment in Full" means, with respect to any obligations, that such obligations have been paid, performed or discharged in full in cash (and if no obligations are specified, the reference shall be to the Obligations). "Paid in Full" shall have a correlative meaning.

"Permitted Business" means any business that is the same as, or reasonably related, ancillary, supportive or complementary to, the business in which the Chilean Issuer and its Restricted Subsidiaries are engaged on the Issue Date.

"Permitted Disposition" means any of the following:

(1) Disposition of cash or Cash Equivalents in exchange for other cash or Cash Equivalents;

(2) (i) Dispositions of accounts receivable, inventory or other current assets (including defaulted receivables but excluding any accounts receivable, inventory or current assets constituting Additional Collateral) in the ordinary course of business or consistent with past or industry practice and (ii) the conversion of accounts receivable to notes receivable or other Dispositions of accounts receivable or rights to payment in connection with the collection or compromise thereof, or as part of any bankruptcy or reorganization process (including any discount or forgiveness in connection with the foregoing);

(3) sales or other Dispositions of surplus, obsolete, negligible or uneconomical assets no longer used in the business of the Issuers and the Guarantors; provided that any such sale or disposition, as applicable, is made in the ordinary course of business consistent with past practices and does not materially and adversely affect the business of the Chilean Issuer and its Restricted Subsidiaries, taken as a whole;

(4) Dispositions of Significant Assets among the Issuers and the Guarantors (including any Person that shall become a Guarantor simultaneous with such Disposition in the manner contemplated by Section 4.13 hereof) to the extent the interests of the Secured Parties in the Collateral are not adversely affected in any material respect after giving effect to such Disposition;

(5) the Disposition or abandonment of Slots and Gate Leaseholds; provided that such Disposition or abandonment is (i) in the ordinary course of business consistent with past practices and does not materially and adversely affect the business of the Chilean Issuer and its Restricted Subsidiaries, taken as a whole, (ii) is reasonably determined by the Chilean Issuer to relate to Slots and Gate Leaseholds of de minimis value or surplus to the Chilean Issuer's needs or (iii) is required by a Governmental Authority;

(6) exchange of Pledged Slots in the ordinary course of business that in the Chilean Issuer's reasonable judgment are of reasonably equivalent value (so long as such new Pledged Slots remain at all times subject to a Lien with the same priority and level of perfection as was the case immediately prior to such exchange (and are otherwise subject only to Permitted Liens));

(7) any other lease or sublease of, or use or license agreements with respect to, assets and properties that constitute Slots or Gate Leaseholds in the ordinary course of business and swap agreements or similar arrangements with respect to Slots in the ordinary course of business and which lease, sublease, use or license agreement or swap agreement or similar arrangement (A) has a term of one year or less, or does not extend beyond two comparable IATA traffic seasons (and contains no option to extend beyond either of such periods), (B) has a term (including any option period) longer than allowed in clause (A); provided, however, that (x) in the case of each transaction pursuant to this clause (B), an Officer's Certificate is delivered to the Collateral Trustee concurrently with or promptly after the applicable Issuer's or Guarantor's entering into any such transaction that (i) immediately after giving effect to such transaction the Asset Coverage Test would be satisfied (excluding, for purposes of calculating such ratio, the proceeds of such transaction and the intended use thereof), (ii) the Collateral Trustee's Liens on Collateral subject to such lease, sublease, use, license agreement or swap or similar arrangement are not materially adversely affected (it being understood that no Permitted Lien shall be deemed to have such an effect) and (iii) no Event of Default exists at the time of such transaction, and (y) immediately after giving effect to any transaction pursuant to this clause (B), the aggregate Appraised Value of Collateral subject to transactions covered by this clause (B) shall not exceed [*]; provided that the foregoing cap shall not apply to the extent such lease, sublease, use or license agreement or swap agreement or similar arrangement is required or advisable (as reasonably determined by the Chilean Issuer) to preserve and keep in full force and effect its rights in such Slot or Gate Leasehold, (C) is for purposes of operations by another airline operating under a brand associated with the Chilean Issuer or otherwise operating routes under a joint business arrangement or at the Chilean Issuer's direction under a code share agreement, capacity purchase agreement, pro-rate agreement or similar arrangement between such airline and the Chilean Issuer, or (D) is subject and subordinated to the rights (including remedies) of the Collateral Trustee under the applicable Security Documents on terms reasonably satisfactory to the Collateral Trustee (acting at the direction of the Controlling Representative);

(8) the lease or sublease of assets and properties in the ordinary course of business; provided that, if such Significant Assets constitute Collateral, the rights of the lessee or sublessee shall be subordinated to the rights (including remedies) of the Collateral Trustee under the applicable Security Document on terms reasonably satisfactory to the Collateral Trustee (acting at the direction of the Controlling Representative);

(9) sales of Equity Interests in Restricted Subsidiaries to comply with local regulatory requirements, subject to the requirements of Section 4.08(b) hereto;

(10) Dispositions of Currency in respect of a Frequent Flyer Program pursuant to financing arrangements for liquidity purposes or pursuant to co-branding arrangements; provided that (i) such financing arrangement or co-branding arrangement is in the ordinary course of business and (ii) immediately after giving effect to such Disposition the Asset Coverage Test would be satisfied on a Pro Forma Basis;

(11) in each case, in the ordinary course of business, (i) the termination or amendment of leases, subleases, use or license agreements and (ii) the termination or amendment of agreements, arrangements or balances between and among the Chilean Issuer and its Restricted Subsidiaries (including paying, transferring, contributing, forgiving or cancelling balances incurred pursuant to any such intercompany agreements or arrangements);

(12) in each case, in the ordinary course of business or in connection with any Aircraft Financing, intercompany agreements between and among the Chilean Issuer and its Restricted Subsidiaries with respect to (i) Aircraft, Engines, Spare Parts, Appliances or Parts, in each case not constituting Significant Assets and (ii) Aircraft Financing Related Cargo Business Assets;

(13) transactions that involve assets having an aggregate Appraised Value of less than [*] (such aggregate amount to be calculated on a cumulative basis from the Issue Date);

(14) any Disposition or other transaction permitted by Section 5.01(a) hereof other than Sections 5.01(a)(5) and 5.01(a)(6); and

(15) any Permitted Lien.

"Permitted Holders" means any of [*].

"Permitted Investments" means:

(1) any Investment in the Chilean Issuer or in a Restricted Subsidiary of the Chilean Issuer;

(2) any Investment in cash or Cash Equivalents;

(3) any Investment by the Chilean Issuer or any Restricted Subsidiary of the Chilean Issuer in a Person, if as a result of such Investment:

(a) such Person becomes a Restricted Subsidiary of the Chilean Issuer; or

(b) such Person, in one transaction or a series of related and substantially concurrent transactions, is merged, consolidated or amalgamated with or into, or transfers or conveys substantially all of its assets to, or is liquidated into, the Chilean Issuer or a Restricted Subsidiary of the Chilean Issuer;

(4) any Investment made as a result of the receipt of non-cash consideration from a Disposition of assets;

(5) any acquisition of assets or Capital Stock in exchange for the issuance of Qualifying Equity Interests;

(6) any Investments received in compromise or resolution of (a) obligations of trade creditors or customers that were incurred in the ordinary course of business of the Chilean Issuer or any of its Restricted Subsidiaries, including pursuant to any plan of reorganization or similar arrangement upon the bankruptcy or insolvency of any trade creditor or customer or (b) litigation, arbitration or other disputes;

(7) Investments represented by Hedging Obligations;

(8) loans or advances to officers, directors or employees made in the ordinary course of business of the Chilean Issuer or any Restricted Subsidiary of the Chilean Issuer in an aggregate principal amount not to exceed [*] at any one time outstanding;

(9) redemption or purchase of the Notes in accordance with this Indenture, or prepayment of any other Priority Lien Debt;

(10) any Guarantee of Indebtedness other than a Guarantee of Indebtedness of an Affiliate of the Chilean Issuer that is not a Restricted Subsidiary of the Chilean Issuer;

(11) any Investment existing on, or made pursuant to binding commitments existing on, the Issue Date and any Investment consisting of an extension, modification or renewal of any Investment existing on, or made pursuant to a binding commitment existing on, the Issue Date; provided that the amount of any such Investment may be increased (a) as required by the terms of such Investment as in existence on the Issue Date or (b) as otherwise permitted under this Indenture;

(12) Investments acquired after the Issue Date as a result of the acquisition by the Chilean Issuer or any Restricted Subsidiary of the Chilean Issuer of another Person, including by way of a merger, amalgamation or consolidation with or into the Chilean Issuer or any of its Restricted Subsidiaries in a transaction that is not prohibited by Section 5.01 after the Issue Date to the extent that such Investments were not made in contemplation of such acquisition, merger, amalgamation or consolidation and were in existence on the date of such acquisition, merger, amalgamation or consolidation;

(13) the acquisition by a Receivables Subsidiary in connection with a Qualified Receivables Transaction of Equity Interests of a trust or other Person established by such Receivables Subsidiary to effect such Qualified Receivables Transaction; and any other Investment by the Chilean Issuer or a Subsidiary of the Chilean Issuer in a Receivables Subsidiary or any Investment by a Receivables Subsidiary in any other Person in connection with a Qualified Receivables Transaction;

(14) Investments constituting (i) accounts receivable or accounts payable, (ii) deposits, prepayments and other credits to suppliers, and/or (iii) in the form of advances made to distributors, suppliers, licensors and licensees, in each case, made in the ordinary course of business and consistent with the past practices;

(15) Investments in connection with outsourcing initiatives in the ordinary course of business;

(16) Investments having an aggregate Fair Market Value (measured on the date each such Investment was made and without giving effect to subsequent changes in value other than a reduction for all returns of principal in cash and capital dividends in cash), when taken together with all Investments made pursuant to this clause (16) that are at the time outstanding, not to exceed [*] of the Consolidated Total Assets of the Chilean Issuer and its Restricted Subsidiaries at the time of such Investment;

(17) Investments in Restricted Subsidiaries as required under the laws of the jurisdiction of formation of each of such Subsidiaries to avoid liquidation under such laws;

(18) Investments in any Affiliate in an aggregate amount not to exceed [*] in any one calendar month for all such Investments pursuant to this clause (18) and, in each case, to pay employee severance, taxes, permits, government charges or wind-down costs in respect of such Affiliate; and

(19) Investments constituting or related to Aircraft Financings.

"Permitted Liens" means:

(1) Priority Liens held by the Collateral Trustee or a Local Collateral Agent, as applicable, securing the Indebtedness permitted by Section 4.07(a)(1) hereof and Related Obligations in respect thereof;

(2) Liens on the collateral securing Junior Lien Indebtedness incurred pursuant Section 4.07(a)(2) and all other Related Obligations; provided that all such Junior Liens contemplated by this clause (2) of the Permitted Liens definition shall rank junior to the Liens securing the 2027 Notes Obligations subject to the Junior Lien Intercreditor Agreement or otherwise on terms reasonably satisfactory to the Controlling Representative;

(3) Liens for Taxes, assessments or governmental charges or claims that are not yet delinquent or that are being contested in good faith by appropriate proceedings promptly instituted and diligently concluded; provided that any reserve or other appropriate provision as is required in conformity with IFRS has been made therefor;

(4) Liens imposed by law, including carriers', warehousemen's, landlord's and mechanics' Liens, in each case, incurred in the ordinary course of business;

(5) Liens arising by operation of law in connection with judgments, attachments or awards which do not, in the aggregate, constitute an Event of Default;

(6) Liens existing as the Issue Date and, to the extent securing Indebtedness greater than or equal to [*] identified on Schedule 1.01(a) hereof; and any modifications, replacements, renewals or extensions thereof; provided that (A) such modified, replacement, renewal or extension Lien does not extend to any additional property other than (1) after-acquired property that is affixed or incorporated into the property covered by such Lien and (2) proceeds and products thereof and (B) such modifications, replacement, renewal or extension does not increase the amount secured or change any direct or contingent obligor in respect thereof;

(7) any overdrafts and related liabilities arising from treasury, netting, depository and cash management services or in connection with any automated clearing house transfers of funds, in each case as it relates to cash or Cash Equivalents, if any;

(8) licenses, sublicenses, leases and subleases by any Issuer or Guarantor as they relate to any Additional Collateral to the extent (A) such licenses, sublicenses, leases or subleases do not interfere in any material respect with the business of the Chilean Issuer and its Restricted Subsidiaries, taken as a whole, and in each case, such license, sublicense, lease or sublease is to be subject and subordinate to the Liens granted to the Collateral Trustee pursuant to the Security Documents and, in each case, would not result in a Material Adverse Effect or (B) otherwise expressly permitted by the Security Documents;

(9) salvage or similar rights of insurers;

(10) pledges and deposits made in the ordinary course of business in compliance with workers' compensation, unemployment insurance and other social security laws or regulations, or Liens in connection with workers' compensation, unemployment insurance or other social security, old age pension or public liability obligations which are not delinquent or which are being contested in good faith by appropriate action and for which adequate reserves have been maintained in accordance with IFRS;

(11) customary rights of set-off and liens arising by operation of law or by the terms of documents or contracts of banks or other financial institutions in relation to the ordinary maintenance and administration of Deposit Accounts or securities accounts;

(12) non-exclusive licenses and sublicenses, whether written, oral or implied, to Intellectual Property granted in the ordinary course of business and consistent with past practice that do not materially interfere with the ordinary conduct of the business of the Issuers or the Guarantors;

(13) Liens incurred in the ordinary course of business of the Chilean Issuer or any Restricted Subsidiary of the Chilean Issuer with respect to obligations that do not exceed in the aggregate [*] at any one time outstanding;

(14) leases, subleases, interchanges, use agreements, license agreements and/or swap agreements constituting "Permitted Dispositions";

(15) in the case of any Gate Leaseholds, any interest or title of a licensor, sublicensor, lessor, sublessor or airport operator under any lease, license or use agreement;

(16) in each case as it relates to Aircraft, Engine, Spare Parts, Appliances or Parts that may be pledged as Additional Collateral from time to time (any such pledged Additional Collateral, "Pledged Aircraft, Engine, Spare Parts, Appliances or Parts Collateral"), Liens solely on Engines, Spare Parts, Appliances, Parts, components, instruments, appurtenances, furnishings and other equipment (other than the Pledged Aircraft, Engine, Spare Parts, Appliances or Parts Collateral) (x) installed on such Pledged Aircraft, Engine, Spare Parts, Appliances or Parts Collateral and (y) separately financed by an Issuer or a Guarantor, to secure such financing;

(17) customary Liens securing the Indebtedness permitted under Section 4.07(a)(8) in accordance with the terms thereof; provided that such Liens are limited to the fixed or capital assets that are acquired, constructed or improved by such Indebtedness;

(18) easements, zoning restrictions, licenses, title restrictions, rights-of-way and similar encumbrances on real property imposed by law or incurred or granted by the Chilean Issuer or any Restricted Subsidiary in the ordinary course of business that do not materially detract from the value of the affected property or materially interfere with the ordinary conduct of business of the Chilean Issuer or any Restricted Subsidiary;

(19) to the extent the Chilean Issuer or any of its Restricted Subsidiaries is an obligor in respect of any Aircraft Financing, pledges of, collateral assignments of or other Liens securing such Aircraft Financing on any lease, sublease, interchange, license, contract, arrangement or agreement related to such financed Aircraft, Engine or Spare Parts, including Aircraft Financing Related Cargo Business Assets to which the Chilean Issuer or such Restricted Subsidiary, as applicable, is a party; and/or

(20) with respect to the equity pledge agreement in respect of TAM Linhas Aéreas S.A.'s shares, the fiduciary lien created by the equity fiduciary lien agreement over the shares held in TAM Linhas Aéreas S.A., considering the listing of assets (*arrolamento de bens*) in connection with the Administrative Proceeding No. 13855.720079/2014-93, as required by article 12 of Federal Revenue Office Normative Ruling (*Instrução Normativa RFB*) No. 2,091, dated June 22, 2022;

provided that until a perfected Lien has been provided to the Collateral Trustee or a Local Collateral Agent, as applicable, in respect of any Deferred Asset, no consensual Lien shall be granted in respect of any such Deferred Asset.

"Permitted Person" means (i) any Person (including any "person" as that term is used in Section 13(d)(3) of the Exchange Act) which owns or operates, directly or indirectly through a contractual arrangement, a Permitted Business, or (ii) any Subsidiary of such Person.

"Permitted Priority Liens" means valid, perfected and unavoidable Liens that were in existence immediately prior to the Petition Date or that are perfected as permitted by Section 546(b) of the Bankruptcy Code.

"Permitted Refinancing Indebtedness" means any Indebtedness (or commitments in respect thereof) of the Chilean Issuer or any of its Restricted Subsidiaries issued in exchange for, or the proceeds of which are used to renew, refund, extend, refinance, replace, defease or discharge other Indebtedness (the "Refinanced Indebtedness") of the Chilean Issuer or any of its Restricted Subsidiaries (other than intercompany Indebtedness); provided that:

(1) the principal amount (or accreted value, if applicable) of such Permitted Refinancing Indebtedness does not exceed the original principal amount (or accreted value, if applicable) when initially incurred of the Refinanced Indebtedness (plus all accrued interest on the Indebtedness and the amount of all fees and expenses, including premiums, incurred in connection therewith); provided that, with respect to any such Permitted Refinancing Indebtedness that is refinancing secured Indebtedness and is secured by the same collateral, the principal amount (or accreted value, if applicable) of such Permitted Refinancing Indebtedness shall not exceed the greater of (x) the preceding amount and (y) the Fair Market Value of the assets securing such Permitted Refinancing Indebtedness (taking into account any other Indebtedness secured on a pari passu or senior basis by such assets);

(2) such Permitted Refinancing Indebtedness has a maturity date no earlier than the maturity date of the Refinanced Indebtedness;

(3) such Permitted Refinancing Indebtedness has a Weighted Average Life to Maturity that is equal to or greater than the Weighted Average Life to Maturity of the Refinanced Indebtedness;

(4) if the Refinanced Indebtedness is subordinated in right of payment to the Notes Obligations, such Permitted Refinancing Indebtedness is subordinated in right of payment to the 2027 Notes Obligations on terms at least as favorable to the Holders of the Notes as those contained in the documentation governing the Refinanced Indebtedness;

(5) no Restricted Subsidiary that is not an Issuer or a Guarantor shall be an obligor with respect to such Permitted Refinancing Indebtedness unless such Restricted Subsidiary was an obligor with respect to the Refinanced Indebtedness; and

(6) such Permitted Refinancing Indebtedness is incurred no later than 36 months after the date on which the Refinanced Indebtedness is actually repaid or discharged by the Chilean Issuer or any of its Restricted Subsidiaries.

"Person" means any natural person, corporation, division of a corporation, partnership, limited liability company, trust, joint venture, association, company, estate, unincorporated organization, Airport Authority or Governmental Authority or any agency or political subdivision thereof.

"Peruvian Engine Pledge" shall have the meaning assigned to such term in the Collateral Trust Agreement.

"Peruvian Preventivo" means the Peruvian "preventive proceeding" filed on May 26, 2020 with the Institute for the Defense of Competition and Intellectual Property with respect to LATAM Airlines Perú S.A.

"Petition Date" means, with respect to the Initial Obligors, May 26, 2020, the date of commencement of their Chapter 11 Cases, and, with respect to the Additional Obligors, July 9, 2020, the date of commencement of their Chapter 11 Cases.

"Pledge and Security Agreement" means that certain Priority Lien Pledge and Security Agreement dated as of October 12, 2022, by and among the Collateral Trustee and the Issuers and the Guarantors, substantially in the form attached as Exhibit E to the Collateral Trust Agreement, as amended, restated, modified, supplemented, extended or amended and restated from time to time.

"Pledged Engines" shall have the meaning given to it in the Pledge and Security Agreement.

"Pledged Gate Leaseholds" shall have the meaning given to it in the Pledge and Security Agreement.

"Pledged Receivables" shall have the meaning given to it in the Pledge and Security Agreement.

"Pledged Routes" means, to the extent not excluded as Excluded Assets, all Routes owned by any Issuer or any Guarantor.

"Pledged SGR" means the Pledged Slots, Pledged Gate Leaseholds and Pledged Routes

"Pledged Slots" shall have the meaning given to it in the Pledge and Security Agreement.

"Pledged Spare Parts" shall have the meaning given to it in the Pledge and Security Agreement.

"Prepayment Percentage" means 100%.

"Pre-Sold Currency" shall have the meaning given to it in the definition of "Asset Coverage Ratio."

"Priority Credit Agreement" means each of the Revolving Credit Agreement and the Term Loan Credit Agreement.

"Priority Lien" means a Lien granted pursuant to a Security Document to the Collateral Trustee or any Local Collateral Agent, at any time, upon any property of an Issuer or a Guarantor to secure any Priority Lien Obligations, including the Liens granted to the Collateral Trustee and each Local Collateral Agent in connection with the Term Loan Credit Agreement, the Revolving Credit Agreement, the 2027 Bridge Loan Credit Agreement, the 2029 Notes Indenture, the 2029 Bridge Loan Credit Agreement and any indentures (including this Indenture) pursuant to which any 2027 Securities secured by all or a portion of the Collateral on a pari passu basis with the Obligations are issued or 2029 Securities to the extent secured by all or a portion of the Collateral on a pari passu basis with the Obligations are issued.

"Priority Lien Debt" means:

(1) Indebtedness of the Issuers and the Guarantors under (i) the 2027 Bridge Loan Credit Agreement, any 2027 Exchange Notes Indenture, and any agreement or instrument pursuant to which any 2027 Securities secured by all or a portion of the Collateral on a pari passu basis with any Notes Obligations are issued (including this Indenture), in an aggregate principal amount not to exceed $750.0 million under this clause (1)(i), (ii) the 2029 Bridge Loan Credit Agreement, any 2029 Exchange Notes Indenture, and any agreement or instrument pursuant to which any 2029 Securities secured by all or a portion of the Collateral on a pari passu basis with any Notes Obligations are issued, in an aggregate principal amount not to exceed $750.0 million under this clause (1)(ii), and (iii) any Permitted Refinancing Indebtedness in respect of any Indebtedness incurred pursuant to clause (1)(i) or (1)(ii) (or any successive Permitted Refinancing Indebtedness) that is secured by all or a portion of the Collateral on a pari passu basis with any Notes Obligations (provided that any amounts incurred under the Term Loan Credit Agreement, the Net Proceeds of which are applied to repay the "Initial Bridge Loans," as defined in each of the 2027 Bridge Loan Credit Agreement and the 2029 Bridge Loan Credit Agreement, shall be deemed to be incurred under clause (3) below and shall reduce the applicable aggregate principal amount permitted to be incurred under clause (1)(i) or (1)(ii));

(2) (i) Indebtedness of the Issuers and the Guarantors under the Revolving Credit Facility (including letters of credit and reimbursement obligations with respect thereto) in an aggregate principal amount not to exceed [*] at any time outstanding, and (ii) on and after the Exit Conversion Date, additional Indebtedness of the Chilean Issuer under the Revolving Credit Facility (including letters of credit and reimbursement obligations with respect thereto) or any other revolving facility in an aggregate principal amount not to exceed [*] at any time outstanding in addition to any Indebtedness incurred pursuant to clause (i) of this paragraph (2); provided that, after giving Pro Forma Effect to the issuance or incurrence of any such Indebtedness incurred pursuant to this clause (ii), the aggregate amount of all Priority Lien Debt, and without duplication, Senior Priority Refinancing Indebtedness (including, in each case, without duplication of any outstanding principal amounts, the amount of any unfunded commitments under a revolving credit facility as of such date) would not exceed the greater of (A) [*] and (B) such an amount that would cause the Asset Coverage Ratio to be equal to [*] and (iii) any Permitted Refinancing Indebtedness (disregarding clauses (2) and (3) of such defined term) in respect of any Indebtedness incurred pursuant to clause (2)(i) or (ii) (or any successive Permitted Refinancing Indebtedness) that is secured by all or a portion of the Collateral on a pari passu basis with the Obligations; provided that all Indebtedness incurred under this clause (2) in the form of revolving Indebtedness may be senior or superpriority in right of payment from the Collateral to the Notes Obligations;

(3) (i) Indebtedness of the Issuers and the Guarantors under the Term Loan Credit Agreement in an aggregate principal amount not to exceed $750.0 million (*plus* any amounts incurred under the Term Loan Credit Agreement, the Net Proceeds of which are applied to repay the "Initial Bridge Loans," as defined in each of the 2027 Bridge Loan Credit Agreement and the 2029 Bridge Loan Credit Agreement) and (ii) any Permitted Refinancing Indebtedness in respect of any Indebtedness incurred pursuant to clause (3)(i) (or any successive Permitted Refinancing Indebtedness) that is secured by all or a portion of the Collateral on a pari passu basis with the Notes Obligations; and

(4) (i) any other Total Funded Debt of the Issuers and the Guarantors that is secured by all or a portion of the Collateral on a pari passu basis with the Notes Obligations; provided that (1) after giving Pro Forma Effect to the issuance or incurrence of any such Indebtedness, the aggregate principal amount of the sum of all Priority Lien Debt, and, without duplication, Senior Priority Refinancing Indebtedness (including, in each case, without duplication of any outstanding principal amounts, the amount of any unfunded commitments under a revolving credit facility as of such date) would not exceed the greater of (A) [*] and (B) such an amount that would cause the Asset Coverage Ratio to be equal to [*] and (2) other than with respect to Exit Conversion Date Indebtedness, no Indebtedness may be incurred under this clause (4)(i) prior to the Exit Conversion Anniversary Date and (ii) any Permitted Refinancing Indebtedness in respect of any Indebtedness incurred pursuant to clause (4)(i) (and any successive Permitted Refinancing Indebtedness) that is secured by all or a portion of the Collateral on a pari passu basis with the Obligations.

"Priority Lien Documents" shall have the meaning given to the term "Secured Debt Documents" in the Collateral Trust Agreement.

"Priority Lien Joinder" shall have the meaning given to the term "Secured Debt Joinders" in the Collateral Trust Agreement.

"Priority Lien Obligations" shall have the meaning given to the term "Secured Obligations" in the Collateral Trust Agreement.

"Priority Lien Representative" shall have the meaning given to the term "Secured Debt Representative" in the Collateral Trust Agreement.

"Priority Pledged Engine" means those Engines set forth on Schedule 5.5 to the Pledge and Security Agreement.

"Priority Secured Debt" shall have the meaning given to the term "Secured Debt" in the Collateral Trust Agreement.

"Private Placement Legend" means the legend set forth in Section 2.06(f)(1) hereof to be placed on all Notes issued under this Indenture except where otherwise permitted by the provisions of this Indenture.

"Pro Forma Basis," "Pro Forma Compliance" and "Pro Forma Effect" means, in connection with determining whether any Disposition, Investment or other Restricted Payment, or repayment and/or incurrence of Indebtedness (each, a "Pro Forma Event") is permitted by reference to the Asset Coverage Ratio, Total Asset Coverage Ratio, Asset Coverage Test or Consolidated Liquidity, that such calculations shall be determined by the Chilean Issuer in good faith after giving pro forma effect to each Pro Forma Event (and any transactions related thereto).

"Qatar Group" means Qatar Airways Group Q.C.S.C., a company incorporated under the laws of the State of Qatar with commercial registration number 16070 and having its principal place of business at Qatar Airways Tower One, Airport Road, P.O. Box 22550, Doha, Qatar.

"QIB" means a "qualified institutional buyer" as defined in Rule 144A.

"Qualified Receivables Transaction" means any transaction or series of transactions entered into by the Chilean Issuer or any of its Subsidiaries pursuant to which the Chilean Issuer or any of its Subsidiaries (1) sells, conveys or otherwise transfers to (A) a Receivables Subsidiary or any other Person (in the case of a transfer by the Chilean Issuer or any of its Subsidiaries) or (B) any other Person (in the case of a transfer by a Receivables Subsidiary) or (2) grants a security interest in any Passenger Accounts Receivable (whether now existing or arising in the future) of the Chilean Issuer or any of its Subsidiaries, and any assets related thereto, including, without limitation, all Equity Interests and other investments in the Receivables Subsidiary, all collateral securing such Passenger Accounts Receivable, all contracts and all Guarantees or other obligations in respect of such Passenger Accounts Receivable, proceeds of such Passenger Accounts Receivable and other assets which are customarily transferred or in respect of which security interests are customarily granted in connection with asset securitization transactions involving accounts receivable, other than assets that constitute Collateral or proceeds of Collateral.

"Qualifying Equity Interests" means Equity Interests of the Chilean Issuer other than Disqualified Stock.

"RCF Loan Agreement" means that certain credit and guaranty agreement dated as of March 29, 2016 by and among the Chilean Issuer, as borrower, Citibank, N.A, as administrative agent, the guarantors from time to time party thereof, the collateral agents from time to time party thereto, and the lenders from time to time party thereto, as amended, restated, amended and restated, supplemented or otherwise modified from time to time.

"Reaffirmation Agreement" shall have the meaning given to such term in the Collateral Trust Agreement.

"Real Estate Mortgages" shall have the meaning set forth in the Collateral Trust Agreement.

"Receivables Pledge Agreements" shall have the meaning set forth in the Collateral Trust Agreement.

"Receivables Subsidiary" means a Subsidiary of the Chilean Issuer which engages in no activities other than in connection with the financing of Passenger Accounts Receivable and which is designated by the Board of Directors (as provided below) as a Receivables Subsidiary; provided that (a) no portion of its Indebtedness or any other obligations (contingent or otherwise) (i) is guaranteed by the Chilean Issuer or any Restricted Subsidiary of the Chilean Issuer that is not a Receivables Subsidiary (other than comprising a pledge of the Capital Stock or other interests in such Receivables Subsidiary (an "incidental pledge"), and excluding any Guarantees of obligations (other than the principal of, and interest on, Indebtedness) pursuant to representations, warranties, covenants and indemnities entered into in the ordinary course of business in connection with a Qualified Receivables Transaction), (ii) is recourse to or obligates the Chilean Issuer or any Restricted Subsidiary of the Chilean Issuer in any way other than through an incidental pledge or pursuant to representations, warranties, covenants, indemnities or other obligations that are usual and customary for a limited recourse financing in the applicable jurisdiction in connection with a Qualified Receivables Transaction or (iii) subjects any property or asset of the Chilean Issuer or any Subsidiary of the Chilean Issuer that is not a Receivables Subsidiary (other than Passenger Accounts Receivable and related assets as provided in the definition of "Qualified Receivables Transaction"), directly or indirectly, contingently or otherwise, to the satisfaction thereof, other than pursuant to representations, warranties, covenants and indemnities entered into in the ordinary course of business in connection with a Qualified Receivables Transaction, (b) with which neither the Chilean Issuer nor any other Restricted Subsidiary of the Chilean Issuer that is not a Receivables Subsidiary has any material contract, agreement, arrangement or understanding (other than pursuant to the Qualified Receivables Transaction) other than (i) on terms no less favorable to the Chilean Issuer or such Subsidiary than those that might be obtained at the time from Persons who are not Affiliates of the Chilean Issuer, and (ii) fees payable in the ordinary course of business in connection with servicing Passenger Accounts Receivable and (c) with which neither the Chilean Issuer nor any other Subsidiary of the Chilean Issuer has any obligation to maintain or preserve such Subsidiary's financial condition, other than a minimum capitalization in customary amounts, or to cause such Subsidiary to achieve certain levels of operating results. Any such designation by the Board of Directors will be evidenced to the Trustee by delivering to the Trustee a certified copy of the resolution of the Board of Directors giving effect to such designation and an Officer's Certificate certifying that such designation complied with the foregoing conditions.

"Recovery Event" means any settlement of or payment in respect of any property or casualty insurance claim or any condemnation proceeding in respect of Significant Assets or any Event of Loss.

"Reference Date" means the thirtieth (30th) Business Day after each March 31st and September 30th of each calendar year (commencing with March 31, 2023).

"Regulation S" means Regulation S promulgated under the Securities Act, as it may be amended from time to time, and any successor provision thereto.

"Regulation S Global Note" means, with respect to the Notes, a Global Note substantially in the form of Exhibit A hereto bearing the Global Note Legend and the Private Placement Legend and deposited with or on behalf of and registered in the name of the Depositary or its nominee, issued in a denomination equal to the outstanding principal amount of the Notes sold in reliance on Rule 903 of Regulation S.

"Related Obligations" means, with respect to any Indebtedness, any principal (including reimbursement obligations with respect to letters of credit whether or not drawn), interest (including interest accruing after the maturity of such Indebtedness and interest accruing after the filing of any petition of bankruptcy, or the commencement of any insolvency, reorganization or like proceeding, relating to the borrower or issuer thereof, whether or not a claim for post-filing or post-petition interest is allowed in such proceeding), premium (if any), fees, indemnifications, reimbursements, expenses and other liabilities, in each case payable under the documentation governing such Indebtedness.

"Relevant Date" means, with respect to any payment on a Note, whichever is the later of: (i) the date on which such payment first becomes due; and (ii) if the full amount payable has not been received by the Trustee or a Paying Agent on or prior to such due date, the date on which notice is given to the Holders that the full amount has been received by the Trustee.

"Reorganization Plan" means the Joint Plan of Reorganization of LATAM Airlines Group, S.A., et al. Under Chapter 11 of the Bankruptcy Code [Docket No. 5753], as amended, supplemented or modified in accordance with the provisions thereto (but without giving effect to any amendment, supplement or modification that is materially adverse to the Holders of the Notes (as determined in good faith by the Chilean Issuer) to which the Holders have not consented.

"Required Lenders" means the "Required Lenders" as defined in the Term Loan Credit Agreement.

"Responsible Officer" when used with respect to the Trustee, means any officer within the Corporate Trust Office of the Trustee (or any successor group of the Trustee) or any other officer of the Trustee customarily performing functions similar to those performed by any of the above designated officers and also means, with respect to a particular corporate trust matter, any other officer to whom such matter is referred because of his knowledge of and familiarity with the particular subject, who, in each case, shall have direct responsibility for administering this Indenture.

"Restricted Definitive Note" means, with respect to the Notes, a Definitive Note bearing the Private Placement Legend.

"Restricted Global Note" means, with respect to the Notes, a Global Note bearing the Private Placement Legend.

"Restricted Investment" means an Investment other than a Permitted Investment.

"Restricted Period" means the 40-day distribution compliance period as defined in Regulation S.

"Restricted Subsidiary" of a Person means any Subsidiary of the referent Person that is not an Unrestricted Subsidiary; provided that, if a referent Person is not specified, then the referent Person shall be the Chilean issuer.

"Revised Claims Procedures Order" means the Revised Order Pursuant to 11 U.S.C. § 105(a) and Fed. R. Bankr. P. 3007 (I) Establishing Claims Objection and Notice Procedures and (II) Granting Related Relief (ECF No. 3624) entered by the Bankruptcy Court on November 19, 2021.

"Revolver Administrative Agent" shall have the meaning given to such term in the Collateral Trust Agreement.

"Revolving Credit Agreement" means certain Super-Priority Debtor-in-Possession and Exit Revolving Credit Agreement, dated as of October 12, 2022, among the Chilean Issuer, the guarantors from time to time party thereto, the Revolver Administrative Agent, and Wilmington Trust, National Association, as collateral trustee.

"Revolving Credit Facility" means the credit facility established under the Revolving Credit Agreement in favor of the Chilean Issuer in accordance with the terms set forth therein or in the other Revolving Loan Documents.

"Revolving Loan Documents" means the "Loan Documents" as defined in the Revolving Credit Agreement.

"Routes" means the authority of the Chilean Issuer or, if applicable, the U.S. Co-Issuer or a Guarantor, pursuant to Title 49 or other applicable law, to operate scheduled service between a specifically designated pair of terminal points and intermediate points, if any, including applicable frequencies, exemption and certificate authorities, including at any time of determination, any route authority identified on Schedule 5.2 of the Pledge and Security Agreement as such Schedule may be amended or modified from time to time in accordance with the terms hereof and "Route" shall mean any of such route authorities as the context requires, in each case whether or not such route authority is utilized at such time by an Issuer or a Guarantor and including, without limitation, any other route authority held by an Issuer or a Guarantor pursuant to certificates, orders, notices and approvals issued to an Issuer or a Guarantor from time to time, but in each case solely to the extent relating to such route authority.

"Rule 144" means Rule 144 promulgated under the Securities Act.

"Rule 144A" means Rule 144A promulgated under the Securities Act.

"Rule 903" means Rule 903 promulgated under the Securities Act.

"Rule 904" means Rule 904 promulgated under the Securities Act.

"S&P" means S&P Global Ratings and its successors.

"Sale of an Issuer or a Guarantor" means, with respect to any Significant Asset, an issuance, sale, lease, conveyance, transfer or other disposition of the Capital Stock of the applicable Issuer or Guarantor that owns such Significant Asset other than (1) an issuance of Equity Interests by an Issuer or a Guarantor to the Chilean Issuer or another Restricted Subsidiary of the Chilean Issuer and (2) an issuance of directors' qualifying shares.

"Sanctioned Country" means a country or territory that is the subject of comprehensive Sanctions broadly prohibiting dealings with such country or territory (currently, the Crimea, the so-called Donetsk People's Republic, and the so-called Luhansk People's Republic regions of Ukraine, Cuba, Iran, North Korea, and Syria).

"Sanctions" means any economic or trade sanctions or embargos enacted, imposed, administered or enforced by the U.S. government, including those administered by the Department of Treasury's Office of Foreign Assets Control and the U.S. Department of State, the United Nations Security Council, the European Union, any European Union member state, the United Kingdom and/or any other applicable Governmental Authorities with jurisdiction over the conduct of a Person performing under this Indenture.

"SEC" means the U.S. Securities and Exchange Commission.

"Second Exit Conversion Anniversary Date" means the date that is two years after the Exit Conversion Date.

"Secured Parties" means, collectively, the Trustee, the Collateral Trustee, the applicable Local Collateral Agent and the Holders of the Notes from time to time, including Holders of additional Notes issued pursuant to this Indenture.

"Securities Act" means the Securities Act of 1933, as amended.

"Security Documents" means, collectively, the Pledge and Security Agreement, the Non-U.S. Pledge Agreements, Non-U.S. IP Security Agreement, the Receivables Pledge Agreements, the Collateral Trust Agreement (and each Reaffirmation Agreement, Loan Party Joinder, Local Collateral Agent Joinder and/or Secured Debt Joinder under and as defined therein), the Local Collateral Agency Agreements, the Intellectual Property Security Agreements, any Intercreditor Agreements and any other instrument or agreement (which is designated as a Security Document therein) executed and delivered by any Issuer or any Guarantor to the Trustee, any Priority Lien Representative, the Collateral Trustee or any Local Collateral Agent in favor of the Secured Parties or in respect of priorities in the Collateral, including with respect to any Additional Collateral, and any financing statement or other instrument or document required to be filed or recorded to perfect, register or record the Priority Lien, in each case, as amended, modified, renewed, restated or replaced, in whole or in part, from time to time, in accordance with its terms and so long as such agreement, instrument or document shall not have been terminated in accordance with its terms; provided that prior to the Exit Conversion Date, the Security Documents shall also include the Final DIP Order, the DIP Intercreditor Agreement, the Engine Collateral Documents, the Real Estate Mortgages and any Deposit Account Control Agreement required under the Collateral Trust Agreement or any other Priority Lien Document, each of which document in this proviso shall be automatically terminated upon the occurrence of the Exit Conversion Date.

"Senior Priority Refinancing Indebtedness" means any Permitted Refinancing Indebtedness in respect of Priority Lien Debt (and any successive Permitted Refinancing Indebtedness) other than any Permitted Refinancing Indebtedness that is subordinated in right of payment to the Obligations on terms no less favorable to the Holders than the terms of the Junior Lien Intercreditor Agreement.

"Series" means, severally, each issue or series of notes, loans or other Indebtedness under any indenture or credit facility represented by a single Priority Lien Representative that constitutes Priority Lien Obligations.

"Series of Junior Lien Indebtedness" means, severally, each issue or series of notes or other Indebtedness under any indenture or Credit Facility represented by a single Junior Lien Representative that constitutes Junior Lien Obligations.

"Series of Priority Lien Debt" means, severally, (a) the Notes, (b) the 2029 Notes, (c) Indebtedness under the Term Loan Credit Agreement, (d) Indebtedness under the Revolving Credit Agreement and (e) any Series of Additional Priority Lien Debt. For the avoidance of doubt, (x) the Notes and the 2029 Notes constitute separate Series of Priority Lien Debt and (y) all reimbursement obligations in respect of letters of credit issued pursuant to a Priority Lien Document shall be part of the same Series of Priority Lien Debt as all other Priority Secured Debt incurred pursuant to such Priority Lien Document.

"Significant Assets" means (a) the Collateral, (b) the Coverage Assets and (c) any other Slots, Gate Leaseholds and Routes.

"Significant Subsidiary" means any "significant subsidiary" as defined in Article 1, Rule 1-02 of Regulation S-X, promulgated pursuant to the Securities Act, as such Regulation is in effect on the Issue Date.

"Slot" means, at any date of determination, the right and operational authority to conduct one landing or take-off operation at a specific time or during a specific time period at an airport and including, without limitation, slots, arrival authorizations and operating authorizations, whether pursuant to FAA or DOT regulations or orders pursuant to Title 14, Title 49 or other federal statutes or regulations now or hereinafter in effect, but excluding in all cases any slot that was obtained by a Person from another air carrier pursuant to an agreement and is held by such Person on a temporary basis.

"Spare Engine Loan Agreement" means that certain Amended and Restated Loan Agreement, dated as of June 29, 2018 by and among the Chilean Issuer, acting through its Florida Branch, as borrower, Crédit Agricole Corporate and Investment Bank, as lender, arranger, agent, and security agent, and the other lenders party thereto, as modified, replaced or refinanced from time to time.

"Spare Parts" means all accessories, appurtenances or Parts of an Aircraft (except an Engine), Parts of an Engine, or Parts of an Appliance, in each case that are to be installed at a later time in an Aircraft, Engine or Appliance.

"Specified Jurisdiction" means the United States, any state of the United States, the District of Columbia, Luxembourg, the Netherlands or any other jurisdiction mutually agreed by the Chilean Issuer and the Trustee.

"Stated Maturity" means, with respect to any installment of interest or principal on any series of Indebtedness, the date on which the payment of interest or principal was scheduled to be paid in the documentation governing such Indebtedness as of the date of this Indenture, and will not include any contingent obligations to repay, redeem or repurchase any such interest or principal prior to the date originally scheduled for the payment thereof.

"Subsequent Appraisal" shall have the meaning to such term in the definition of "Appraisal."

"Subsidiary" means, in respect of any specified Person, any corporation, association, partnership or other business entity of which more than 50% of the total Voting Power of shares of Capital Stock or other interests (including partnership interests) entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by such Person.

"Taxes" means any and all present or future taxes, levies, imposts, duties, assessments, fees, deductions, charges or withholdings imposed by any Governmental Authority including any interest, additions to tax or penalties applicable thereto.

"Term Loan Administrative Agent" shall have the meaning given to such term in the Collateral Trust Agreement.

"Term Loan Credit Agreement" means that certain Debtor-in-Possession and Exit Term Loan Credit Agreement, dated as of October 12, 2022, among the Issuers, each of the several banks and other financial institutions or entities from time to time party thereto and Goldman Sachs Lending Partners LLC, as administrative agent and Wilmington Trust, National Association, as collateral trustee, as amended, restated, amended and restated, supplemented or otherwise modified, refinanced or replaced from time to time.

"Term Loan Documents" means the "Loan Documents" as defined in the Term Loan Credit Agreement.

"Term Loan Facility" means the credit facility established under the Term Loan Credit Agreement in favor of the Issuers in accordance with the terms set forth therein or in the other Term Loan Documents and pursuant to which the commitments thereunder are established.

"Title 14" means Title 14 of the U.S. Code of Federal Regulations, including Part 93, Subparts K and S thereof, as amended from time to time or any successor or recodified regulation.

"Title 49" means Title 49 of the United States Code, which, among other things, recodified and replaced the U.S. Federal Aviation Act of 1958, and the rules and regulations promulgated pursuant thereto, and any subsequent legislation that amends, supplements or supersedes such provisions.

"Total Asset Coverage Ratio" means, as of any date, the ratio of (a) the Appraised Value of the Coverage Assets as of such date to (b) the sum of (i) the aggregate principal amount of all Priority Lien Debt as of such date (including, without duplication of any outstanding principal amounts, the amount of any unfunded commitments under all revolving credit facilities (including the Revolving Credit Agreement) of the Chilean Issuer and its Restricted Subsidiaries as of such date) plus (ii) the aggregate principal amount of all Junior Lien Indebtedness (including, without duplication of any outstanding principal amounts, the amount of any unfunded commitments under a revolving credit facility as of such date) plus (iii) without duplication, the aggregate principal amount of all Permitted Refinancing Indebtedness in respect of Priority Lien Debt or Junior Lien Indebtedness as of such date (including, in each case, without duplication of any outstanding principal amounts, the amount of any unfunded commitments under a revolving credit facility constituting such Permitted Refinancing Indebtedness as of such date) plus (iv) the aggregate outstanding amount of Pre-Sold Currency.

"Total Funded Debt" means, as of any date, the outstanding principal amount of all funded third-party Indebtedness for borrowed money of the Chilean Issuer and its Restricted Subsidiaries determined on a consolidated basis (excluding, for the avoidance of doubt, any Aircraft or Engine leases or other lease obligations), as reflected on a balance sheet of the Chilean Issuer and its Restricted Subsidiaries prepared in accordance with IFRS.

"Trustee" means Wilmington Trust, National Association until a successor replaces it in accordance with the applicable provisions of this Indenture and thereafter means the successor serving hereunder.

"U.S. Person" means a U.S. Person as defined in Rule 902(k) promulgated under the Securities Act.

"U.S. Real Estate Mortgage" means an agreement, including, but not limited to, a mortgage, deed of trust, leasehold mortgage, leasehold deed of trust or any other document, as amended, restated, modified, supplemented, extended or amended and restated from time to time, creating and evidencing a Lien in favor of the Collateral Trustee on that certain real property leased by an Issuer or a Guarantor and set forth on a schedule to the Collateral Trust Agreement.

"Uniform Commercial Code" or "UCC" means the Uniform Commercial Code or any successor provision thereof as the same may from time to time be in effect in the State of New York or the Uniform Commercial Code or any successor provision thereof (or similar code or statute) of another jurisdiction, to the extent it may be required to apply to the perfection or priority of any Lien on any item or items of Collateral.

"United States" or "U.S." means the United States of America; provided that for geographic purposes, "United States" means, in aggregate, the 50 states and the District of Columbia of the United States of America.

"Unrestricted Definitive Note" means, with respect to the Notes, a Definitive Note that does not bear and is not required to bear the Private Placement Legend.

"Unrestricted Cash Amount" means, (a) on any date of determination, as determined in accordance with IFRS (where applicable), the aggregate amount of unrestricted cash and Cash Equivalents owned by the Chilean Issuer or any Restricted Subsidiary as shown on a balance sheet prepared in accordance with IFRS and (b) cash and Cash Equivalents owned by the Chilean Issuer or any Restricted Subsidiary restricted in favor of any Secured Party to secure the 2027 Notes Obligations (it being understood such cash and Cash Equivalents may also secure other Secured Obligations (as defined in the Pledge and Security Agreement)).

"Unrestricted Global Note" means a Global Note that does not bear and is not required to bear the Private Placement Legend.

"Unrestricted Subsidiary" means any Subsidiary of the Chilean Issuer that is designated by the Board of Directors as an Unrestricted Subsidiary if that designation would not cause a Default or Event of Default and no Default or Event of Default exists at the time of such designation; provided that if a Restricted Subsidiary is designated as an Unrestricted Subsidiary, the aggregate Fair Market Value of all outstanding Investments owned by the Chilean Issuer and its Restricted Subsidiaries in the Subsidiary designated as an Unrestricted Subsidiary will be deemed to be an Investment made as of the time of the designation, which Investment is permitted at that time under Section 4.06 hereof. Any designation of an Unrestricted Subsidiary shall be made pursuant to a resolution of the Board of Directors, but only if such Subsidiary:

(1) has no Indebtedness other than Non-Recourse Debt;

(2) other than as permitted under Section 4.10 hereof, is not party to any agreement, contract, arrangement or understanding with the Chilean Issuer or any Restricted Subsidiary of the Chilean Issuer unless the terms of any such agreement, contract, arrangement or understanding are no less favorable to the Chilean Issuer or such Restricted Subsidiary than those that might be obtained at the time from Persons who are not Affiliates of the Chilean Issuer;

(3) is a Person with respect to which neither the Chilean Issuer nor any of its Restricted Subsidiaries has any direct or indirect obligation (a) to subscribe for additional Equity Interests or (b) to maintain or preserve such Person's financial condition or to cause such Person to achieve any specified levels of operating results;

(4) has not guaranteed or otherwise directly or indirectly provided credit support for any Indebtedness of the Chilean Issuer or any of its Restricted Subsidiaries;

(5) has substantially simultaneously with any such designation, been similarly designated under the documents governing any outstanding Priority Lien Debt, the Junior DIP Facility (if outstanding) and any outstanding Junior Lien Indebtedness;

(6) after giving effect to such designation, the Asset Coverage Ratio shall be greater than or equal to [*];

(7) does not own any assets or properties that constitute Collateral; and

(8) does not own assets or properties, taken together with the assets and properties owned by existing Unrestricted Subsidiaries (and Restricted Subsidiaries that substantially simultaneously with such designation shall also be designated as Unrestricted Subsidiaries), in excess of [*].

The Board of Directors may at any time designate any Unrestricted Subsidiary to be a Restricted Subsidiary; provided that (x) no Default or Event of Default would be in existence following such designation, (y) after giving effect to such designation, the Asset Coverage Ratio shall be greater than or equal to [*] and (z) all Liens of such Unrestricted Subsidiary outstanding immediately following such designation would, if incurred at such time, have been permitted to be incurred for all purposes of this Indenture.

"Use or Lose Rule" means with respect to Slots, any applicable utilization requirements issued by the FAA, other Governmental Authorities, any Non-U.S. Aviation Authorities or any Airport Authorities.

"Voting Power" in respect of any Person means the power to vote, or direct the vote of, the Voting Stock of such Person (rather than simply the number of shares of Voting Stock held in respect of such Person).

"Voting Stock" of any specified Person as of any date means the Capital Stock of such Person that is at the time entitled to vote in the election of the board of directors of such Person.

"Weighted Average Life to Maturity" means, when applied to any Indebtedness at any date, the number of years obtained by dividing:

(1) the sum of the products obtained by multiplying (A) the amount of each then remaining installment, sinking fund, serial maturity or other required payments of principal, including payment at final maturity, in respect of the Indebtedness, by (B) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment; by

(2) the then outstanding principal amount of such Indebtedness.

Section 1.02. Other Definitions.

Term	Defined in Section
"Additional Amount"	4.20
"Affiliate Transaction"	4.10
"Asset Disposition Offer"	4.08
"Authentication Order"	2.02
"Change of Control Offer"	4.12
"Change of Control Payment"	4.12
"Change of Control Payment Date"	4.12
"Covenant Defeasance"	8.03
"Coverage Shortfall"	4.16
"Cure Period"	4.16
"Depositary and Information Agent"	3.12
"Designated Guarantor"	4.13
"DTC"	2.03
"Event of Default"	6.01
"Excess Proceeds"	4.08
"Exit Condition Event"	3.12
"Exit Condition Event Offer"	3.12
"Exit Condition Event Payment"	3.12
"Exit Condition Event Payment Date"	3.12
"First Call Date"	3.07
"Legal Defeasance"	8.02
"Minimum Chilean Dividends"	4.06
"Notice of Default"	6.01
"Offer Amount"	3.11
"Offer Period"	3.11
"Other Offer Notes"	4.08
"Paying Agent"	2.03
"Proceeding"	13.07
"Process Agent"	13.07
"Purchase Date"	3.11
"Redemption Date"	3.07
"Redemption Deposit"	8.04
"Redemption Price Premium"	6.02
"Registrar"	2.03
"Restricted Payments"	4.06
"Special Interest"	4.16
"Special Mandatory Redemption"	3.10
"Special Mandatory Redemption Date"	3.10
"Special Mandatory Redemption Notice"	3.10
"Special Mandatory Redemption Price"	3.10
"Special Termination Date"	3.10
"Subject Company"	5.01
"Subject Entity"	5.01
"Taxing Jurisdiction"	4.20

Section 1.03. Rules of Construction. Unless the context otherwise requires:

(1) a term has the meaning assigned to it;

(2) an accounting term not otherwise defined has the meaning assigned to it in accordance with IFRS;

(3) "or" is not exclusive;

(4) words in the singular include the plural, and in the plural include the singular;

(5) "will" shall be interpreted to express a command;

(6) provisions apply to successive events and transactions;

(7) "including" means including without limitation;

(8) references to sections of or rules under the Securities Act will be deemed to include substitute, replacement of successor sections or rules adopted by the SEC from time to time; and

(9) each reference to "cash" shall be deemed to include also Cash Equivalents.

Section 1.04. Calculations and Tests. Unless the context otherwise requires:

(a) For purposes of any determination under Article 4 or any other provision of this Indenture subject to any Dollar limitation, threshold or basket, all amounts incurred, outstanding or proposed to be incurred or outstanding in currencies other than Dollars shall be translated into Dollars at the Exchange Rate (rounded to the nearest currency unit, with 0.5 or more of a currency unit being rounded upward) at the applicable time determined in accordance with this Section 1.04; provided, however, that for purposes of determining compliance with Article 4 with respect to any amount in a currency other than Dollars, no Default or Event of Default shall be deemed to have occurred solely as a result of changes in rates of exchange occurring after the time such Indebtedness or Lien is incurred or Investment or other Restricted Payment or Disposition is made, or transaction with an Affiliate is entered into. For purposes of any determination of the Asset Coverage Ratio, the Total Asset Coverage Ratio or Consolidated Liquidity, amounts in currencies other than Dollars shall be translated into Dollars at the currency exchange rates used in preparing the most recently delivered financial statements pursuant to Section 4.03 (adjusted to reflect the currency translation effects, determined in accordance with IFRS, of any Hedging Agreements for currency exchange risks with respect to the applicable currency in effect on the date of determination of the Dollar Equivalent).

(b) It is understood and agreed that any Indebtedness, Lien, Investment or other Restricted Payment, Disposition and/or Affiliate transaction need not be permitted solely by reference to one category of permitted Indebtedness, Lien, Investment or other Restricted Payment, Disposition and/or Affiliate transaction within the same covenant, but may instead be permitted in part under any combination thereof or under any other available exception within the same covenant.

ARTICLE 2

THE NOTES

Section 2.01. Form and Dating.

(a) General. The Notes and the Trustee's certificate of authentication will be substantially in the form of Exhibit A hereto. The Notes may have notations, legends or endorsements required by law, stock exchange rule or usage. Each Note will be dated the date of its authentication. The Notes shall be in minimum denominations of $2,000 and integral multiples of $1,000 in excess thereof.

The terms and provisions contained in the Notes will constitute, and are hereby expressly made, a part of this Indenture and the Issuers, the Guarantors, the Trustee and the Collateral Trustee, by their execution and delivery of this Indenture, expressly agree to such terms and provisions and to be bound thereby. However, to the extent any provision of any Note conflicts with the express provisions of this Indenture, the provisions of this Indenture shall govern and be controlling.

(b) Global Notes. Notes issued in global form will be substantially in the form of Exhibit A hereto (including the Global Note Legend set forth in Section 2.06(f)(2) hereof and the ERISA Legend set forth in Section 2.06(f)(3) hereof and the "Schedule of Exchanges of Interests in the Global Note" attached thereto). Notes issued in definitive form will be substantially in the form of Exhibit A hereto (but without the Global Note Legend thereon and without the "Schedule of Exchanges of Interests in the Global Note" attached thereto). Each Global Note will represent such of the outstanding Notes as will be specified therein, and each shall provide that it represents the aggregate principal amount of outstanding Notes from time to time endorsed thereon and that the aggregate principal amount of outstanding Notes represented thereby may from time to time be reduced or increased, as appropriate, to reflect exchanges and redemptions. Any endorsement of a Global Note to reflect the amount of any increase or decrease in the aggregate principal amount of outstanding Notes represented thereby will be made by the Trustee or the Custodian, at the direction of the Trustee, in accordance with instructions given by the Holder thereof as required by Section 2.06 hereof.

(c) Euroclear and Clearstream Procedures Applicable. The provisions of the "Operating Procedures of the Euroclear System" and "Terms and Conditions Governing Use of Euroclear" of Euroclear and the "General Terms and Conditions of Clearstream Banking" and "Customer Handbook" of Clearstream and, in each case, any successor provisions, will be applicable to transfers of beneficial interests in the Regulation S Global Notes that are held by Participants through Euroclear or Clearstream.

Section 2.02. Execution and Authentication.

The Notes shall be executed on behalf of the Issuers by at least one Officer of each Issuer. The signature of any Officer on the Notes may be manual, electronic or facsimile signatures of such Officer and may be imprinted or otherwise reproduced on the Notes.

If an Officer whose signature is on a Note no longer holds that office at the time a Note is authenticated, the Note will nevertheless be valid.

A Note will not be valid until authenticated by the manual signature of the Trustee. The signature will be conclusive evidence that the Note has been authenticated under this Indenture.

The Trustee will, upon receipt of a written order of the Issuers signed by an Officer of each Issuer (an "Authentication Order"), authenticate the Notes for original issue that may be validly issued under this Indenture, including any Additional Notes. The aggregate principal amount of Notes outstanding at any time may not exceed the aggregate principal amount of Notes authorized for issuance by the Issuers pursuant to one or more Authentication Orders, except as provided in Section 2.07 hereof.

In authenticating the Notes, the Trustee shall receive, and subject to Section 7.01 hereof will be fully protected in relying upon, an Opinion of Counsel stating that this Indenture and such Notes (when authenticated and delivered by the Trustee and issued by the Issuers in the manner and subject to any conditions specified in such Opinion of Counsel) and such Note Guarantees (when issued by the Guarantors in the manner and subject to any conditions specified in such Opinion of Counsel), will constitute valid and binding obligations of the Issuers and the Guarantors enforceable in accordance with their terms (except as the enforceability thereof may be limited by bankruptcy, insolvency, reorganization, moratorium, or other laws relating to or affecting creditors' rights and by general principles of equity, and subject to customary assumptions).

The Trustee may appoint an authenticating agent acceptable to the Issuers to authenticate Notes. Unless otherwise provided in the appointment, an authenticating agent may authenticate Notes whenever the Trustee may do so. Each reference in this Indenture to authentication by the Trustee includes authentication by such agent. An authenticating agent has the same rights as an Agent to deal with Holders of Notes or an Affiliate of the Issuers.

Section 2.03. Registrar and Paying Agent.

The Issuers will maintain or cause to be maintained an office or agency where Notes may be presented for registration of transfer or for exchange ("Registrar") and an office or agency where Notes may be presented for payment ("Paying Agent"). The Registrar will keep a register of the Notes and of their transfer and exchange. The Issuers may appoint one or more co-registrars and one or more additional paying agents. The term "Registrar" includes any co-registrar, and the term "Paying Agent" includes any additional paying agent. The Issuers may change any Paying Agent or Registrar without notice to any Holder. The Issuers will notify the Trustee in writing of the name and address of any Agent not a party to this Indenture. If the Issuers fail to appoint or maintain another entity as Registrar or Paying Agent, the Trustee shall act as such. Any Issuer or any of its Subsidiaries may act as Paying Agent or Registrar with respect to the Notes.

The Issuers initially appoint The Depository Trust Company ("DTC") to act as Depositary with respect to the Notes.

The Issuers initially appoint the Trustee to act as the Registrar and Paying Agent and to act as Custodian with respect to the Notes.

Section 2.04. Paying Agent to Hold Money in Trust.

The Issuers will require each Paying Agent other than the Trustee to agree in writing that the Paying Agent will hold in trust for the benefit of Holders of Notes or the Trustee all money held by the Paying Agent for the payment of principal, premium or Special Interest, if any, or interest on the Notes, and will notify the Trustee of any default by the Issuers in making any such payment. While any such default continues, the Trustee may require a Paying Agent to pay all money held by it to the Trustee. The Issuers at any time may require a Paying Agent to pay all money held by it to the Trustee. Upon payment over to the Trustee, the Paying Agent (if other than an Issuer or a Subsidiary of an Issuer) will have no further liability for the money. If an Issuer or a Subsidiary of an Issuer acts as Paying Agent, it will segregate and hold in a separate trust fund for the benefit of the Holders of Notes all money held by it as Paying Agent.

Upon any bankruptcy or reorganization proceedings relating to the Chilean Issuer, the Trustee will serve as Paying Agent for the Notes.

Section 2.05. Holder Lists.

The Trustee will preserve in as current a form as is reasonably practicable the most recent list available to it of the names and addresses of all Holders of Notes. If the Trustee is not the Registrar, the Issuers will furnish to the Trustee at least two Business Days before each interest payment date and at such other times as the Trustee may request in writing, a list in such form and as of such date as the Trustee may reasonably require of the names and addresses of the Holders of Notes.

Section 2.06. Transfer and Exchange.

(a) Transfer and Exchange of Global Notes. A Global Note may not be transferred except as a whole by the Depositary to a nominee of the Depositary, by a nominee of the Depositary to the Depositary or to another nominee of the Depositary, or by the Depositary or any such nominee to a successor Depositary or a nominee of such successor Depositary. All Global Notes will be exchanged by the Issuers for Definitive Notes if:

(1) the Issuers deliver to the Trustee notice from the Depositary that it is unwilling or unable to continue to act as Depositary or that it is no longer a clearing agency registered under the Exchange Act and, in either case, a successor Depositary is not appointed by the Issuers within 120 days after the date of such notice from the Depositary; or

(2) there has occurred and is continuing a Default or Event of Default with respect to the Notes.

Upon the occurrence of any of the preceding events in (1) or (2) of this Section 2.06(a), Definitive Notes shall be issued in such names as the Depositary shall instruct the Trustee. Global Notes also may be exchanged or replaced, in whole or in part, as provided in Sections 2.07 and 2.10 hereof. Every Note authenticated and delivered in exchange for, or in lieu of, a Global Note or any portion thereof, pursuant to this Section 2.06 or Section 2.07 or 2.10 hereof, shall be authenticated and delivered in the form of, and shall be, a Global Note. A Global Note may not be exchanged for another Note other than as provided in this Section 2.06(a); however, beneficial interests in a Global Note may be transferred and exchanged as provided in Section 2.06(b) or (c).

(b) Transfer and Exchange of Beneficial Interests in the Global Notes. The transfer and exchange of beneficial interests in the Global Notes will be effected through the Depositary, in accordance with the provisions of this Indenture and the Applicable Procedures. Beneficial interests in the Restricted Global Notes will be subject to restrictions on transfer comparable to those set forth herein to the extent required by the Securities Act. Transfers of beneficial interests in the Global Notes also will require compliance with either subparagraph (1) or (2) below, as applicable, as well as one or more of the other following subparagraphs, as applicable:

(1) Transfer of Beneficial Interests in the Same Global Note. Beneficial interests in any Restricted Global Note may be transferred to Persons who take delivery thereof in the form of a beneficial interest in the same Restricted Global Note in accordance with the transfer restrictions set forth in the Private Placement Legend; provided, however, that prior to the expiration of the Restricted Period, transfers of beneficial interests in the Regulation S Global Note may not be made to a U.S. Person or for the account or benefit of a U.S. Person (other than an Initial Purchaser). Beneficial interests in any Unrestricted Global Note may be transferred to Persons who take delivery thereof in the form of a beneficial interest in an Unrestricted Global Note. No written orders or instructions shall be required to be delivered to the Registrar to effect the transfers described in this Section 2.06(b)(1).

(2) All Other Transfers and Exchanges of Beneficial Interests in Global Notes. In connection with all transfers and exchanges of beneficial interests that are not subject to Section 2.06(b)(1) above, the transferor of such beneficial interest must deliver to the Registrar either:

(A) both:

(i) a written order from a Participant or an Indirect Participant given to the Depositary in accordance with the Applicable Procedures directing the Depositary to credit or cause to be credited a beneficial interest in another Global Note in an amount equal to the beneficial interest to be transferred or exchanged; and

(ii) instructions given in accordance with the Applicable Procedures containing information regarding the Participant account to be credited with such increase; or

(B) both:

(i) a written order from a Participant or an Indirect Participant given to the Depositary in accordance with the Applicable Procedures directing the Depositary to cause to be issued a Definitive Note in an amount equal to the beneficial interest to be transferred or exchanged; and

(ii) instructions given by the Depositary to the Registrar containing information regarding the Person in whose name such Definitive Note shall be registered to effect the transfer or exchange referred to in (1) above;

Upon satisfaction of all of the requirements for transfer or exchange of beneficial interests in Global Notes contained in this Indenture and the Notes or otherwise applicable under the Securities Act, the Trustee shall adjust the principal amount of the relevant Global Note(s) pursuant to Section 2.06(g) hereof.

(3) Transfer of Beneficial Interests to Another Restricted Global Note. A beneficial interest in any Restricted Global Note may be transferred to a Person who takes delivery thereof in the form of a beneficial interest in another Restricted Global Note if the transfer complies with the requirements of Section 2.06(b)(2) above and the Registrar receives the following:

(A) if the transferee will take delivery in the form of a beneficial interest in the 144A Global Note, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications in item (1) thereof; and

(B) if the transferee will take delivery in the form of a beneficial interest in the Regulation S Global Note, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications in item (2) thereof; and

(4) Transfer and Exchange of Beneficial Interests in a Restricted Global Note for Beneficial Interests in an Unrestricted Global Note. A beneficial interest in any Restricted Global Note may be exchanged by any holder thereof for a beneficial interest in an Unrestricted Global Note or transferred to a Person who takes delivery thereof in the form of a beneficial interest in an Unrestricted Global Note if the exchange or transfer complies with the requirements of Section 2.06(b)(2) above and:

(A) the Registrar receives the following:

(i) if the holder of such beneficial interest in a Restricted Global Note proposes to exchange such beneficial interest for a beneficial interest in an Unrestricted Global Note, a certificate from such holder in the form of Exhibit C hereto, including the certifications in item (1)(a) thereof; or

(ii) if the holder of such beneficial interest in a Restricted Global Note proposes to transfer such beneficial interest to a Person who shall take delivery thereof in the form of a beneficial interest in an Unrestricted Global Note, a certificate from such holder in the form of Exhibit B hereto, including the certifications in item (4) thereof;

and, in each such case set forth in this subparagraph (A), if the Issuers or the Registrar so requests or if the Applicable Procedures so require, an Opinion of Counsel in form reasonably acceptable to the Issuers and the Registrar to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

If any such transfer is effected pursuant to subparagraph (A) above at a time when an Unrestricted Global Note has not yet been issued, the Issuers shall issue and, upon receipt of an Authentication Order in accordance with Section 2.02 hereof, the Trustee shall authenticate one or more Unrestricted Global Notes in an aggregate principal amount equal to the aggregate principal amount of beneficial interests transferred pursuant to subparagraph (A) above.

Beneficial interests in an Unrestricted Global Note cannot be exchanged for, or transferred to Persons who take delivery thereof in the form of, a beneficial interest in a Restricted Global Note.

(c) Transfer or Exchange of Beneficial Interests for Definitive Notes.

(1) Beneficial Interests in Restricted Global Notes to Restricted Definitive Notes. If any holder of a beneficial interest in a Restricted Global Note proposes to exchange such beneficial interest for a Restricted Definitive Note or to transfer such beneficial interest to a Person who takes delivery thereof in the form of a Restricted Definitive Note, then, upon receipt by the Registrar of the following documentation:

(A) if the holder of such beneficial interest in a Restricted Global Note proposes to exchange such beneficial interest for a Restricted Definitive Note, a certificate from such holder in the form of Exhibit C hereto, including the certifications in item (2)(a) thereof;

(B) if such beneficial interest is being transferred to a QIB in accordance with Rule 144A, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (1) thereof;

(C) if such beneficial interest is being transferred to a Non-U.S. Person in an offshore transaction in accordance with Rule 903 or Rule 904, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (2) thereof;

(D) if such beneficial interest is being transferred pursuant to an exemption from the registration requirements of the Securities Act in accordance with Rule 144 or any other exemption from the Securities Act, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(a) thereof; or

(E) if such beneficial interest is being transferred to an Issuer or any of its Subsidiaries, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(b) thereof,

the Trustee shall cause the aggregate principal amount of the applicable Global Note to be reduced accordingly pursuant to Section 2.06(g) hereof, and the Issuers shall execute and the Trustee shall authenticate and deliver to the Person designated in the instructions a Definitive Note in the appropriate principal amount. Any Definitive Note issued in exchange for a beneficial interest in a Restricted Global Note pursuant to this Section 2.06(c) shall be registered in such name or names and in such authorized denomination or denominations as the holder of such beneficial interest shall instruct the Registrar through instructions from the Depositary and the Participant or Indirect Participant. The Trustee shall deliver such Definitive Notes to the Persons in whose names such Notes are so registered. Any Definitive Note issued in exchange for a beneficial interest in a Restricted Global Note pursuant to this Section 2.06(c)(1) shall bear the Private Placement Legend and shall be subject to all restrictions on transfer contained therein.

(2) Beneficial Interests in Restricted Global Notes to Unrestricted Definitive Notes. A holder of a beneficial interest in a Restricted Global Note may exchange such beneficial interest for an Unrestricted Definitive Note or may transfer such beneficial interest to a Person who takes delivery thereof in the form of an Unrestricted Definitive Note only if:

(A) the Registrar receives the following:

(i) if the holder of such beneficial interest in a Restricted Global Note proposes to exchange such beneficial interest for an Unrestricted Definitive Note, a certificate from such holder in the form of Exhibit C hereto, including the certifications in item (1)(b) thereof; or

(ii) if the holder of such beneficial interest in a Restricted Global Note proposes to transfer such beneficial interest to a Person who shall take delivery thereof in the form of an Unrestricted Definitive Note, a certificate from such holder in the form of Exhibit B hereto, including the certifications in item (4) thereof;

and, in each such case set forth in this subparagraph (A), if the Issuers or the Registrar so requests or if the Applicable Procedures so require, an Opinion of Counsel in form reasonably acceptable to the Issuers and the Registrar to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

(3) Beneficial Interests in Unrestricted Global Notes to Unrestricted Definitive Notes. If any holder of a beneficial interest in an Unrestricted Global Note proposes to exchange such beneficial interest for a Definitive Note or to transfer such beneficial interest to a Person who takes delivery thereof in the form of a Definitive Note, then, upon satisfaction of the conditions set forth in Section 2.06(b)(2) hereof, the Trustee will cause the aggregate principal amount of the applicable Global Note to be reduced accordingly pursuant to Section 2.06(g) hereof, and the Issuers will execute and the Trustee will authenticate and deliver to the Person designated in the instructions a Definitive Note in the appropriate principal amount. Any Definitive Note issued in exchange for a beneficial interest pursuant to this Section 2.06(c)(3) will be registered in such name or names and in such authorized denomination or denominations as the holder of such beneficial interest requests through instructions to the Registrar from or through the Depositary and the Participant or Indirect Participant. The Trustee will deliver such Definitive Notes to the Persons in whose names such Notes are so registered. Any Definitive Note issued in exchange for a beneficial interest pursuant to this Section 2.06(c)(3) will not bear the Private Placement Legend.

(d) Transfer and Exchange of Definitive Notes for Beneficial Interests.

(1) Restricted Definitive Notes to Beneficial Interests in Restricted Global Notes. If any Holder of a Restricted Definitive Note proposes to exchange such Note for a beneficial interest in a Restricted Global Note or to transfer such Restricted Definitive Notes to a Person who takes delivery thereof in the form of a beneficial interest in a Restricted Global Note, then, upon receipt by the Registrar of the following documentation:

(A) if the Holder of such Restricted Definitive Note proposes to exchange such Note for a beneficial interest in a Restricted Global Note, a certificate from such Holder in the form of Exhibit C hereto, including the certifications in item (2)(b) thereof;

(B) if such Restricted Definitive Note is being transferred to a QIB in accordance with Rule 144A, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (1) thereof;

(C) if such Restricted Definitive Note is being transferred to a Non-U.S. Person in an offshore transaction in accordance with Rule 903 or Rule 904, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (2) thereof;

(D) if such Restricted Definitive Note is being transferred pursuant to an exemption from the registration requirements of the Securities Act in accordance with Rule 144 or any other exemption from the Securities Act, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(a) thereof; or

(E) if such Restricted Definitive Note is being transferred to an Issuer or any of its Subsidiaries, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(b) thereof,

the Trustee will cancel the Restricted Definitive Note, increase or cause to be increased the aggregate principal amount of, in the case of clause (A) above, the appropriate Restricted Global Note, in the case of clause (B) above, the 144A Global Note or in the case of clause (C) above, the Regulation S Global Note.

(2) Restricted Definitive Notes to Beneficial Interests in Unrestricted Global Notes. A Holder of a Restricted Definitive Note may exchange such Note for a beneficial interest in an Unrestricted Global Note or transfer such Restricted Definitive Note to a Person who takes delivery thereof in the form of a beneficial interest in an Unrestricted Global Note only if:

(A) the Registrar receives the following:

(i) if the Holder of such Definitive Notes proposes to exchange such Notes for a beneficial interest in the Unrestricted Global Note, a certificate from such Holder in the form of Exhibit C hereto, including the certifications in item (1)(c) thereof; or

(ii) if the Holder of such Definitive Notes proposes to transfer such Notes to a Person who shall take delivery thereof in the form of a beneficial interest in the Unrestricted Global Note, a certificate from such Holder in the form of Exhibit B hereto, including the certifications in item (4) thereof;

and, in each such case set forth in this subparagraph (A), if the Issuers or the Registrar so requests or if the Applicable Procedures so require, an Opinion of Counsel in form reasonably acceptable to the Issuers and the Registrar to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

Upon satisfaction of the conditions of any of the subparagraphs in this Section 2.06(d)(2), the Trustee will cancel the Definitive Notes and increase or cause to be increased the aggregate principal amount of the Unrestricted Global Note.

(3) Unrestricted Definitive Notes to Beneficial Interests in Unrestricted Global Notes. A Holder of an Unrestricted Definitive Note may exchange such Note for a beneficial interest in an Unrestricted Global Note or transfer such Definitive Notes to a Person who takes delivery thereof in the form of a beneficial interest in an Unrestricted Global Note at any time. Upon receipt of a request for such an exchange or transfer, the Trustee will cancel the applicable Unrestricted Definitive Note and increase or cause to be increased the aggregate principal amount of one of the Unrestricted Global Notes.

If any such exchange or transfer from a Definitive Note to a beneficial interest is effected pursuant to subparagraphs (2)(A) or (3) above at a time when an Unrestricted Global Note has not yet been issued, the Issuers will issue and, upon receipt of an Authentication Order in accordance with Section 2.02 hereof, the Trustee will authenticate one or more Unrestricted Global Notes in an aggregate principal amount equal to the principal amount of Definitive Notes so transferred.

(e) Transfer and Exchange of Definitive Notes for Definitive Notes. Upon request by a Holder of Definitive Notes and such Holder's compliance with the provisions of this Section 2.06(e), the Registrar will register the transfer or exchange of Definitive Notes. Prior to such registration of transfer or exchange, the requesting Holder must present or surrender to the Registrar the Definitive Notes duly endorsed or accompanied by a written instruction of transfer in form satisfactory to the Registrar duly executed by such Holder or by its attorney, duly authorized in writing. In addition, the requesting Holder must provide any additional certifications, documents and information, as applicable, required pursuant to the following provisions of this Section 2.06(e).

(1) Restricted Definitive Notes to Restricted Definitive Notes. Any Restricted Definitive Note may be transferred to and registered in the name of Persons who take delivery thereof in the form of a Restricted Definitive Note if the Registrar receives the following:

(A) if the transfer will be made pursuant to Rule 144A, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications in item (1) thereof;

(B) if the transfer will be made pursuant to Rule 903 or Rule 904, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications in item (2) thereof; and

(C) if the transfer will be made pursuant to any other exemption from the registration requirements of the Securities Act, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications, certificates and Opinion of Counsel required by item (3) thereof, if applicable.

(2) Restricted Definitive Notes to Unrestricted Definitive Notes. Any Restricted Definitive Note may be exchanged by the Holder thereof for an Unrestricted Definitive Note or transferred to a Person or Persons who take delivery thereof in the form of an Unrestricted Definitive Note if:

(A) the Registrar receives the following:

(i) if the Holder of such Restricted Definitive Notes proposes to exchange such Notes for an Unrestricted Definitive Note, a certificate from such Holder in the form of Exhibit C hereto, including the certifications in item (1)(d) thereof; or

(ii) if the Holder of such Restricted Definitive Notes proposes to transfer such Notes to a Person who shall take delivery thereof in the form of an Unrestricted Definitive Note, a certificate from such Holder in the form of Exhibit B hereto, including the certifications in item (4) thereof;

and, in each such case set forth in this subparagraph (A), if the Issuers or the Registrar so requests, an Opinion of Counsel in form reasonably acceptable to the Issuers and the Registrar to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

(3) Unrestricted Definitive Notes to Unrestricted Definitive Notes. A Holder of Unrestricted Definitive Notes may transfer such Notes to a Person who takes delivery thereof in the form of an Unrestricted Definitive Note. Upon receipt of a request to register such a transfer, the Registrar shall register the Unrestricted Definitive Notes pursuant to the instructions from the Holder thereof.

(f) Legends. The following legends will appear on the face of all Global Notes and Definitive Notes issued under this Indenture unless specifically stated otherwise in the applicable provisions of this Indenture.

(1) Private Placement Legend. Each Global Note and each Definitive Note (and all Notes issued in exchange therefor or substitution thereof) shall bear the legend in substantially the following form:

"THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION. NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, SUCH REGISTRATION. THE HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, AGREES ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR ACCOUNT FOR WHICH IT HAS PURCHASED SECURITIES, TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, PRIOR TO THE DATE (THE "RESALE RESTRICTION TERMINATION DATE") THAT IS [**IN THE CASE OF RULE 144A NOTES**: ONE YEAR AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF, THE ORIGINAL ISSUE DATE OF THE ISSUANCE OF ANY ADDITIONAL NOTES AND THE LAST DATE ON WHICH THE ISSUERS OR ANY AFFILIATE OF THE ISSUERS WERE THE OWNER OF THIS SECURITY (OR ANY PREDECESSOR OF SUCH SECURITY),] [**IN THE CASE OF REGULATION S NOTES**: 40 DAYS AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF, THE ORIGINAL ISSUE DATE OF THE ISSUANCE OF ANY ADDITIONAL NOTES AND THE DATE ON WHICH THIS SECURITY (OR ANY PREDECESSOR OF SUCH SECURITY) WAS FIRST OFFERED TO PERSONS OTHER THAN DISTRIBUTORS (AS DEFINED IN RULE 902 OF REGULATION S) IN RELIANCE ON REGULATION S], ONLY (A) TO THE COMPANY OR ANY SUBSIDIARY THEREOF, (B) PURSUANT TO A REGISTRATION STATEMENT THAT HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT, (C) FOR SO LONG AS THE SECURITIES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A UNDER THE SECURITIES ACT ("RULE 144A"), TO A PERSON IT REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN RULE 144A THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (D) PURSUANT TO OFFERS AND SALES TO NON-U.S. PERSONS THAT OCCUR OUTSIDE THE UNITED STATES WITHIN THE MEANING OF REGULATION S UNDER THE SECURITIES ACT, (E) TO AN INSTITUTIONAL "ACCREDITED INVESTOR" WITHIN THE MEANING OF RULE 501(a)(1), (2), (3) OR (7) UNDER THE SECURITIES ACT THAT IS NOT A QUALIFIED INSTITUTIONAL BUYER AND THAT IS PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ANOTHER INSTITUTIONAL ACCREDITED INVESTOR, IN EACH CASE IN A MINIMUM PRINCIPAL AMOUNT OF SECURITIES OR (F) PURSUANT TO ANOTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT TO THE COMPANY'S AND THE TRUSTEE'S RIGHT PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSES (D), (E) OR (F) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/ OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM. THIS LEGEND WILL BE REMOVED UPON THE REQUEST OF THE HOLDER AFTER THE RESALE RESTRICTION TERMINATION DATE. [**IN THE CASE OF REGULATION S NOTES**: BY ITS ACQUISITION HEREOF, THE HOLDER HEREOF REPRESENTS THAT IT IS NOT A U.S. PERSON NOR IS IT PURCHASING FOR THE ACCOUNT OF A U.S. PERSON AND IS ACQUIRING THIS SECURITY IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT.]"

(2) Global Note Legend. Each Global Note will bear a legend in substantially the following form:

"THIS GLOBAL NOTE IS HELD BY THE DEPOSITARY (AS DEFINED IN THE INDENTURE GOVERNING THIS NOTE) OR ITS NOMINEE IN CUSTODY FOR THE BENEFIT OF THE BENEFICIAL OWNERS HEREOF, AND IS NOT TRANSFERABLE TO ANY PERSON UNDER ANY CIRCUMSTANCES EXCEPT THAT (1) THE TRUSTEE MAY MAKE SUCH NOTATIONS HEREON AS MAY BE REQUIRED PURSUANT TO SECTION 2.06 OF THE INDENTURE, (2) THIS GLOBAL NOTE MAY BE EXCHANGED IN WHOLE BUT NOT IN PART PURSUANT TO SECTION 2.06(a) OF THE INDENTURE, (3) THIS GLOBAL NOTE MAY BE DELIVERED TO THE TRUSTEE FOR CANCELLATION PURSUANT TO SECTION 2.11 OF THE INDENTURE AND (4) THIS GLOBAL NOTE MAY BE TRANSFERRED TO A SUCCESSOR DEPOSITARY WITH THE PRIOR WRITTEN CONSENT OF THE ISSUERS.

UNLESS AND UNTIL IT IS EXCHANGED IN WHOLE OR IN PART FOR NOTES IN DEFINITIVE FORM, THIS NOTE MAY NOT BE TRANSFERRED EXCEPT AS A WHOLE BY THE DEPOSITARY TO A NOMINEE OF THE DEPOSITARY OR BY A NOMINEE OF THE DEPOSITARY TO THE DEPOSITARY OR ANOTHER NOMINEE OF THE DEPOSITARY OR BY THE DEPOSITARY OR ANY SUCH NOMINEE TO A SUCCESSOR DEPOSITARY OR A NOMINEE OF SUCH SUCCESSOR DEPOSITARY. UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY (55 WATER STREET, NEW YORK, NEW YORK) ("DTC"), TO THE ISSUERS OR THEIR AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR SUCH OTHER NAME AS MAY BE REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR SUCH OTHER ENTITY AS MAY BE REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN."

(3) ERISA Legend. Each Global Note will bear a legend in substantially the following form:

"BY ITS ACQUISITION OF THIS SECURITY (OR ANY INTEREST HEREIN), THE HOLDER THEREOF WILL BE DEEMED TO HAVE REPRESENTED AND WARRANTED THAT EITHER (1) NO PORTION OF THE ASSETS USED BY SUCH HOLDER TO ACQUIRE OR HOLD THIS SECURITY CONSTITUTES THE ASSETS OF (A) AN "EMPLOYEE BENEFIT PLAN" WITHIN THE MEANING OF SECTION 3(3) OF THE U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA") THAT IS SUBJECT TO TITLE I OF ERISA, (B) A PLAN, INDIVIDUAL RETIREMENT ACCOUNT OR OTHER ARRANGEMENT THAT IS SUBJECT TO SECTION 4975 OF THE U.S. INTERNAL REVENUE CODE OR 1986, AS AMENDED (THE "CODE") OR PROVISIONS UNDER ANY OTHER APPLICABLE FEDERAL, STATE, LOCAL, NON-U.S. OR OTHER LAWS OR REGULATIONS THAT ARE SIMILAR TO SUCH PROVISIONS OF ERISA OR THE CODE ("SIMILAR LAWS"), OR (C) OF AN ENTITY WHOSE UNDERLYING ASSETS ARE CONSIDERED TO INCLUDE "PLAN ASSETS" OF ANY OF THE FOREGOING DESCRIBED IN CLAUSES (A) AND (B), OR (2) THE ACQUISITION AND HOLDING OF THIS SECURITY (OR ANY INTEREST HEREIN) WILL NOT CONSTITUTE A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE OR A SIMILAR VIOLATION UNDER ANY APPLICABLE SIMILAR LAWS."

(g) Cancellation and/or Adjustment of Global Notes. At such time as all beneficial interests in a particular Global Note have been exchanged for Definitive Notes or a particular Global Note has been redeemed, repurchased or canceled in whole and not in part, each such Global Note will be returned to or retained and canceled by the Trustee in accordance with Section 2.11 hereof. At any time prior to such cancellation, if any beneficial interest in a Global Note is exchanged for or transferred to a Person who will take delivery thereof in the form of a beneficial interest in another Global Note or for Definitive Notes, the principal amount of Notes represented by such Global Note will be reduced accordingly and an endorsement will be made on such Global Note by the Trustee or by the Depositary at the direction of the Trustee to reflect such reduction; and if the beneficial interest is being exchanged for or transferred to a Person who will take delivery thereof in the form of a beneficial interest in another Global Note, such other Global Note will be increased accordingly and an endorsement will be made on such Global Note by the Trustee or by the Depositary at the direction of the Trustee to reflect such increase.

(h) General Provisions Relating to Transfers and Exchanges.

(1) To permit registrations of transfers and exchanges, the Issuers will execute and the Trustee will authenticate Global Notes and Definitive Notes upon receipt of an Authentication Order in accordance with Section 2.02 hereof or at the Registrar's request.

(2) No service charge will be made to a Holder of a beneficial interest in a Global Note or to a Holder of a Definitive Note for any registration of transfer or exchange, but the Issuers may require payment of a sum sufficient to cover any transfer tax or similar governmental charge payable in connection therewith (other than any such transfer taxes or similar governmental charge payable upon exchange or transfer pursuant to Sections 2.10, 3.06, 3.10, 3.11, 4.08, 4.12 and 9.04 hereof).

(3) The Registrar will not be required to register the transfer of or exchange of any Note selected for redemption in whole or in part, except the unredeemed portion of any Note being redeemed in part.

(4) All Global Notes and Definitive Notes issued upon any registration of transfer or exchange of Global Notes or Definitive Notes will be the valid obligations of the Issuers and the Guarantors, evidencing the same debt, and entitled to the same benefits under this Indenture, as the Global Notes or Definitive Notes surrendered upon such registration of transfer or exchange.

(5) Neither the Registrar nor the Issuers will be required:

(A) to issue, to register the transfer of or to exchange any Notes during a period beginning at the opening of business 15 days before the day of any selection of Notes for redemption under Section 3.02 hereof and ending at the close of business on the day of selection;

(B) to register the transfer of or to exchange any Note selected for redemption in whole or in part, except the unredeemed portion of any Note being redeemed in part; or

(C) to register the transfer of or to exchange a Note between a record date and the next succeeding interest payment date.

(6) Prior to due presentment for the registration of a transfer of any Note, the Trustee, any Agent and the Issuers may deem and treat the Person in whose name any Note is registered as the absolute owner of such Note for the purpose of receiving payment of principal of and interest on such Notes and for all other purposes, and none of the Trustee, any Agent or the Issuers shall be affected by notice to the contrary.

(7) The Trustee will authenticate Global Notes and Definitive Notes in accordance with the provisions of Section 2.02 hereof.

(8) All certifications, certificates and Opinions of Counsel required to be submitted to the Registrar pursuant to this Section 2.06 to effect a registration of transfer or exchange may be submitted by facsimile.

(9) Neither the Trustee nor the Registrar shall have any obligation or duty to monitor, determine or inquire as to compliance with any restrictions on transfer imposed under this Indenture or under applicable law with respect to any transfer of any interest in any Note (including any transfers between or among DTC participants, members or beneficial owners in any Global Note) other than to require delivery of such certificates and other documentation or evidence as are expressly required by, and to do so if and when expressly required by, the terms of this Indenture, and to examine the same to determine substantial compliance as to form with the express requirements hereof.

Section 2.07. Replacement Notes.

If any mutilated Note is surrendered to the Trustee or the Issuers and the Trustee receives evidence to its satisfaction of the destruction, loss or theft of any Note, the Issuers will issue and the Trustee, upon receipt of an Authentication Order, will authenticate a replacement Note if the Trustee's requirements are met. If required by the Trustee or the Issuers, an indemnity bond must be supplied by the Holder that is sufficient in the judgment of the Trustee and the Issuers to protect the Issuers, the Trustee, any Agent and any authenticating agent from any loss that any of them may suffer if a Note is replaced. The Issuers may charge for their expenses in replacing a Note, including reasonable fees and expenses of the Trustee.

Every replacement Note is an obligation of the Issuers and will be entitled to all of the benefits of this Indenture equally and proportionately with all other Notes duly issued hereunder.

Section 2.08. Outstanding Notes.

The Notes outstanding at any time are all the Notes authenticated by the Trustee except for those canceled by it, those delivered to it for cancellation, those reductions in the interest in a Global Note effected by the Trustee in accordance with the provisions hereof, and those described in this Section 2.08 as not outstanding. Except as set forth in Section 2.09 hereof, a Note does not cease to be outstanding because an Issuer or an Affiliate of an Issuer holds the Note; however, Notes held by an Issuer or a Subsidiary of an Issuer shall not be deemed to be outstanding for purposes of Section 3.07 hereof.

If a Note is replaced pursuant to Section 2.07 hereof, it ceases to be outstanding unless the Trustee receives proof satisfactory to it that the replaced Note is held by a protected purchaser.

If the principal amount of any Note is considered paid under Section 4.01 hereof, it ceases to be outstanding and interest on it ceases to accrue.

If the Paying Agent (other than an Issuer, a Subsidiary or an Affiliate of any thereof) holds, on a Redemption Date or maturity date, money sufficient to pay Notes payable on that date, then on and after that date such Notes will be deemed to be no longer outstanding and will cease to accrue interest.

Section 2.09. Treasury Notes.

In determining whether the Holders of the required principal amount of Notes have concurred in any direction, waiver or consent, Notes owned by any Issuer, any Guarantor or by any Affiliate of any Issuer or any Guarantor, will be considered as though not outstanding, except that for the purposes of determining whether the Trustee will be protected in relying on any such direction, waiver or consent, only Notes that the Trustee knows are so owned will be so disregarded.

Section 2.10. Temporary Notes.

Until certificates representing Notes are ready for delivery, the Issuers may prepare and the Trustee, upon receipt of an Authentication Order, will authenticate temporary Notes. Temporary Notes will be substantially in the form of certificated Notes but may have variations that the Issuers consider appropriate for temporary Notes and as may be reasonably acceptable to the Trustee. Without unreasonable delay, the Issuers will prepare and the Trustee will authenticate definitive Notes in exchange for temporary Notes.

Holders of temporary Notes will be entitled to all of the benefits of this Indenture.

Section 2.11. Cancellation.

The Issuers at any time may deliver Notes to the Trustee for cancellation. The Registrar and Paying Agent will forward to the Trustee any Notes surrendered to them for registration of transfer, exchange or payment. The Trustee and no one else will cancel all Notes surrendered for registration of transfer, exchange, payment, replacement or cancellation and will destroy canceled Notes (subject to the record retention requirement of the Exchange Act). Upon request, the Trustee will provide certification of the cancellation of all cancelled Notes to the Issuers. The Issuers may not issue new Notes to replace Notes that it has paid or that have been delivered to the Trustee for cancellation.

Section 2.12. Defaulted Interest.

If the Issuers default in a payment of interest on the Notes, they will pay the defaulted interest in any lawful manner plus, to the extent lawful, interest payable on the defaulted interest, to the Persons who are Holders of Notes on a subsequent special record date, in each case at the rate provided in the Notes and in Section 4.01 hereof. The Issuers will notify the Trustee in writing of the amount of defaulted interest proposed to be paid on each Note and the date of the proposed payment. The Issuers will fix or cause to be fixed each such special record date and payment date; provided that no such special record date may be less than 10 days prior to the related payment date for such defaulted interest. At least 15 days before the special record date, the Issuers (or, upon the written request of the Issuers, the Trustee in the name and at the expense of the Issuers) will mail or cause to be mailed to Holders of Notes a notice that states the special record date, the related payment date and the amount of such interest to be paid.

Section 2.13. CUSIP Numbers.

The Issuers in issuing the Notes may use "CUSIP" numbers (if then generally in use), and, if so, the Trustee shall use "CUSIP" numbers in any notice issued under this Indenture, including but not limited to notices of redemption, as a convenience to Holders; provided that any such notice may state that no representation is made as to the correctness of such numbers either as printed on the Notes or as contained in any notice of redemption or other notice and that reliance may be placed only on the other elements of identification printed on the Notes, and any such redemption or effect of other such notice shall not be affected by any defect in or omission of such numbers. The Issuers will promptly notify the Trustee in writing of any change in the "CUSIP" numbers.

Section 2.14. Issuance of Additional Notes.

After the date of this Indenture, the Issuers shall be entitled to issue Additional Notes under this Indenture.

With respect to any Additional Notes, the Chilean Issuer shall set forth in a resolution of the Board of Directors and an Officer's Certificate, a copy of each which shall be delivered to the Trustee, the following information:

(1) the aggregate principal amount of such Additional Notes to be authenticated and delivered pursuant to this Indenture; and

(2) the issue price, the issue date and the CUSIP number of such Additional Notes; provided, however, that no Additional Notes may be issued at a price that would cause such Additional Notes to have "original issue discount" within the meaning of Section 1273 of the Internal Revenue Code of 1986, as amended.

Section 2.15. Global Securities.

None of the Trustee, any Agent or the Collateral Trustee shall have any responsibility for any actions taken or not taken by the Depositary. Neither the Trustee nor the Registrar shall have any responsibility or obligation to any beneficial owner of a Global Note, a member of, or a participant in, DTC or other Person with respect to the accuracy of the records of DTC or its nominee or of any participant or member thereof, with respect to any ownership interest in the Notes or with respect to the delivery to any participant, member, beneficial owner or other Person (other than DTC) of any notice (including any notice of redemption or purchase) or the payment of any amount or delivery of any Notes (or other security or property) under or with respect to such Notes. All notices and communications to be given to the Holders and all payments to be made to Holders in respect of the Notes shall be given or made only to or upon the order of the registered Holders (which shall be DTC or its nominee in the case of a Global Note). The rights of beneficial owners in any Global Note shall be exercised only through DTC subject to the applicable rules and procedures of DTC. The Trustee may rely and shall be fully protected in relying upon information furnished by DTC with respect to its members, participants and any beneficial owners.

ARTICLE 3

REDEMPTION AND PREPAYMENT

Section 3.01. Notice of Redemption by the Issuers.

Subject to Section 3.10 hereof, if the Issuers elect to redeem Notes pursuant to the optional redemption provisions of Section 3.07 hereof, the Issuers must furnish to the Trustee, at least 10 days but not more than 60 days before a Redemption Date, an Officer's Certificate setting forth:

(1) the clause of this Indenture pursuant to which the redemption shall occur;

(2) the Redemption Date;

(3) the principal amount of Notes to be redeemed;

(4) the redemption price; provided, that if the redemption price is not known at the time such notice is to be given, the actual redemption price, calculated as described in the terms of the Notes to be redeemed, will be set forth in an Officer's Certificate of the Issuers delivered to the Trustee no later than two Business Days prior to the Redemption Date; and

(5) if applicable, any conditions to such redemption.

Any optional redemption referenced in such Officer's Certificate may be cancelled by the Issuers at any time prior to notice of redemption being sent to any Holder and thereafter shall be null and void.

Section 3.02. Selection of Notes to Be Redeemed or Purchased.

If less than all of the Notes are to be redeemed or purchased in an offer to purchase at any time, and such Notes are not Global Notes, the Trustee will select Notes for redemption or purchase on a *pro rata* basis (or, in the case of Global Notes, the Trustee will select Notes for redemption based on DTC's method that most nearly approximates a *pro rata* selection), by lot or such other method as the Trustee deems appropriate and fair (or such other method as DTC may require), unless otherwise required by law or applicable stock exchange or depositary requirements.

In the event of partial redemption or purchase by lot, the particular Notes to be redeemed or purchased will be selected, unless otherwise provided herein, not less than 10 nor more than 60 days prior to the redemption or purchase date by the Trustee from the outstanding Notes not previously called for redemption or purchase.

The Trustee will promptly notify the Issuers in writing of the Notes selected for redemption or purchase and, in the case of any Note selected for partial redemption or purchase, the principal amount thereof to be redeemed or purchased. Notes and portions of Notes selected will be in minimum denominations of $2,000 or integral multiples of $1,000 in excess thereof, except that if all of the Notes of a Holder are to be redeemed or purchased, the entire outstanding amount of Notes held by such Holder, even if not $2,000 or a multiple of $1,000 in excess thereof, shall be redeemed or purchased. Except as provided in the preceding sentence, provisions of this Indenture that apply to Notes called for redemption or purchase also apply to portions of Notes called for redemption or purchase.

Section 3.03. Notice of Redemption.

Subject to the provisions of Sections 3.10 and 3.11 hereof, at least 10 days but not more than 60 days before a Redemption Date, the Issuers will deliver a notice of redemption to each Holder whose Notes are to be redeemed (with a copy to the Trustee) at its registered address, except that redemption notices may be delivered more than 60 days prior to a Redemption Date if the notice is issued in connection with a defeasance of the Notes or a satisfaction and discharge of this Indenture pursuant to Articles 8 or 11 hereof.

The notice will identify the Notes to be redeemed and will state:

(1) the Redemption Date;

(2) the redemption price;

(3) if any Note is being redeemed in part, the portion of the principal amount of such Note to be redeemed and that, after the Redemption Date upon surrender of such Note, a new Note or Notes in principal amount equal to the unredeemed portion will be issued upon cancellation of the original Note;

(4) the name and address of the Paying Agent;

(5) that Notes called for redemption must be surrendered to the Paying Agent to collect the redemption price;

(6) that, unless the Issuers default in making such redemption payment, interest on Notes called for redemption ceases to accrue on and after the Redemption Date;

(7) the paragraph of the Notes and/or Section of this Indenture pursuant to which the Notes called for redemption are being redeemed;

(8) if applicable, any condition to such redemption; and

(9) that no representation is made as to the correctness or accuracy of the CUSIP number, if any, listed in such notice or printed on the Notes.

At the Issuers' request, the Trustee will give the notice of redemption in the Issuers' name and at its expense; provided, however, that the Issuers have delivered to the Trustee, at least three Business Days (or if any Notes to be redeemed are in definitive form, five Business Days) prior to the date on which the Issuers instruct the Trustee to give the notice (or such shorter period as the Trustee may agree), an Officer's Certificate requesting that the Trustee give such notice and setting forth the information to be stated in such notice as provided in the preceding paragraph.

Section 3.04. Conditional Notices of Redemption.

Notice of any redemption of the Notes may, at the Issuers' discretion, be given prior to the completion of a transaction (including an Equity Offering, an incurrence of Indebtedness, a Change of Control or other transaction), and any redemption notice may, at the Issuers' discretion, be subject to one or more conditions precedent, including, but not limited to, completion of a related transaction. If such redemption or purchase is so subject to satisfaction of one or more conditions precedent such notice shall describe each such condition and, if applicable, shall state that, in the Issuers' discretion, the Redemption Date may be delayed until such time (including more than 60 days after the date the notice of redemption was mailed or delivered, including by electronic transmission) as any or all such conditions shall be satisfied, or such redemption or purchase may not occur and such notice may be rescinded in the event that any or all such conditions shall not have been satisfied by the Redemption Date, or by the Redemption Date as so delayed. In addition, the Issuers may provide in such notice that payment of the redemption price and performance of the Issuers' obligations with respect to such redemption may be performed by another Person.

Section 3.05. Deposit of Redemption or Purchase Price.

On or prior to 11:00 a.m. Eastern Time on the redemption or purchase date, the Issuers will deposit with the Trustee or with the Paying Agent money sufficient to pay the redemption or purchase price of and accrued interest and Special Interest, if any, on all Notes to be redeemed or purchased on that date. The Trustee or the Paying Agent will promptly return to the Issuers any money deposited with the Trustee or the Paying Agent by the Issuers in excess of the amounts necessary to pay the redemption or purchase price of, and accrued interest and Special Interest, if any, on, all Notes to be redeemed or purchased.

If the Issuers comply with the provisions of the preceding paragraph, on and after the redemption or purchase date, interest will cease to accrue on the Notes or the portions of Notes called for redemption or purchase. If a Note is redeemed or purchased on or after an interest record date but on or prior to the related interest payment date, then any accrued and unpaid interest shall be paid to the Person in whose name such Note was registered at the close of business on such record date in accordance with the Applicable Procedures of DTC. If any Note called for redemption or purchase is not so paid upon surrender for redemption or purchase because of the failure of the Issuers to comply with the preceding paragraph, interest shall be paid on the unpaid principal, from the redemption or purchase date until such principal is paid, and to the extent lawful on any interest not paid on such unpaid principal, in each case at the rate provided in the Notes and in Section 4.01 hereof.

Section 3.06. Notes Redeemed or Purchased in Part.

Upon surrender of a Note that is redeemed or purchased in part, the Issuers will issue and, upon receipt of an Authentication Order, the Trustee will authenticate for the Holder at the expense of the Issuers a new Note equal in principal amount to the unredeemed or unpurchased portion of the Note surrendered.

Section 3.07. Optional Redemption.

(a) At any time prior to October 15, 2024 (the "First Call Date"), the Issuers may redeem the Notes in whole or in part, at their option, upon notice in accordance with Section 3.03 hereof, at a redemption price (expressed as a percentage of the principal amount of the Notes to be redeemed) equal to 100.0% plus the Applicable Premium as of, and accrued and unpaid interest, if any, to, but excluding, the date of redemption (the "Redemption Date"), subject to the rights of Holders on the relevant record date to receive interest due on the relevant interest payment date.

(b) At any time and from time to time prior to the First Call Date, the Issuers may, on one or more occasions, upon notice in accordance with Section 3.03 hereof, redeem up to 40.0% of the original aggregate principal amount of Notes issued under this Indenture on the Issue Date (together with any Additional Notes) at a redemption price (expressed as a percentage of the principal amount of the Notes to be redeemed) equal to 113.375%, plus accrued interest and Additional Amounts, if any, to, but excluding, the Redemption Date, with the net after-tax cash proceeds received by the Chilean Issuer of one or more Equity Offerings of the Chilean Issuer; provided that not less than 50.0% of the aggregate principal amount of the then-outstanding Notes issued under this Indenture remains outstanding immediately after the occurrence of each such redemption (including Additional Notes but excluding Notes held by the Issuers or any of their Restricted Subsidiaries), unless all such Notes are redeemed substantially concurrently; provided, further, that each such redemption occurs not later than 180 days after the date of closing of the related Equity Offering. The Trustee shall select the Notes to be purchased in the manner described under Sections 3.01 through 3.06.

(c) Except pursuant to clauses (a) and (b) of this Section 3.07, Section 3.08 or pursuant to Section 3.10, the Notes will not be redeemable at the Issuers' option prior to the First Call Date.

(d) At any time and from time to time on or after the First Call Date, the Issuers may redeem the Notes, in whole or in part, upon notice in accordance with Section 3.03 hereof, at the redemption prices (expressed as percentages of principal amount of the Notes to be redeemed) set forth in the table below, plus accrued interest and Additional Amounts thereon, if any, to, but excluding the applicable Redemption Date, if redeemed during the periods indicated in the table below:

Period	Percentage
October 15, 2024 through October 14, 2025	110.031%
October 15, 2025 through October 14, 2026	106.688%
October 15, 2026 through April 14, 2027	105.015%
April 15, 2027 and thereafter	100.000%

(e) Notwithstanding the foregoing, in connection with any tender offer for the Notes, including a Change of Control Offer or an Asset Disposition Offer, if Holders of not less than 90% in aggregate principal amount of the outstanding Notes validly tender and do not validly withdraw such Notes in such tender offer and the Issuers, or any third party making such tender offer in lieu of the Issuers, purchase all of the Notes validly tendered and not validly withdrawn by such Holders, the Issuers or such third party shall have the right upon notice in accordance with Section 3.03 hereof, given not more than 30 days following such purchase date, to redeem all Notes that remain outstanding following such purchase at a redemption price equal to the price offered to each other Holder (excluding any early tender or incentive fee) in such tender offer plus, to the extent not included in the tender offer payment, accrued and unpaid interest (including Special Interest, if any), and Additional Amounts thereon, if any, to, but excluding, the date of such redemption.

(f) Any redemption pursuant to this Section 3.07 is subject to the right of the Holder of record on the record date to receive interest due on an interest payment date that is on or before the applicable Redemption Date.

(g) Any redemption pursuant to this Section 3.07 shall be made pursuant to the provisions of Sections 3.01 through 3.06 hereof.

Section 3.08. Tax Redemption.

(a) If as a result of any change in or amendment to the laws (or any rules or regulations thereunder) of a Taxing Jurisdiction, or any amendment to or change in an official interpretation, administration or application of such laws, rules or regulations, or any treaties or related agreements to which the Taxing Jurisdiction is a party (including a holding by a court of competent jurisdiction), which change or amendment becomes effective or, in the case of a change in official position, is announced on or after the Issue Date (or, if the Taxing Jurisdiction became a Taxing Jurisdiction on a later date, such later date), (i) the Issuers or any successors to the Issuers have or will become obligated to pay Additional Amounts or (ii) the Guarantors or any successors to the Guarantors have or will become obligated to pay Additional Amounts, in each case, in excess of the Additional Amounts, if any, that would have been payable on the date that the relevant Taxing Jurisdiction became a Taxing Jurisdiction, the Issuers or any successors to the Issuers may, at their option, redeem all, but not less than all, of the Notes, at a redemption price equal to 100.0% of their principal amount, together with accrued and unpaid interest to, but excluding, the date fixed for redemption, upon notice in accordance with Section 3.03 hereof. No notice of such redemption may be given earlier than 60 days prior to the earliest date on which the Issuers, the Guarantors or successors to the foregoing would, but for such redemption, become obligated to pay any such Additional Amounts were payment then due. For the avoidance of doubt, the Issuers or any successors to the Issuers shall not have the right to so redeem the Notes unless (a) they are or will become obligated to pay such Additional Amounts or (b) the Guarantors or any successors to the Guarantors are or will become obligated to pay such Additional Amounts. Notwithstanding the foregoing, the Issuers or any such successors shall not have the right to so redeem the Notes unless they have taken reasonable measures (including without limitation, using reasonable measures to cause payment on the Notes to be made through a Paying Agent in a different jurisdiction or by the Issuers, their successors or another Subsidiary of the Issuers) to avoid the obligation to pay such Additional Amounts. For the avoidance of doubt, reasonable measures do not include changing the jurisdiction of incorporation of the Issuers or any successor of the Issuers.

(b) In the event that the Issuers or any successors to the Issuers elect to so redeem the Notes, they will deliver to the Trustee: (1) an Officer's Certificate, stating that the Issuers or any successors to the Issuers are entitled to redeem the Notes pursuant to this Section 3.08 and setting forth a statement of facts showing that the condition or conditions precedent to the right of the Issuers or any successors to the Issuers to so redeem have occurred or been satisfied; and (2) an Opinion of Counsel to the effect that (i) the Issuers or any successors to the Issuers have or will become obligated to pay Additional Amounts or the Guarantors or any successors to the Guarantors are or will become obligated to pay Additional Amounts and that such obligation cannot be avoided by taking reasonable measures to avoid such obligation (including, without limitation, by causing payment on the Notes to be made through a Paying Agent in a different jurisdiction or by a Subsidiary of the Issuers), (ii) such obligation is the result of a change in or amendment to the laws (or any rules or regulations thereunder) of a Taxing Jurisdiction, as described above, and (iii) that all governmental requirements necessary for the Issuers or any successors to the Issuers to effect the redemption have been complied with.

Section 3.09. Mandatory Redemption.

The Issuers are not required to make mandatory redemption or sinking fund payments with respect to the Notes, except pursuant to Section 3.10; provided, however, that under certain circumstances, the Issuers may be required to offer to purchase Notes under Sections 4.08 and 4.12.

Section 3.10. Special Mandatory Redemption.

(a) In the event that the Exit Conversion Date does not occur on or prior to December 1, 2023 (the "Special Termination Date"), the Issuers will redeem the Notes (the "Special Mandatory Redemption") at a price (the "Special Mandatory Redemption Price") equal to 100.0% of the principal amount of the Notes, plus accrued and unpaid interest on the Notes, if any, from the Issue Date to, but excluding, the Special Mandatory Redemption Date, subject to the right of Holders of record on the relevant record date to receive interest and Additional Amounts, if any, due on the relevant interest payment date.

(b) Subject to Section 3.10(c), notice of the Special Mandatory Redemption will be delivered by the Issuers no later than one Business Day following the Special Termination Date, to the Trustee and Holders of Notes substantially in the form attached as Exhibit E hereto (the "Special Mandatory Redemption Notice"), which will provide that the Notes shall be redeemed on a date that is no later than the third Business Day after such notice is given by the Issuers (the "Special Mandatory Redemption Date") in accordance with the applicable procedures of DTC.

(c) On or prior to the Special Mandatory Redemption Date, the Issuers shall pay to the Paying Agent for payment to each Holder of Notes the applicable Special Mandatory Redemption Price for such Holder's Notes, plus accrued interest and Additional Amounts, if any, to, but excluding, the Special Mandatory Redemption Date.

(d) Other than as specifically provided in this Section 3.10, any redemption pursuant to this Section 3.11 shall be made pursuant to the provisions of Sections 3.01 through 3.06 hereof.

Section 3.11. Offer to Purchase by Application of Excess Proceeds.

In the event that, pursuant to Section 4.08 hereof, the Chilean Issuer is required to commence an Asset Disposition Offer, it will follow the procedures specified below.

The Asset Disposition Offer shall be made to all Holders of Notes and all holders of Other Offer Notes; provided that the percentage of such Excess Proceeds allocated and offered to the Notes in such Asset Disposition Offer is at least equal to the percentage of the aggregate principal amount of all Priority Lien Debt represented at such time by the Notes. The Asset Disposition Offer will remain open for a period of at least 20 Business Days following its commencement and not more than 30 Business Days, except to the extent that a longer period is required by applicable law (the "Offer Period"). No later than five (5) Business Days after the termination of the Offer Period (the "Purchase Date"), the Chilean Issuer will apply all Excess Proceeds (the "Offer Amount") to the purchase of Notes and Other Offer Notes (on a pro rata basis, if applicable) or, if less than the Offer Amount has been tendered, all Notes and other Indebtedness tendered in response to the Asset Disposition Offer. Payment for any Notes so purchased will be made in the same manner as interest payments are made.

If the Purchase Date is on or after an interest record date and on or before the related interest payment date, any accrued and unpaid interest and Special Interest, if any, will be paid to the Person in whose name a Note is registered at the close of business on such record date, and no additional interest will be payable to Holders of Notes who tender Notes pursuant to the Asset Disposition Offer.

Upon the commencement of an Asset Disposition Offer, the Chilean Issuer will deliver a notice to the Trustee and each of the Holders of Notes. The notice will contain all instructions and materials necessary to enable such Holders to tender Notes pursuant to the Asset Disposition Offer. The notice, which will govern the terms of the Asset Disposition Offer, will specify:

(1) that the Asset Disposition Offer is being made pursuant to this Section 3.11 and Section 4.08 hereof and the length of time the Asset Disposition Offer will remain open;

(2) the Offer Amount, the purchase price and the Purchase Date;

(3) that any Note not tendered or accepted for payment will continue to accrue interest and Special Interest, if any;

(4) that, unless the Chilean Issuer defaults in making such payment, any Note accepted for payment pursuant to the Asset Disposition Offer will cease to accrue interest and Special Interest, if any, after the Purchase Date;

(5) that Holders of Notes electing to have a Note purchased pursuant to an Asset Disposition Offer may elect to have Notes purchased in integral multiples of $1,000 only;

(6) that Holders of Notes electing to have Notes purchased pursuant to any Asset Disposition Offer will be required to surrender the Note, with the form entitled "Option of Holder to Elect Purchase" on the reverse of the Note completed, or transfer by book-entry transfer, to the Chilean Issuer, a Depositary, if appointed by the Chilean Issuer, or a Paying Agent at the address specified in the notice at least three days before the Purchase Date;

(7) that Holders of Notes will be entitled to withdraw their election if the Chilean Issuer, the Depositary or the Paying Agent, as the case may be, receives, not later than the expiration of the Offer Period, a telegram, telex, facsimile transmission or letter setting forth the name of the Holder, the principal amount of the Note the Holder delivered for purchase and a statement that such Holder is withdrawing his election to have such Note purchased;

(8) that, if the aggregate principal amount of Notes and other Priority Lien Debt surrendered by holders thereof exceeds the Offer Amount, the Chilean Issuer will select the Notes and other Priority Lien Debt to be purchased on a pro rata basis based on the principal amount of Notes and such other Priority Lien Debt surrendered (with such adjustments as may be deemed appropriate by the Chilean Issuer so that only Notes in minimum denominations of $2,000, and integral multiples of $1,000 in excess thereof, will be purchased); and

(9) that Holders of Notes whose Notes were purchased only in part will be issued new Notes equal in principal amount to the unpurchased portion of the Notes surrendered (or transferred by book-entry transfer).

On or before the Purchase Date, the Issuers will, to the extent lawful, accept for payment, on a pro rata basis to the extent necessary, the Offer Amount of Notes or portions thereof tendered pursuant to the Asset Disposition Offer, or if less than the Offer Amount has been tendered, all Notes tendered, and will deliver or cause to be delivered to the Trustee the Notes properly accepted together with an Officer's Certificate stating that such Notes or portions thereof were accepted for payment by the Chilean Issuer in accordance with the terms of this Section 3.11. The Chilean Issuer, the Depositary or the Paying Agent, as the case may be, will promptly (but in any case not later than five (5) days after the Purchase Date) mail or deliver to each tendering Holder an amount equal to the purchase price of the Notes tendered by such Holder and accepted by the Chilean Issuer for purchase, and the Chilean Issuer will promptly issue a new Note, and the Trustee, upon written request from the Issuers, will authenticate and mail or deliver (or cause to be transferred by book entry) such new Note to such Holder, in a principal amount equal to any unpurchased portion of the Note surrendered. Any Note not so accepted shall be promptly mailed or delivered by the Chilean Issuer to the Holder thereof. The Chilean Issuer will publicly announce the results of the Asset Disposition Offer on the Purchase Date.

Other than as specifically provided in this Section 3.11, any purchase pursuant to this Section 3.11 shall be made pursuant to the provisions of Sections 3.01 through 3.06 hereof.

Section 3.12. Offer to Purchase Upon the Exit Condition Event.

(a) In the event that the Exit Conversion Date does not occur on or prior to January 10, 2023 (the failure of the Exit Conversion Date to occur on or prior to such date, the "Exit Condition Event"), each Holder of the Initial Notes will have the right to require the Initial Purchasers to make an offer (the "Exit Condition Event Offer") to each Holder to purchase all, but not less than all, of such Holder's Initial Notes at a purchase price in cash equal to the Issue Price of the Initial Notes to be purchased plus accrued interest (including Special Interest, if any) and Additional Amounts thereon, if any, on the Initial Notes to be purchased to, but excluding, the date of purchase, subject to the rights of Holders of the Initial Notes on the relevant record date to receive interest due on the relevant interest payment date (the "Exit Condition Event Payment"); provided that it shall be a condition to the consummation of the Exit Condition Event Offer that the Exit Conversion Date shall not have occurred on or prior to the date of expiration of the Exit Condition Event Offer. If the Exit Conversion Date shall occur after January 10, 2023 and on or before the date of expiration of the Exit Condition Event Offer, then the Exit Condition Event Offer shall be automatically terminated, the Initial Purchasers shall not be obligated to purchase any Initial Notes in the Exit Condition Event Offer and any Initial Notes tendered in the Exit Condition Event Offer on or prior to such termination date shall be returned to the Holders thereof.

(b) Within ten (10) Business Days following January 10, 2023, solely if the Exit Condition Event has occurred, the Initial Purchasers will deliver a notice to each Holder of the Initial Notes, with a copy to the Trustee and the Issuers, which notice will govern the terms of the Exit Condition Event Offer and state:

(1) that the Exit Condition Event Offer is being made by the Initial Purchasers pursuant to this Section 3.12 and that all Initial Notes tendered will be accepted for payment;

(2) the purchase date, which shall be no earlier than 30 days and no later than 60 days from the date such notice is sent, other than as may be required by law (the "Exit Condition Event Payment Date");

(3) that any Initial Note not tendered will continue to accrue interest;

(4) that, unless the Initial Purchasers default in the payment of the Exit Condition Event Payment, no Holder of Initial Notes accepted for payment pursuant to the Exit Condition Event Offer shall have the right to receive any interest for the period on and after the Exit Condition Event Payment Date, and any interest on such Initial Notes so accepted accruing on and after the Exit Condition Event Payment Date shall be solely for the benefit of the Initial Purchasers;

(5) that Holders of Initial Notes electing to have any Initial Notes purchased pursuant to the Exit Condition Event Offer will be required to surrender the Initial Notes, with the form entitled "Option of Holder to Elect Purchase upon the Exit Condition Event Offer" on the reverse of the Initial Note completed, or transfer by book-entry transfer, to the depositary and information agent (the "Depositary and Information Agent") appointed by the Initial Purchasers and named in the notice at the address specified in the notice prior to the close of business on the third Business Day preceding the Exit Condition Event Payment Date; and

(6) that Holders of Initial Notes will be entitled to withdraw their election if the Depositary and Information Agent receives, not later than the close of business on the second Business Day preceding the Exit Condition Event Payment Date, a telex, facsimile transmission or letter setting forth the name of the Holder, the principal amount of Initial Notes delivered for purchase, and a statement that such Holder is withdrawing his election to have the Initial Notes purchased.

(c) On the Exit Condition Event Payment Date with respect to the Initial Notes, the Initial Purchasers will, to the extent lawful:

(1) accept for payment all Initial Notes properly tendered pursuant to the Exit Condition Event Offer; and

(2) deposit with the Depositary and Information Agent an amount equal to the Exit Condition Event Payment in respect of all Initial Notes properly tendered.

The Depositary and Information Agent will promptly deliver (but in any case not later than five days after the Exit Condition Event Payment Date) to each Holder of Initial Notes properly tendered the Exit Condition Event Payment for such Initial Notes. The Initial Purchasers will publicly announce the results of the Exit Condition Event Offer on or as soon as practicable after the Exit Condition Event Payment Date.

(d) The Initial Purchasers will not be required to make the Exit Condition Event Offer with respect to the Initial Notes if a third party makes such an offer in the manner, at the times and otherwise in compliance with the requirements for such an offer made by the Initial Purchasers and such third party purchases all Initial Notes properly tendered and not withdrawn under its offer.

(e) If Holders of not less than 90% in aggregate principal amount of the outstanding Initial Notes validly tender and do not withdraw the Initial Notes in the Exit Condition Event Offer and the Initial Purchasers (or any third party making the Exit Condition Event Offer) purchase all of such Initial Notes validly tendered and not withdrawn by such Holders, the Initial Purchasers will have the right, upon not less than 10 nor more than 60 days' prior notice, given not more than 30 days following such purchase pursuant to the Exit Condition Event Offer described in this Section 3.12, to purchase all Initial Notes that remain outstanding following the consummation of the Exit Condition Event Offer at a purchase price in cash equal to the Issue Price of the principal amount thereon, plus accrued interest (including Special Interest, if any) and Additional Amounts thereon, if any, to, but excluding, the date of purchase (subject to the right of holders of record on the relevant record date to receive interest on the relevant interest payment date).

(f) The Initial Purchasers will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with the purchase of the Initial Notes as a result of the Exit Condition Event. To the extent that the provisions of any such securities laws or regulations conflict with the Exit Condition Event Offer provisions set forth in this Section 3.12, the Initial Purchasers will comply with those securities laws and regulations and will not be deemed to have breached their obligations under this Section 3.12 by virtue of any such conflict.

(g) Except as set forth in this Section 3.12, the Initial Purchasers will not be required to purchase any Notes. Neither the Chilean Issuer nor any of its Subsidiaries will have any obligation to purchase any Notes in the Exit Condition Event Offer, nor any liability to the Holders of the Notes in connection with such offer. For the avoidance of doubt, any Initial Notes purchased by the Initial Purchasers in an Exit Condition Event Offer or pursuant to Section 3.12(e) shall remain outstanding and such purchase not operate to cancel such Initial Notes.

(h) The provisions of this Section 3.12 may not be amended without the consent of the Initial Purchasers.

ARTICLE 4

COVENANTS

I. From the Issue Date until the Exit Conversion Date, the covenants applicable to the Chilean Issuer and its Restricted Subsidiaries shall be (a) those negative covenants set forth on Annex A hereto and (b) the covenants set forth below in this Article 4 except Sections 4.06, 4.07, 4.08, 4.09, 4.10, 4.19, 4.21, 4.22 and 4.23.

The Exit Conversion Date shall occur on the date that the Trustee receives an Officer's Certificate from the Chilean Issuer, pursuant to Section 13.03 hereof, and upon which the Trustee and the Collateral Trustee shall be entitled to rely absolutely without further investigation, certifying that the Exit Conditions have been satisfied.

II. After the occurrence of the Exit Conversion Date, the covenants applicable to the Chilean Issuer and its Restricted Subsidiaries shall be as set forth below in this Article 4, and the covenants set forth on Annex A shall no longer be applicable to the Notes.

Section 4.01. Payment of Notes.

The Issuers will pay or cause to be paid the principal of, premium, if any, and interest and Special Interest, if any, on, the Notes on the dates and in the manner provided in the Notes. Principal, premium, if any, and interest and Special Interest, if any, will be considered paid on the date due if the Paying Agent, if other than an Issuer or a Subsidiary thereof, holds as of 11:00 a.m. Eastern Time on the due date money deposited by the Issuers in immediately available funds and designated for and sufficient to pay all principal, premium, if any, and interest then due.

All references in this Indenture to "interest" shall be deemed to include Special Interest, if applicable.

Section 4.02. Maintenance of Office or Agency.

The Issuers will maintain in the contiguous United States, an office or agency (which may be an office of the Trustee or an affiliate of the Trustee, Registrar or co-registrar) where Notes may be surrendered for registration of transfer or for exchange and where notices and demands to or upon the Issuers in respect of the Notes and this Indenture may be served. The Issuers will give prompt written notice to the Trustee of the location, and any change in the location, of such office or agency. If at any time the Issuers fail to maintain any such required office or agency or fails to furnish the Trustee with the address thereof, such presentations, surrenders, notices and demands may be made or served at the Corporate Trust Office of the Trustee; provided that no office of the Trustee shall be an office or agency of the Issuers for the purpose of service of legal process on any Issuer or any Guarantor, which service shall be made to the Process Agent in accordance with Section 13.07.

The Issuers may also from time to time designate one or more other offices or agencies where the Notes may be presented or surrendered for any or all such purposes and may from time to time rescind such designations; provided, however, that no such designation or rescission will in any manner relieve the Issuers of their obligation to maintain an office or agency in the contiguous United States for such purposes. The Issuers will give prompt written notice to the Trustee of any such designation or rescission and of any change in the location of any such other office or agency.

The Issuers hereby designate the Corporate Trust Office of the Trustee as one such office or agency of the Issuers in accordance with Section 2.03 hereof.

Section 4.03. Reports.

(a) The Chilean Issuer will deliver to the Trustee within 30 days after the Chilean Issuer files them with the SEC, copies of its annual report and the information, documents and other reports (or copies of such portions of any of the foregoing as the SEC may by rules and regulations prescribe) that the Chilean Issuer is required to file with the SEC pursuant to Sections 13 and 15(d) of the Exchange Act. Reports, information and documents filed by the Chilean Issuer with the SEC via the EDGAR system will be deemed to have been furnished to the Trustee as of the time such documents are filed via EDGAR.

(b) At any time the Chilean Issuer is not subject to Section 13 or 15(d) of the Exchange Act, the Chilean Issuer will, so long as any of the Notes will, at such time, constitute "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act, promptly provide to the Trustee and will, upon written request, provide to any Holder, beneficial owner or prospective purchaser of such Notes the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act to facilitate the resale of such Notes pursuant to Rule 144A under the Securities Act. The Chilean Issuer will take such further action as any Holder or beneficial owner of such Notes may reasonably request to the extent from time to time required to enable such Holder or beneficial owner to sell such Notes in accordance with Rule 144A under the Securities Act, as such rule may be amended from time to time.

(c) Within 10 Business Days after any Appraisal is required to be delivered pursuant to Section 4.15 hereof the Chilean Issuer will furnish to the Trustee a summary of each such Appraisal containing only information summarizing the results of such Appraisal (all of which will be made publicly available) and will post, or shall cause to have posted the complete Appraisal on a private, restricted website to which Holders of Notes, prospective investors, broker-dealers and securities analysts are given access, subject to such individuals agreeing to confidentiality obligations reasonably acceptable to the Chilean Issuer for securities law purposes.

(d) Delivery of reports, information and documents to the Trustee is for informational purposes only and its receipt of such reports shall not constitute actual or constructive notice of any information contained therein or determinable from information contained therein, including the Chilean Issuer's compliance with any of the covenants under this Indenture or the Notes (as to which the Trustee is entitled to rely exclusively on Officer's Certificates). The Trustee will not be obligated to monitor or confirm, on a continuing basis or otherwise, the Chilean Issuer's compliance with the covenants or with respect to matters disclosed in any reports or other documents filed with the SEC or EDGAR or any website under this Indenture, or participate in any conference calls.

Section 4.04. Compliance Certificate.

(a) The Issuers shall deliver to the Trustee, within 120 days after the end of each fiscal year, an Officer's Certificate stating that a review of the activities of the Issuers and their Subsidiaries during the preceding fiscal year has been made under the supervision of the signing Officers with a view to determining whether the Issuers have kept, observed, performed and fulfilled its obligations under this Indenture, and further stating, as to each such Officer signing such certificate, that to the best of his or her knowledge the Issuers have kept, observed, performed and fulfilled each and every covenant contained in this Indenture and is not in default in the performance or observance of any of the terms, provisions and conditions of this Indenture (or, if a Default or Event of Default has occurred, describing all such Defaults or Events of Default of which he or she may have knowledge and what action the Issuers are taking or proposes to take with respect thereto) and that to the best of his or her knowledge no event has occurred and remains in existence by reason of which payments on account of the principal of or interest, if any, on the Notes is prohibited or if such event has occurred, a description of the event and what action the Issuers are taking or proposes to take with respect thereto.

(b) So long as any of the Notes are outstanding, the Chilean Issuer will deliver to the Trustee, forthwith upon any Officer becoming aware of any Default or Event of Default, an Officer's Certificate specifying such Default or Event of Default and what action the Chilean Issuer is taking or proposes to take with respect thereto.

Section 4.05. Stay, Extension and Usury Laws.

Each Issuer and each of the Guarantors covenants (to the extent that it may lawfully do so) that it will not at any time insist upon, plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay, extension or usury law wherever enacted, now or at any time hereafter in force, that may affect the covenants or the performance of this Indenture; and each Issuer and each of the Guarantors (to the extent that it may lawfully do so) hereby expressly waives all benefit or advantage of any such law, and covenants that it will not, by resort to any such law, hinder, delay or impede the execution of any power herein granted to the Trustee, but will suffer and permit the execution of every such power as though no such law has been enacted.

Section 4.06. Restricted Payments.

(a) The Chilean Issuer will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly:

(i) declare or pay any dividend or make any other payment or distribution on account of the Chilean Issuer's or any of its Restricted Subsidiaries' Equity Interests (including, without limitation, any payment in connection with any merger or consolidation involving the Chilean Issuer or any of its Restricted Subsidiaries) or to the direct or indirect holders of the Chilean Issuer's or any of its Restricted Subsidiaries' Equity Interests in their capacity as such (other than (A) dividends, distributions or payments payable in Qualifying Equity Interests or in the case of preferred stock of the Chilean Issuer (to the extent applicable), an increase in the liquidation value thereof and (B) dividends, distributions or payments payable to the Chilean Issuer or a Restricted Subsidiary of the Chilean Issuer);

(ii) purchase, redeem or otherwise acquire or retire for value any Equity Interests of the Chilean Issuer;

(iii) make any payment on or with respect to, or purchase, redeem, defease or otherwise acquire or retire for value (collectively for purposes of this clause (iii), a "purchase") any Indebtedness of any Issuer or Guarantor that is subordinated to the 2027 Notes Obligations in right of payment or distributions from Collateral (but excluding any intercompany Indebtedness between or among the Chilean Issuer and any of its Restricted Subsidiaries), except (A) any scheduled payment of interest, (B) any repayment, repurchase, defeasance or other extinguishment of principal within two years of the Stated Maturity thereof, (C) in connection with any Permitted Refinancing Indebtedness in respect of such Indebtedness or (iv) conversion of such Indebtedness into common Equity Interests of the Chilean Issuer; or

(iv) make any Restricted Investment,

(all such payments and other actions set forth in these clauses (i) through (iv) above being collectively referred to as "Restricted Payments"), unless, at the time of and after giving effect to such Restricted Payment:

(1) no Default or Event of Default has occurred and is continuing as of such time or would result therefrom;

(2) Consolidated Liquidity on a Pro Forma Basis is at least [*]; and

(3) such Restricted Payment, together with the aggregate amount of all other Restricted Payments made by the Chilean Issuer and its Restricted Subsidiaries since the Issue Date (excluding Restricted Payments permitted by clauses (2) through (17) of Section 4.06(b) hereof), is less than the sum, without duplication, of:

[*]

(b) The provisions of Section 4.06(a) hereof will not prohibit:

(1) the payment of any dividend or distribution or the consummation of any irrevocable redemption within 60 days after the date of declaration of the dividend or distribution or giving of the redemption notice, as the case may be, if at the date of declaration or notice, the dividend or redemption payment would have complied with the provisions of this Indenture;

(2) the making of any Restricted Payment in exchange for, or out of or with the net cash proceeds of the substantially concurrent sale (other than to a Subsidiary of the Chilean Issuer) of, Qualifying Equity Interests or from the substantially concurrent contribution of common equity capital to the Chilean Issuer; provided that the amount of any such net cash proceeds that are utilized for any such Restricted Payment will not be considered to be net proceeds of Qualifying Equity Interests for purposes of clause (a)(3)(C) of Section 4.06 and will not be considered to be Excluded Contributions;

(3) the payment of any dividend (or, in the case of any partnership or limited liability company, any similar distribution), distribution or payment by a Restricted Subsidiary of the Chilean Issuer to the holders of its Equity Interests on a pro rata basis (or in the case of the payment of any such Restricted Payment to an Issuer or a Guarantor, on at least a pro rata basis to such Issuer or Guarantor);

(4) the repurchase, redemption, defeasance or other acquisition or retirement for value of Indebtedness of any Issuer or any Guarantor that is contractually subordinated to the Notes or to the Note Guarantees with the net cash proceeds from an incurrence of Permitted Refinancing Indebtedness;

(5) the repurchase, redemption, acquisition or retirement for value of any Equity Interests of the Chilean Issuer or any Restricted Subsidiary of the Chilean Issuer held by any current or former officer, director, consultant or employee (or their estates or beneficiaries of their estates) of the Chilean Issuer or any of its Restricted Subsidiaries pursuant to any management equity plan or equity subscription agreement, stock option agreement, shareholders' agreement or similar agreement; provided that the aggregate price paid for all such repurchased, redeemed, acquired or retired Equity Interests may not exceed [*] in any twelve-month period (except to the extent such repurchase, redemption, acquisition or retirement is in connection with the acquisition of a Permitted Business or merger, consolidation or amalgamation otherwise permitted by this Indenture and in such case the aggregate price paid by the Chilean Issuer and its Restricted Subsidiaries may not exceed [*] in connection with such acquisition of a Permitted Business or merger, consolidation or amalgamation); provided, further, that the Chilean Issuer or any of its Restricted Subsidiaries may carry over and make in subsequent twelve-month periods, in addition to the amounts permitted for such twelve-month period, up to [*] of unutilized capacity under this clause (5) attributable to the immediately preceding twelve-month period;

(6) the repurchase of Equity Interests or other securities deemed to occur upon (A) the exercise of stock options, warrants or other securities convertible or exchangeable into Equity Interests or any other securities, to the extent such Equity Interests or other securities represent a portion of the exercise price of those stock options, warrants or other securities convertible or exchangeable into Equity Interests or any other securities or (B) the withholding of a portion of Equity Interests issued to employees and other participants under an equity compensation program of the Chilean Issuer or its Subsidiaries to cover withholding tax obligations of such persons in respect of such issuance;

(7) so long as no Default or Event of Default has occurred and is continuing, the declaration and payment of regularly scheduled or accrued dividends, distributions or payments to holders of any class or series of Disqualified Stock or subordinated Indebtedness of the Chilean Issuer or any preferred stock of any Restricted Subsidiary of the Chilean Issuer either outstanding on the Issue Date or issued on or after the Issue Date in accordance with Section 4.07;

(8) payments of cash, dividends, distributions, advances, common stock or other Restricted Payments by the Chilean Issuer or any of its Restricted Subsidiaries to allow the payment of cash in lieu of the issuance of fractional shares upon (A) the exercise of options or warrants, (B) the conversion or exchange of Capital Stock of any such Person or (C) the conversion or exchange of Indebtedness or hybrid securities into Capital Stock of any such Person;

(9) any Restricted Payment made pursuant to the Reorganization Plan (including the repayment of the Junior DIP Facility on the Exit Conversion Date);

(10) in the event of a Change of Control, and if no Default shall have occurred and be continuing, the payment, purchase, redemption, defeasance or other acquisition or retirement of any subordinated Indebtedness of any Issuer or any Guarantor, in each case, at a purchase price not greater than 101% of the principal amount of such subordinated Indebtedness, plus any accrued and unpaid interest (including Special Interest, if any) thereon;

(11) Restricted Payments made with Excluded Contributions;

(12) [Reserved];

(13) the distribution, as a dividend or otherwise, of cash in an amount, as of any calendar year, not to exceed 30% of the annual net profits of the preceding calendar year (assuming there are no carry forward losses from previous years) to the extent necessary (and not in excess of the amount necessary) to satisfy Chilean minimum dividend requirements (as such requirements may be amended from time to time) (any dividends pursuant to this clause (13), "Minimum Chilean Dividends");

(14) the distribution or dividend of assets or Capital Stock of any Person in connection with any full or partial "spin-off" of a Subsidiary or similar transactions having an aggregate Fair Market Value not to exceed [*] since the Issue Date; provided that the assets distributed or dividended do not include, directly or indirectly, any property or asset that constitutes Significant Assets;

(15) so long as no Default or Event of Default has occurred and is continuing or would result therefrom, other Restricted Payments in an aggregate amount (such aggregate amount to be calculated from the Issue Date) not to exceed the greater of [*] as of the date of such Restricted Payment;

(16) so long as no Event of Default has occurred and is continuing or would result therefrom, any Restricted Investment by the Chilean Issuer and/or any Restricted Subsidiary of the Chilean Issuer; and

(17) the payment of any amounts in respect of any restricted stock units or other instruments or rights whose value is based in whole or in part on the value of any Equity Interests issued to any directors, officers or employees of the Chilean Issuer or any Restricted Subsidiary of the Chilean Issuer.

(c) Notwithstanding anything to the contrary in Sections 4.06(a) or 4.06(b), (A) prior to the Second Exit Conversion Anniversary Date, neither the Chilean Issuer nor any of its Restricted Subsidiaries will make (1) any Restricted Payment pursuant to clause (1) of the definition thereof paid in cash or that involves the distribution, directly or indirectly, of Significant Assets or the distribution, directly or indirectly, of Equity Interests of any Person substantially all of whose assets are cash or Cash Equivalents or (2) any Restricted Payment pursuant to clause (2) of the definition thereof; provided that this Section 4.06(c) shall not restrict (x) the cash payment of any Minimum Chilean Dividends or (y) any Restricted Payments made pursuant to clauses (3), (7), (8) (in respect of aggregate cash payments of up to [*] in connection with an exchange to effect a reverse stock split of the Chilean Issuer's shares) or (9) of Section 4.06(b), (B) no Investment may be made in any Unrestricted Subsidiary if, after giving effect thereto, the aggregate assets and properties of all Unrestricted Subsidiaries would exceed [*] and (C) no Restricted Payments may be made from the Net Proceeds of any incurrence of Indebtedness (other than the cash payment of Minimum Chilean Dividends).

In the case of any Restricted Payment that is not cash, the amount of such non-cash Restricted Payment will be the Fair Market Value on the date of the Restricted Payment of the asset(s) or securities proposed to be transferred or issued by the Chilean Issuer or such Restricted Subsidiary of the Chilean Issuer, as the case may be, pursuant to the Restricted Payment.

For purposes of determining compliance with this Section 4.06, if a Restricted Payment (or portion thereof) meets the criteria of more than one of the categories of Restricted Payments described in clauses (1) through (17) of Section 4.06(b), or is entitled to be made pursuant to Section 4.06(a), or pursuant to any category set forth in the definition of Permitted Investments or other defined term used in this Section 4.06, the Chilean Issuer will be entitled to classify on the date of its payment or later reclassify such Restricted Payment (or portion thereof) in any manner that complies with this Section 4.06.

For the avoidance of doubt, the payment on or with respect to, or purchase, redemption, defeasance or other acquisition or retirement for value of any Indebtedness of the Chilean Issuer or any Restricted Subsidiary of the Chilean Issuer that is not contractually subordinated to the 2027 Notes Obligations shall not constitute a Restricted Payment and therefore will not be subject to any of the restrictions described in this Section 4.06.

Section 4.07. Indebtedness.

(a) The Chilean Issuer will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, create, incur, assume or guaranty or otherwise become or remain directly or indirectly liable with respect to any Indebtedness for borrowed money (including in the form of Disqualified Stock), except for:

(1) Priority Lien Debt of an Issuer or Guarantor and any Guarantees of an Issuer or a Guarantor in respect thereof; provided that any Priority Lien Debt shall (i) not be secured other than as permitted by clause (1) of the definition of Permitted Liens and (ii) not be subject to or benefit from any Guarantee by any Person that does not also Guarantee the 2027 Notes Obligations; provided, further, that any Priority Lien Debt (other than any Priority Lien Debt incurred in the form of revolving Indebtedness pursuant to clause (b) of the definition thereof, which may be senior or superpriority in right of payment from the Collateral to the 2027 Notes Obligations) shall be pari passu in right of payment with the Obligations;

(2) Junior Lien Indebtedness of the Issuers and the Guarantors and any Guarantees of an Issuer or a Guarantor in respect thereof; provided that either (i) such Junior Lien Indebtedness is Permitted Refinancing Indebtedness in respect of Priority Lien Debt, (ii) after giving Pro Forma Effect to the issuance or incurrence of any such Junior Lien Indebtedness, the Total Asset Coverage Ratio is at least equal to [*] or (iii) such Junior Lien Indebtedness is Permitted Refinancing Indebtedness in respect of any Indebtedness incurred pursuant to clause (i) or (ii) of this Section 4.07(a)(2) (or any successive Permitted Refinancing Indebtedness); provided, further, that any Junior Lien Indebtedness shall not be secured other than as permitted by clause (2) of the definition of Permitted Liens; provided, further, that in the event such Indebtedness being Guaranteed is subordinated in right of payment to the 2027 Notes Obligations, then the related Guarantee shall be subordinated in right of payment to the Notes or the Note Guarantees, as the case may be;

(3) unsecured Indebtedness of the Issuers or Guarantors that is Permitted Refinancing Indebtedness in respect of either Priority Lien Debt or Junior Lien Indebtedness (or any successive Permitted Refinancing Indebtedness) and any Guarantees of the Issuers or Guarantors in respect of any of the foregoing; provided that (i) such Indebtedness shall not be subject to or benefit from any Guarantee by any Person that does not also Guarantee the 2027 Notes Obligations, (ii) such Indebtedness shall be pari passu in right of payment with the 2027 Notes Obligations or subordinated in right of payment with the 2027 Notes Obligations, with any such subordinated obligations on terms reasonably satisfactory to the Controlling Representative and (iii) in the event such Indebtedness being Guaranteed is subordinated in right of payment to the 2027 Notes Obligations, then the related Guarantee shall be subordinated in right of payment to the Notes or the Note Guarantees, as the case may be;

(4) unsecured Indebtedness of the Chilean Issuer; provided that such Indebtedness (i) is subordinated in right of payment to the 2027 Notes Obligations, any other Priority Lien Debt and any Junior Lien Indebtedness on terms reasonably satisfactory to the Controlling Representative, (ii) matures no earlier than the date on which the Notes mature, (iii) has a Weighted Average Life to Maturity no shorter than the Weighted Average Life to Maturity of the Notes and (iv) is not subject to any Guarantee by any Subsidiary or Affiliate of the Chilean Issuer;

(5) unsecured Indebtedness of the Chilean Issuer and its Restricted Subsidiaries in an aggregate principal amount not to exceed [*] at any time outstanding; provided that (i) up to [*] of such unsecured Indebtedness may be used to incur Indebtedness for borrowed money and (ii) up to [*] of such unsecured Indebtedness may be used for working capital purposes; provided, further, that the outstanding amount of Indebtedness incurred pursuant to this Section 4.07(a)(5), together with Indebtedness outstanding pursuant to Section 4.07(a)(9), does not exceed [*];

(6) letters of credit, bank guarantees, bankers' assurances or acceptances, surety bonds, insurance bonds and similar instruments entered into in the ordinary course of business;

(7) Hedging Obligations in respect of Hedging Agreements that are not for speculative purposes;

(8) Indebtedness of the Chilean Issuer or any Restricted Subsidiary incurred to finance the acquisition, construction or improvement of any fixed or capital assets, including sale and leaseback transactions, Capital Lease Obligations and any Indebtedness assumed in connection with the acquisition of any such assets or secured by a Lien on any such assets prior to the acquisition thereof, and extensions, renewals and replacements of any such Indebtedness that do not increase the outstanding principal amount thereof; provided that (i) such Indebtedness is incurred in connection with such sale and leaseback prior to or within 180 days after such acquisition or the completion of such construction or improvement and (ii) the aggregate principal amount of Indebtedness permitted by this Section 4.07(a)(8) shall not exceed the greater of (x) [*];

(9) Indebtedness incurred by Receivables Subsidiaries pursuant to Qualified Receivables Transactions; provided that the outstanding amount of Indebtedness incurred pursuant to this Section 4.07(a)(9), together with Indebtedness outstanding pursuant to Section 4.07(a)(5) does not exceed [*];

(10) Indebtedness incurred in connection with any Aircraft Financing (including, without limitation, the RCF Loan Agreement and the Spare Engine Loan Agreement);

(11) Indebtedness of the Chilean Issuer and its Restricted Subsidiaries with respect to infrastructure projects consistent with past practice; provided that (i) the Indebtedness incurred pursuant to this Section 4.07(a)(11) shall not exceed the value of the collateral pledged in connection therewith and (ii) no Significant Assets shall be pledged to secure any such Indebtedness;

(12) Indebtedness issued in connection with the Reorganization Plan and Permitted Refinancing Indebtedness in respect thereof, including the Junior DIP Facility; provided that the Junior DIP Facility shall be repaid in full on the Exit Conversion Date;

(13) unsecured Guarantees of (i) Indebtedness for borrowed money permitted by this Section 4.07 and (ii) other Indebtedness not constituting Indebtedness for borrowed money; provided that such Guarantee of such Indebtedness is not prohibited by the provisions of this Indenture; provided, further, that in the event such Indebtedness being guaranteed is subordinated to the 2027 Notes Obligations, then the related Guarantee shall be subordinated in right of payment to the Notes or the Note Guarantee, as the case may be;

(14) intercompany Indebtedness among the Chilean Issuer and its Restricted Subsidiaries; provided that (i) any such Indebtedness owing by an Issuer or a Guarantor shall be subordinated to the Obligations pursuant to an Intercompany Note or otherwise on terms reasonably satisfactory to the Controlling Representative and (ii) any such Indebtedness (A) owing to an Issuer or a Guarantor by another Issuer or a Guarantor or (B) owing to an Issuer or Guarantor by a Restricted Subsidiary that is not an Issuer or Guarantor if such Indebtedness under this clause (B) owing by such Restricted Subsidiary that is not an Issuer or a Guarantor is [*] or more in the aggregate shall be evidenced by an Intercompany Note pursuant to the provisions contained therein and (iii) any such Indebtedness owing to an Issuer or a Guarantor shall be pledged as Collateral pursuant to the Pledge and Security Agreement; and

(15) Indebtedness incurred by the Chilean Issuer or any Restricted Subsidiary which, as of the Issue Date, (i) relates to any allowed claim in the Chapter 11 Cases, and/or (ii) relates to any timely filed claim in the Chapter 11 Cases that is not yet allowed or disallowed; provided that the Chilean Issuer and/or such Restricted Subsidiary is resolving such claim in accordance with the Reorganization Plan, the Revised Claims Procedures Order and/or any other order of the Bankruptcy Court.

(b) For the avoidance of doubt, a permitted refinancing in respect of Indebtedness incurred pursuant to a Dollar-denominated basket shall not increase capacity to incur Indebtedness under such Dollar-denominated basket, and such Dollar-denominated basket shall be deemed to continue to be utilized by the amount of the original Indebtedness incurred unless and until the Indebtedness incurred to effect such permitted refinancing is no longer outstanding.

Section 4.08. Disposition of Significant Assets.

(a) Neither the Chilean Issuer nor any Restricted Subsidiary shall sell or otherwise Dispose of any Significant Assets (including, without limitation, by way of any Sale of an Issuer or a Guarantor), except that such sale or other Disposition shall be permitted in the case of (i) a Permitted Disposition or (ii) any other sale or Disposition; provided that, in the case of this clause (ii):

(i) no Event of Default shall have occurred and be continuing or would result therefrom;

(ii) the Asset Coverage Test is satisfied on a Pro Forma Basis after giving effect to such sale or other Disposition (including any concurrent pledge of Additional Collateral);

(iii) prior to effecting such Disposition, the Chilean Issuer shall have delivered an Officer's Certificate to the Trustee and the Collateral Trustee calculating the Asset Coverage Ratio on a Pro Forma Basis after giving effect to such sale or other Disposition (including any pledge of Additional Collateral and/or redemption or repayment of Priority Lien Debt or Senior Priority Refinancing Indebtedness (in each case, in the case of revolving debt together with a permanent reduction in the commitments thereunder), if any);

(iv) such sale or other Disposition, if to any other Person, is an arms' length Disposition to a third party that is not an Affiliate of the Chilean Issuer or any of its Subsidiaries; and

(v) to the extent that any Issuer receives any Net Proceeds from such sale or other Disposition, such Net Proceeds shall be applied as provided in this Section 4.08;

provided that nothing contained in this Section 4.08 is intended to excuse performance by the Issuers or any Guarantor of any requirement of any Security Document that would be applicable to a Disposition permitted under this Indenture. A Disposition of Collateral referred to in clause (4), (7) or (8) of the definition of "Permitted Disposition" shall not result in the automatic release of such Collateral from the security interest of the applicable Security Document, and the Collateral subject to such Disposition shall continue to constitute Collateral for all purposes of the 2027 Notes Documents (without prejudice to the rights of the Issuers to release any such Collateral pursuant to Section 4.16(g)).

(b) Within 365 days after the receipt of any Net Proceeds from (1) a Disposition of Significant Assets (other than a Disposition constituting (x) to the extent the Net Proceeds are received prior to the Exit Conversion Date, a Permitted DIP Disposition and (y) to the extent the Net Proceeds are received on after the Exit Conversion Date, a Permitted Disposition), (2) on and after the Exit Conversion Date, a Disposition of Collateral referred to in clause (9) of the definition of "Permitted Disposition" (other than a Disposition of a minority stake in the equity of [*]) or (3) a Recovery Event in respect of Significant Assets, in each case, the Chilean Issuer shall apply the Prepayment Percentage of such Net Proceeds:

(1) to invest in or replace, purchase or acquire Significant Assets (or, in the case of Net Proceeds from a Disposition of Collateral or Recovery Event in respect of Collateral, new or additional Collateral), other than an investment in, purchase or acquisition of Significant Assets by a Non-Guarantor Acquired Airline within 365 days after the sale or other Disposition, or Recovery Event, that generated the Net Proceeds; provided that the Chilean Issuer will be deemed to have complied with this provision if and to the extent that, within 365 days after the sale or other Disposition, or Recovery Event, that generated the Net Proceeds, the Chilean Issuer or any of its Restricted Subsidiaries has entered into and not abandoned or rejected a binding agreement to acquire, purchase or invest in the assets that would constitute Significant Assets (or Collateral, as applicable) in compliance with the provision described in this clause (1), and that acquisition, purchase or investment is thereafter completed within 180 days after the end of such 365-day period); or

(2) to (i) repay the Revolving Credit Facility (provided that the commitments thereunder are permanently reduced), the Term Loan Facility or any other Priority Lien Debt (and to permanently reduce commitments with respect thereto) to the extent such other Indebtedness and the Liens securing the same are permitted under the terms of this Indenture and the documentation governing such other Indebtedness requires such a prepayment or repurchase thereof with such Net Proceeds or (ii) make an offer to purchase and/or repay, prepay or redeem the Notes, either (i) as provided under Article 3, (ii) through open-market purchases (to the extent such purchases are at or above 100% of the principal amount thereof) or (iii) by making an offer (in accordance with the procedures set forth in Section 4.08(c) for Asset Disposition Offers) to all Holders to purchase their Notes at or above 100% of the principal amount thereof, plus accrued and unpaid interest (including Special Interest, if any), and Additional Amounts thereon, if any, to, but excluding, the date of repurchase.

(c) Any Net Proceeds from a Disposition or Recovery Event that are not applied or invested as provided in Section 4.08(b), together with any Net Proceeds that are earlier designated as "Excess Proceeds" by the Chilean Issuer, will constitute "Excess Proceeds." Within five Business Days of the date on which the aggregate amount of Excess Proceeds exceeds $100.0 million (or earlier if the Chilean Issuer so elects), the Chilean Issuer will make an offer to purchase and/or repay, prepay or redeem, as applicable, to all Holders of Notes and all holders of other Priority Lien Debt containing provisions similar to those set forth in this Indenture with respect to offers to purchase ("Other Offer Notes") and prepay any other Priority Lien Debt requiring repayment or prepayment (collectively, whether through an offer or a required prepayment, an "Asset Disposition Offer"); provided that the percentage of such Excess Proceeds allocated and offered to the Notes in such Asset Disposition Offer is at least equal to the percentage of the aggregate principal amount of all Priority Lien Debt represented at such time by the Notes. The offer price in any Asset Disposition Offer will be equal to 100% of the principal amount, plus accrued interest and Additional Amounts (including Special Interest, if any) to, but excluding, the date of purchase, prepayment or redemption, subject to the rights of Holders of the Notes on the relevant record date to receive interest due on the relevant interest payment date, and will be payable in cash. If any Excess Proceeds remain after consummation of an Asset Disposition Offer, the Chilean Issuer may use those Excess Proceeds for any purpose not otherwise prohibited by this Indenture, including to make a similar offer with respect to Junior Lien Indebtedness. If the aggregate principal amount of Notes and Other Offer Notes tendered in such Asset Disposition Offer exceeds the amount of Excess Proceeds allocated to the Notes or Other Offer Notes in such Asset Disposition Offer, the Issuers will select the Notes and Other Offer Notes to be purchased or repaid pro rata based on the aggregate principal amounts so tendered (with such adjustments as may be deemed appropriate by the Chilean Issuer so that only Notes in minimum denominations of $2,000, or an integral multiple of $1,000 in excess thereof, will be purchased). Upon completion of each Asset Disposition Offer, the amount of Excess Proceeds will be reset at zero.

The Chilean Issuer will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent such laws and regulations are applicable in connection with the repurchase of Notes as a result of an Asset Disposition Offer. To the extent that the provisions of any such securities laws or regulations conflict with the provisions of Section 3.11 hereof or this Section 4.08, the Chilean Issuer will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under Section 3.11 hereof or this Section 4.08 by virtue of any such conflict.

(d) Notwithstanding any other provisions of Section 4.08(b), to the extent any or all of the Net Proceeds of any Disposition by a Restricted Subsidiary or the Net Proceeds of a Recovery Event received by a Restricted Subsidiary are prohibited or delayed by any contractual restriction permitted by this Indenture or any applicable local law (including financial assistance, corporate benefit restrictions on upstreaming of cash intra group and the fiduciary and statutory duties of the directors of such Restricted Subsidiary) from being repatriated or passed on to or used for the benefit of the Issuers or if the Chilean Issuer has determined in good faith that repatriation of any such amount to the Issuers would have material adverse tax consequences (including a material acceleration of the point in time when such earnings would otherwise be taxed) with respect to such amount, the portion of such Net Proceeds so affected will not be required to be applied to prepay the Priority Lien Debt at the times provided in Section 4.08(b) but may be retained by the applicable Restricted Subsidiary so long, but only so long, as the applicable contractual restriction or local law will not permit repatriation or the passing on to or otherwise using for the benefit of the Issuers, or the Chilean Issuer believes in good faith that such material adverse tax consequence would result, and once such repatriation of any of such affected Net Proceeds is permitted under the applicable contractual agreement or local law or the Chilean Issuer determines in good faith such repatriation would no longer have such material adverse tax consequences, such repatriation will be promptly effected and such repatriated Net Proceeds will be promptly (and in any event not later than five Business Days after such repatriation) applied (net of additional Taxes payable or reasonably estimated to be payable as a result thereof) to the prepayment of the Priority Lien Debt pursuant to Section 4.08(b) (provided that no such prepayment of the Priority Lien Debt pursuant to Section 4.08(b) shall be required in the case of any such Net Proceeds the repatriation of which the Chilean Issuer believes in good faith would result in material adverse tax consequences, if on or before the date on which such Net Proceeds so retained would otherwise have been required to be applied to reinvestments or prepayments (after giving effect to the reinvestment period therefor), the Chilean Issuer applies an amount equal to the amount of such Net Proceeds to such reinvestments or prepayments as if such Net Proceeds had been received by the Chilean Issuer rather than such Restricted Subsidiary, less the amount of additional Taxes that would have been payable or reserved against if such Net Proceeds had been repatriated).

Section 4.09. Liens.

The Chilean Issuer will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, create, incur, assume or suffer to exist any Lien of any kind on any property or asset that constitutes Significant Assets, except Permitted Liens.

Section 4.10. Transactions with Affiliates.

(a) The Chilean Issuer will not, and will not permit any of its Restricted Subsidiaries to, make any payment to or sell, lease, transfer or otherwise Dispose of any of its properties or assets to, or purchase any property or assets from, or enter into or make or amend any transaction, contract, agreement, understanding, loan, advance or guarantee with, or for the benefit of, any Affiliate of the Chilean Issuer (each an "Affiliate Transaction") involving aggregate payments or consideration in excess of [*], unless:

(1) the Affiliate Transaction is on terms that are not materially less favorable to the Chilean Issuer or the relevant Restricted Subsidiary (taking into account all effects the Chilean Issuer or such Restricted Subsidiary expects to result from such transaction, whether tangible or intangible) than those that would have been obtained in a comparable transaction by the Chilean Issuer or such Restricted Subsidiary with an unrelated Person; and

(2) the Chilean Issuer delivers to the Trustee:

(A) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of [*], but less than or equal to [*], an Officer's Certificate certifying that such Affiliate Transaction complies with clause (1) of this Section 4.10(a); and

(B) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of [*], a board resolution stating the Board of Directors has approved such Affiliate Transaction and determined that it complies with clause (1) of this Section 4.10(a).

(b) The following items will not be deemed to be Affiliate Transactions and, therefore, will not be subject to the provisions of Section 4.10(a):

(1) any employment agreement, confidentiality agreement, non-competition agreement, incentive plan, employee stock option agreement, long-term incentive plan, profit sharing plan, employee benefit plan, officer or director indemnification agreement or any similar arrangement entered into by the Chilean Issuer or any of its Restricted Subsidiaries in the ordinary course of business and payments pursuant thereto;

(2) transactions between or among the Chilean Issuer and/or its Restricted Subsidiaries (including without limitation in connection with any full or partial "spin-off" or similar transactions);

(3) transactions with a Person (other than an Unrestricted Subsidiary of the Chilean Issuer) that is an Affiliate of the Chilean Issuer solely because the Chilean Issuer owns, directly or through a Restricted Subsidiary, an Equity Interest in, or controls, such Person;

(4) payment of fees, compensation, reimbursements of expenses (pursuant to indemnity arrangements or otherwise) and reasonable and customary indemnities provided to or on behalf of officers, directors, employees or consultants of the Chilean Issuer or any of its Restricted Subsidiaries;

(5) any issuance of Qualifying Equity Interests to Affiliates of the Chilean Issuer or any increase in the liquidation preference of preferred stock of the Chilean Issuer (if any);

(6) transactions with customers, clients, suppliers or purchasers or sellers of goods or services in the ordinary course of business or transactions with joint ventures, alliances, alliance members or Unrestricted Subsidiaries entered into in the ordinary course of business;

(7) Permitted Investments and Restricted Payments that do not violate Section 4.06;

(8) loans or advances to employees in the ordinary course of business not to exceed [*] in the aggregate at any one time outstanding;

(9) transactions pursuant to agreements or arrangements in effect on the Issue Date or any amendment, modification or supplement thereto or replacement thereof and any payments made or performance under any agreement as in effect on the Issue Date or any amendment, replacement, extension or renewal thereof (so long as such agreement as so amended, replaced, extended or renewed is not materially less advantageous, taken as a whole, to the holders than the original agreement as in effect on the Issue Date);

(10) transactions between or among the Chilean Issuer and/or its Restricted Subsidiaries or transactions between a Receivables Subsidiary and any Person in which the Receivables Subsidiary has an Investment;

(11) any transaction effected as part of a Qualified Receivables Transaction;

(12) any purchase by the Chilean Issuer's Affiliates of Indebtedness of the Chilean Issuer or any of its Restricted Subsidiaries, the majority of which Indebtedness is offered to Persons who are not Affiliates of the Chilean Issuer;

(13) shared services, joint purchasing, systems integration, fleet management and other transactions in the ordinary course of business that are customary for joint business agreements in the airline industry;

(14) transactions between the Chilean Issuer or any of its Restricted Subsidiaries and any employee labor union or other employee group of the Chilean Issuer or such Restricted Subsidiary; provided such transactions are not otherwise prohibited by this Indenture; and

(15) transactions with captive insurance companies of the Chilean Issuer or any of its Restricted Subsidiaries.

Section 4.11. Corporate Existence.

Subject to Section 4.08 and Article 5 hereof, each Issuer and each of the Guarantors shall do or cause to be done all things reasonably necessary to preserve and keep in full force and effect:

(a) (i) with respect to the Issuers, their corporate existence in accordance with the respective organizational documents (as the same may be amended from time to time) of such Issuer, and (ii) with respect to each Guarantor, its corporate existence, and the corporate, partnership or other existence of each of its Restricted Subsidiaries, in each case, in accordance with the respective organizational documents (as the same may be amended from time to time) of such Person, except where, with respect to clause (ii), the failure to do so would not reasonably be expected to result in a Material Adverse Effect; and

(b) their rights (charter and statutory) and material franchises of each Issuer and each Guarantor and its Restricted Subsidiaries; provided, however, that the Issuers and the Guarantors shall not be required to preserve any such right or franchise, or the corporate, partnership or other existence, of it or any of its Restricted Subsidiaries if the Board of Directors of the Chilean Issuer shall determine that the preservation thereof is no longer desirable in the conduct of the business of Chilean Issuer and its Subsidiaries, taken as a whole, and that the loss thereof would not, individually or in the aggregate, have a Material Adverse Effect.

For the avoidance of doubt, this Section 4.11 shall not prohibit any actions permitted by Article 5 hereof.

Section 4.12. Offer to Repurchase Upon Change of Control.

(a) Upon the occurrence of a Change of Control in respect of the Notes, unless the Issuers have otherwise exercised their right to redeem the Notes pursuant to the terms of this Indenture, each Holder of Notes will have the right to require the Issuers to make an offer (a "Change of Control Offer") to each Holder to repurchase all or any part (equal to minimum denominations of $2,000 or an integral multiple of $1,000 in excess thereof) of that Holder's Notes at a purchase price in cash equal to 101% of the aggregate principal amount of the Notes to be repurchased plus accrued interest (including Special Interest, if any) and Additional Amounts thereon, if any, on the Notes to be repurchased to, but excluding, the date of purchase, subject to the rights of Holders of Notes on the relevant record date to receive interest due on the relevant interest payment date (the "Change of Control Payment"). Within 30 days following the date upon which any Change of Control has occurred in respect of the Notes, unless the Issuers have otherwise exercised their right to redeem the Notes pursuant to the terms of this Indenture, the Issuers will deliver a notice to each Holder of Notes (with a copy to the Trustee) describing the transaction or transactions that constitute the Change of Control and stating:

(1) that the Change of Control Offer is being made pursuant to this Section 4.12 and that all Notes tendered will be accepted for payment;

(2) the purchase price and the purchase date, which shall be no earlier than 10 days and no later than 60 days from the date such notice is sent (the "Change of Control Payment Date");

(3) that any Note not tendered will continue to accrue interest;

(4) that, unless the Issuers default in the payment of the Change of Control Payment, all Notes accepted for payment pursuant to the Change of Control Offer will cease to accrue interest on and after the Change of Control Payment Date;

(5) that Holders of Notes electing to have any Notes purchased pursuant to a Change of Control Offer will be required to surrender the Notes, with the form entitled "Option of Holder to Elect Purchase" on the reverse of the Note, or transfer by book-entry transfer, to the Paying Agent at the address specified in the notice prior to the close of business on the third Business Day preceding the Change of Control Payment Date;

(6) that Holders of Notes will be entitled to withdraw their election if the Paying Agent receives, not later than the close of business on the second Business Day preceding the Change of Control Payment Date, a telex, facsimile transmission or letter setting forth the name of the Holder, the principal amount of Notes delivered for purchase, and a statement that such Holder is withdrawing his election to have the Notes purchased; and

(7) that Holders of Notes whose Notes are being purchased only in part will be issued new Notes equal in principal amount to the unpurchased portion of the Notes surrendered, which unpurchased portion must be equal to minimum denominations of $2,000 in principal amount or an integral multiple of $1,000;

provided that the Issuers may, at their option, deliver such notice prior to any Change of Control but after the public announcement of the Change of Control; provided, further, that such notice, if sent prior to the date of consummation of the Change of Control, will state that the Change of Control Offer is conditioned on the Change of Control occurring on or prior to the Change of Control Payment Date.

(b) On the Change of Control Payment Date with respect to the Notes, the Issuers will, to the extent lawful:

(1) accept for payment all Notes or portions of Notes properly tendered pursuant to the Change of Control Offer;

(2) deposit with the Paying Agent an amount equal to the Change of Control Payment in respect of all Notes or portions of Notes properly tendered; and

(3) deliver or cause to be delivered to the Trustee the Notes properly accepted together with an Officer's Certificate stating the aggregate principal amount of Notes or portions of Notes being purchased by the Issuers.

The Paying Agent will promptly deliver (but in any case not later than five days after the Change of Control Payment Date) to each Holder of Notes properly tendered the Change of Control Payment for such Notes, and the Trustee will promptly authenticate and mail (or cause to be transferred by book entry) to each Holder a new Note equal in principal amount to any unpurchased portion of the Notes surrendered, if any. The Issuers will publicly announce the results of the Change of Control Offer on or as soon as practicable after the Change of Control Payment Date.

(c) The Issuers will not be required to make a Change of Control Offer with respect to the Notes if a third party makes such an offer in the manner, at the times and otherwise in compliance with the requirements for such an offer made by the Issuers and such third party purchases all Notes properly tendered and not withdrawn under its offer.

(d) If Holders of not less than 90% in aggregate principal amount of the outstanding Notes validly tender and do not withdraw the Notes in a Change of Control Offer and the Issuers, or any third party making a Change of Control Offer in lieu of the Issuers, purchase all of such Notes validly tendered and not withdrawn by such Holders, the Issuers will have the right, upon not less than 10 nor more than 60 days' prior notice, given not more than 30 days following such purchase pursuant to the Change of Control Offer described above, to redeem all Notes that remain outstanding following such purchase at a redemption price in cash equal to 101% of the principal amount thereof, plus accrued interest (including Special Interest, if any) and Additional Amounts thereon, if any, to, but excluding, the Redemption Date (subject to the right of holders of record on the relevant record date to receive interest on the relevant interest payment date) pursuant to Sections 3.01 through 3.06 hereof.

(e) The Issuers will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with the repurchase of the Notes as a result of a Change of Control. To the extent that the provisions of any such securities laws or regulations conflict with the Change of Control Offer provisions set forth in this Section 4.12, the Issuers will comply with those securities laws and regulations and will not be deemed to have breached the Issuers' obligations under this Section 4.12 by virtue of any such conflict.

Section 4.13. Additional Guarantors; Collateral.

(a) Prior to the Exit Conversion Date, subject to approval by the Bankruptcy Court and any requisite approval in any of the Non-U.S. Cases, the Chilean Issuer will, within forty-five (45) days following filing a material Subsidiary's chapter 11 petition, cause such material Subsidiary that becomes a debtor under the Chapter 11 Cases after the Issue Date to execute a supplemental indenture and joinder or supplement to the Security Documents and related schedules and exhibits thereto, in each case as necessary to cause such material Subsidiary to become a Guarantor under this Indenture and a party to each of the applicable Security Documents and in form reasonably satisfactory to the Trustee and the Collateral Trustee.

(b) On and after the Exit Conversion Date, (x) if any Restricted Subsidiary of the Chilean Issuer Guarantees any Priority Credit Agreement or any other Indebtedness of the Issuers or the Guarantors incurred under Sections 4.07(a)(1), 4.07(a)(2) or 4.07(a)(3) or (y) if no such Indebtedness is then outstanding, subject to the Guaranty and Security Principles if any Restricted Subsidiary of the Chilean Issuer (other than an Excluded Subsidiary) pledges or grants liens in the Collateral or acquires or holds any Significant Asset, then the Chilean Issuer will (i) promptly (and in any event within forty-five (45) calendar days following of such acquisition, termination, release or other applicable event, or such later date as the Controlling Representative may agree in its sole discretion) cause such Restricted Subsidiary to become a Guarantor by executing and delivering to the Trustee a supplemental indenture substantially in the form of Exhibit D hereto and to become a party to each applicable Security Document by executing and delivering to the Trustee and the Collateral Trustee a supplement to the applicable Security Documents pursuant to which certain of such Restricted Subsidiary's Significant Assets will be pledged as Collateral pursuant to the terms of such Security Documents and the Guaranty and Security Principles in favor of the Collateral Trustee or the applicable Local Collateral Agent, (ii) promptly (and in any event within forty-five (45) calendar days following of such acquisition, termination, release or other applicable event) execute and deliver (or cause such Restricted Subsidiary to execute and deliver) to the Collateral Trustee or a Local Collateral Agent, as applicable, such documents and take such actions to create, grant, establish, preserve and perfect the Priority Lien in favor of the Collateral Trustee or a Local Collateral Agent, as applicable, for the benefit of the Secured Parties on such assets of the Chilean Issuer or such Restricted Subsidiary, as applicable, to secure the 2027 Notes Obligations to the extent required under the applicable Security Documents or reasonably requested by the Collateral Trustee or the Local Collateral Agent (acting at the direction of the Controlling Representative), as applicable, and to ensure that such Collateral shall be subject to no other Liens other than Permitted Liens, in each case subject to the Guaranty and Security Principles, and (iii) if reasonably requested by the Collateral Trustee (acting at the direction of the Controlling Representative), deliver to the Collateral Trustee, for the benefit of the Secured Parties, a written Opinion of Counsel (which counsel shall be reasonably satisfactory to the Collateral Trustee) to the Chilean Issuer or such Restricted Subsidiary, as applicable, with respect to the matters described in clauses (i) and (ii) of this Section 4.13(b), in each case within forty-five (45) calendar days after the addition of such Collateral or Significant Assets and in form and substance reasonably satisfactory to the Collateral Trustee (acting at the direction of the Controlling Representative).

(c) In addition, if any Restricted Subsidiary of the Chilean Issuer that has not provided a Note Guarantee elects to pledge any Additional Collateral, then the Chilean Issuer will promptly cause such Subsidiary to execute and deliver to the Trustee a supplemental indenture substantially in the form of Exhibit D hereto pursuant to which such Subsidiary will provide a Note Guarantee and to execute and deliver to the Trustee and the Collateral Trustee a supplement to the applicable Security Documents pursuant to which such Restricted Subsidiary's Significant Assets, including such Additional Collateral, will be pledged as Collateral in favor of the Collateral Trustee or the applicable Local Collateral Agent, and to take the steps set forth in clauses (ii) and (iii) of Section 4.13(b).

(d) Notwithstanding anything to the contrary, Chilean Issuer may from time to time, upon written notice to the Trustee, (i) elect to cause any Restricted Subsidiary that would otherwise be an Excluded Subsidiary to become a Guarantor (a "Designated Guarantor") but shall have no obligation to do so (and for clarity, there is no obligation to cause any Restricted Subsidiary that would otherwise be an Excluded Subsidiary to become a Designated Guarantor because another Designated Guarantor is formed or acquired in the same jurisdiction), subject to the satisfaction of the requirements of Section 4.13(b) by such Designated Guarantor and (ii) elect to cause any Designated Guarantor to be an Excluded Subsidiary; provided that such Designated Guarantor is either an Excluded Aircraft Subsidiary or does not own any Significant Assets at such time of election (other than pursuant to the thresholds set forth in clause (g) of the definition of "Excluded Subsidiary").

Section 4.14. Designation of Restricted and Unrestricted Subsidiaries.

The Board of Directors may designate any Restricted Subsidiary of the Chilean Issuer to be an Unrestricted Subsidiary if that designation would not cause a Default or Event of Default and no Default or Event of Default exists at the time of such designation; provided that if a Restricted Subsidiary is designated as an Unrestricted Subsidiary, the aggregate Fair Market Value of all outstanding Investments owned by the Chilean Issuer and its Restricted Subsidiaries in the Subsidiary designated as an Unrestricted Subsidiary will be deemed to be an Investment made as of the time of the designation, which Investment is permitted at that time under Section 4.06 and if the Restricted Subsidiary otherwise meets the conditions set forth in the definition of an "Unrestricted Subsidiary."

Any designation of a Subsidiary of the Chilean Issuer as an Unrestricted Subsidiary will be evidenced to the Trustee by delivering to the Trustee a certified copy of a resolution of the Board of Directors giving effect to such designation and an Officer's Certificate certifying that such designation complied with the preceding conditions. The Board of Directors may at any time designate any Unrestricted Subsidiary to be a Restricted Subsidiary; provided that (1) no Default or Event of Default would be in existence following such designation, (2) after giving effect to such designation, the Asset Coverage Ratio shall be greater than or equal to [*] and (3) all Liens of such Unrestricted Subsidiary outstanding immediately following such designation would, if incurred at such time, have been permitted to be incurred for all purposes of this Indenture.

Section 4.15. Delivery of Appraisals. The Chilean Issuer shall:

(1) within (i) thirty (30) Business Days of December 31, 2022 and (ii) thereafter (commencing with March 31, 2024), within thirty (30) Business Days of March 31st of each calendar year;

(2) on or prior to the date upon which any Additional Collateral is pledged to the Collateral Trustee or a Local Collateral Agent, as applicable, or assets are transferred to an Issuer or a Guarantor in order to constitute Coverage Assets, but only with respect to such Additional Collateral or new Coverage Assets; and

(3) promptly (but in any event within 45 days) following a request by the Trustee or the Collateral Trustee if an Event of Default has occurred and is continuing;

deliver to the Trustee and the Collateral Trustee one or more Appraisals establishing the Appraised Value of the Coverage Assets; provided, however, that, in the case of clause (2) above, only an Appraisal with respect to the Additional Collateral or new Coverage Assets shall be required to be delivered. The Chilean Issuer may from time to time cause subsequent Appraisals to be delivered to the Trustee and the Collateral Trustee if it believes that any affected Coverage Asset has a higher Appraised Value than that reflected in the most recent Appraisals delivered pursuant to this Section 4.15.

In addition to clauses (1) through (3) above, the Chilean Issuer will deliver to the Trustee and the Collateral Trustee (and make available to Holders of Notes, prospective investors, broker-dealers and securities analysts as set forth in Section 4.03(c)) a copy of any Appraisal that is delivered to any other Priority Lien Representative or other holder of Priority Lien Obligations, but has not been or is not being delivered to the Trustee in accordance with such clauses (1) through (3) above, within 10 Business Days of the date on which such Appraisal was given to such other Priority Lien Representative or holder of Priority Lien Obligations.

Notwithstanding the foregoing, the Chilean Issuer may make available the Appraisal information required to be delivered under Section 4.03(c) and this Section 4.15 by posting such Appraisal information on a website (which may be nonpublic and may be maintained by the Chilean Issuer or a third party) to which access will be given to the Holders of Notes, prospective investors, broker-dealers and securities analysts that certify their status as such to the reasonable satisfaction of the Chilean Issuer.

Section 4.16. Asset Coverage Ratio.

(a) On the tenth (10th) Business Day after a Reference Date, the Chilean Issuer will deliver to the Trustee and the Collateral Trustee an Officer's Certificate demonstrating with reasonable detail the calculation of the Asset Coverage Ratio as of the applicable Reference Date.

If:

(1) the Chilean Issuer fails to deliver the Officer's Certificate required by Section 4.16(a) within the time period specified in Section 4.16(a), or

(2) such Officer's Certificate demonstrates that the Asset Coverage Ratio was less than [*] as of the applicable Reference Date (a "Coverage Shortfall"),

then additional interest shall accrue on all outstanding Notes ("Special Interest") in an amount equal to 2.0% per annum of the principal amount of such Notes commencing on such Reference Date, payable on each applicable interest payment date thereafter; provided that such Special Interest shall cease to apply upon either (x) the Chilean Issuer delivering to the Trustee an Officer's Certificate demonstrating, with reasonably detailed calculations, that the Chilean Issuer's Asset Coverage Ratio was no less than [*], or (y) the Chilean Issuer curing such Coverage Shortfall pursuant to Section 4.16(b).

(b) In the event of a Coverage Shortfall, within 45 days after the applicable Reference Date (such 45-day period, the "Cure Period"), the Chilean Issuer may:

(1) pledge additional assets as Additional Collateral under the Security Documents to secure Priority Lien Obligations and Junior Lien Obligations and such Additional Collateral will be included in the calculation of Appraised Value as of such Reference Date; and/or

(2) redeem, repay, prepay, repurchase or otherwise retire Priority Lien Debt, including by redeeming Notes pursuant to any available optional redemption provisions of this Indenture and such redeemed, repaid, prepaid, repurchased or otherwise retired Priority Lien Debt will not be included in the calculation of Appraised Value as of such Reference Date.

(c) If, after giving effect to such actions described in Section 4.16(b) during the Cure Period, the Asset Coverage Ratio would have been greater than [*] as of such Reference Date, as set forth in an Officer's Certificate delivered to the Trustee and the Collateral Trustee no later than the last day of the Cure Period demonstrating such calculations in reasonable detail, then no Special Interest will be payable with respect to such Coverage Shortfall.

(d) Special Interest payable pursuant to the provisions of this Section 4.16 will be calculated and paid in the same manner as regular interest is calculated and paid under this Indenture, and all references to payments of "interest" will be deemed to include Special Interest, if applicable. Prior to the record date immediately preceding any interest payment date on which Special Interest is due, the Issuers shall deliver written notice to the Trustee and the Holders of the Notes stating that the Issuers are required to pay Special Interest, and setting forth the accrual dates and amount of Special Interest due and payable on Notes on such next interest payment date.

(e) Notwithstanding anything herein to the contrary, for clarity, the Chilean Issuer's failure to maintain an Asset Coverage Ratio in excess of [*] will not be deemed to constitute a Default or Event of Default for purposes of clause (4) under Section 6.01 hereof.

(f) Notwithstanding anything to the contrary contained herein, if the Asset Coverage Test is not satisfied solely as a result of damage to or loss of any Collateral covered by insurance (pursuant to which the Collateral Trustee is named as loss payee and with respect to which payments are to be delivered directly to the Collateral Trustee or the Trustee) for which the insurer thereof has been notified of the relevant claim and has not challenged such coverage, any calculation of the Asset Coverage Ratio (and Total Asset Coverage Ratio) made pursuant to this Indenture shall deem the relevant Issuer or Guarantor to have received Net Proceeds (and to have taken all steps necessary to have pledged such Net Proceeds as Additional Collateral) in an amount equal to the expected coverage amount (as determined by the Chilean Issuer in good faith and updated from time to time to reflect any agreements reached with the applicable insurer) and net of any amounts required to be paid out of such proceeds until the earliest of (i) the date any such Net Proceeds are actually first received by the Collateral Trustee or the Trustee, (ii) the date that is 270 days after such damage and (iii) the date on which any such insurer denies such claim; provided, further, that, prior to giving effect to this clause (f), the Appraised Value of the Coverage Assets shall be no less than 100% of the aggregate principal amount of all Priority Lien Debt at such time. If the Trustee or Collateral Trustee should receive any Net Proceeds directly from the insurer in respect of a Recovery Event, the Trustee or the Collateral Trustee, as applicable, shall promptly cause such proceeds to be paid to the applicable Issuer or Guarantor, or to be applied, as applicable, in accordance with Section 4.08 (or, prior to the Exit Conversion Date, Section 4.01 of Annex B).

(g) At the Chilean Issuer's request, the Lien on any asset or type or category of asset (including after-acquired assets of that type or category) that (i) has been Disposed in accordance with this Indenture to a Person other than an Issuer or a Guarantor, (ii) is or has become Excluded Assets or (iii) constitutes Additional Collateral, will, in each case, be promptly released; provided that in each case, that the following conditions are satisfied or waived: (A) no Event of Default shall have occurred and be continuing, (B) either (x) after giving effect to such release, the Appraised Value of the Coverage Assets shall satisfy the Asset Coverage Test on a Pro Forma Basis or (y) the Chilean Issuer shall designate additional assets as Additional Collateral and comply with Section 4.13 and/or prepay or redeem or cause to be prepaid or redeemed Priority Lien Debt (as selected by the Chilean Issuer in its sole discretion), such that, following such actions and such release, the Asset Coverage Test shall be satisfied on a Pro Forma Basis, and (C) the Chilean Issuer shall deliver to the Trustee an Officer's Certificate demonstrating Pro Forma Compliance with the Asset Coverage Test after giving effect to such release (including after giving effect to any action taken pursuant to the foregoing clause (B)(y)). Each of the Trustee and the Collateral Trustee agrees to promptly provide any documents or releases reasonably requested by, and at the sole cost and expense of, the Chilean Issuer to evidence any such release. For the avoidance of doubt, (aa) nothing contained in the foregoing shall prohibit any substitution of any item of Additional Collateral if such substitution and related release of the Additional Collateral being replaced are permitted or required under the applicable Security Document, and such permitted or required release of such replaced Additional Collateral pursuant to such Security Document shall not be subject to (and shall be deemed to satisfy) the release conditions in the first sentence of this clause 4.16(g) and (bb) if an Issuer or a Guarantor releases (in accordance with this clause 4.16(g)) any Additional Collateral that has suffered (or corresponding to an asset that suffered) a Recovery Event, the applicable Issuer or Guarantor shall be deemed to have complied with any provisions in the corresponding Security Documents requiring that such Issuer or Guarantor take specific actions in respect of such Recovery Event.

Section 4.17. Air Carrier Status.

Each Air Carrier Entity will use commercially reasonable efforts to maintain at all times its status and rights to operate as an "air carrier" in Chile, Brazil, Peru or Colombia, as applicable, and all other jurisdictions in which it operates air routes from time to time, except to the extent the failure to maintain such rights would not reasonably be expected to result in a Material Adverse Effect. Each Air Carrier Entity will possess and maintain at all times, all necessary certificates, exemptions, licenses, designations, authorizations and consents required by the FAA, the DOT or any applicable Non-U.S. Aviation Authority or Airport Authority or any other Governmental Authority that are material to the operation of the Pledged Routes and Material Pledged Slots operated by it, and to the conduct of its business and operations as currently conducted, in each case, to the extent necessary for such Air Carrier Entity's operation of flights, except where a failure to so possess or maintain would not reasonably be expected to have a Material Adverse Effect. Each Air Carrier Entity will also:

(a) utilize its Material Pledged Slots in a manner consistent with applicable regulations, rules and contracts in order to preserve its right to hold and use its Material Pledged Slots, taking into account any waivers or other relief granted to it by the FAA, the DOT, any Non-U.S. Aviation Authority or any Airport Authority, except to the extent that any failure to utilize would not reasonably be expected to result in a Material Adverse Effect;

(b) cause to be done all things commercially reasonably necessary to preserve and keep in full force and effect its rights in and to use its Material Pledged Slots, including, without limitation, if applicable, satisfying any applicable Use or Lose Rule, except to the extent that any failure to do so would not reasonably be expected to result in a Material Adverse Effect;

(c) use commercially reasonable efforts to utilize its Pledged Routes in a manner consistent with Title 49, the applicable rules and regulations of the FAA, the DOT, any applicable Non-U.S. Aviation Authorities, and any applicable treaty in order to preserve its rights to operate the scheduled services, except to the extent that any failure would not reasonably be expected to result in a Material Adverse Effect; and

(d) cause to be done all things commercially reasonably necessary to preserve and keep in full force and effect its authority to operate the scheduled services, except to the extent that any failure would not reasonably be expected to result in a Material Adverse Effect.

Section 4.18. Regulatory Matters; Utilization; Collateral Requirements.

So long as any of the Notes remain outstanding, each of the Issuers and the Guarantors will promptly take all such steps as may be commercially reasonably necessary to maintain, renew and obtain, or obtain the use of, Material Pledged Slots and Material Pledged Routes as needed for its continued and future operations using such Material Pledged Slots or Material Pledged Routes, and pay any applicable filing fees and other expenses related to the submission of applications, renewal requests and other filings as may be reasonably necessary to have access to its Material Pledged Slots and Material Pledged Routes, except to the extent that any failure to do so would not reasonably be expected to result in a Material Adverse Effect.

Section 4.19. Use of Proceeds.

The Issuers and the Guarantors will not use, and will not permit any of their respective Subsidiaries, officers, directors, employees or agents to use, the proceeds of any Notes (i) in violation of any Anti-Corruption Laws or Anti-Money Laundering Laws or (ii) (A) to fund, finance or facilitate any activities or business of or with any Person that, at the time of such funding, financing or facilitation, is the subject or target of Sanctions, (B) to fund, finance or facilitate any activities of or business in any Sanctioned Country, in each case of (A) and (B) except to the extent permitted under Sanctions, or (C) in any other manner that would result in a violation of Sanctions by any Person in connection with this Indenture (including any Person participating or acting in connection with the Notes hereunder, whether as underwriter, advisor, investor, lender, hedge provider, facility or security agent or otherwise).

Section 4.20. Payment of Additional Amounts.

(a) All payments (including any premium paid upon redemption of the Notes) by or on behalf of the Issuers or a successor in respect of the Notes or the Guarantors or a successor in respect of any Note Guarantees will be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments, or other governmental charges of whatever nature imposed or levied by or on behalf of Chile, the Bahamas, Brazil, the Cayman Islands, Colombia, Ecuador, Peru or the United States or any authority therein or thereof or any other jurisdiction in which the Issuers or the Guarantors (or in each case, their successors) are organized or doing business or from or through which payments are made in respect of the Notes, or any political subdivision or taxing authority thereof or therein (any of the aforementioned being a "Taxing Jurisdiction"), unless the Issuers or the Guarantors (or their respective successors) are compelled by law to deduct or withhold such taxes, duties, assessments, or governmental charges. In such event, the Issuers or the Guarantors (or their respective successors) will make such deduction or withholding, make payment of the amount so withheld to the appropriate Governmental Authority and pay such additional amounts as may be necessary to ensure that the net amounts received by registered Holders of the Notes after such withholding or deduction shall equal the respective amounts of principal and interest (or other amounts stated to be payable under the Notes) that would have been received in respect of the Notes in the absence of such withholding or deduction ("Additional Amounts"). Notwithstanding the foregoing, no such Additional Amounts shall be payable:

(1) to, or to a third party on behalf of, a Holder who is liable for such taxes, duties, assessments or governmental charges in respect of such Note by reason of the existence of any present or former connection between such Holder (or between a fiduciary, settlor, beneficiary, member or shareholder of such Holder, if such Holder is an estate, a trust, a partnership, or a corporation) and the relevant Taxing Jurisdiction, including, without limitation, such Holder (or such fiduciary, settlor, beneficiary, member or shareholder) being or having been a citizen or resident thereof or being or having been engaged in a trade or business or present therein or having, or having had, a permanent establishment therein, other than the mere holding of the Note or enforcement of rights under this Indenture and the receipt of payments with respect to the Note;

(2) in respect of Notes surrendered or presented for payment (if surrender or presentment is required) more than 30 days after the Relevant Date except to the extent that payments under such Note would have been subject to withholdings and the Holder of such Note would have been entitled to such Additional Amounts, on surrender of such Note for payment on the last day of such period of 30 days;

(3) to, or to a third party on behalf of, a Holder who is liable for such taxes, duties, assessments or other governmental charges by reason of such Holder's failure to comply, with any certification, identification, documentation or other reporting requirement concerning the nationality, residence, identity or connection with the relevant Taxing Jurisdiction of such Holder, if (x) compliance is required by law or an applicable income treaty as a precondition to, exemption from, or reduction in the rate of, the tax, duty, assessment or other governmental charge and (y) the Issuers have given the Holders at least 30 days' notice that Holders will be required to provide such certification, identification, documentation or other requirement;

(4) in respect of any estate, inheritance, gift, sales, transfer, capital gains, excise or personal property or similar tax, duty, assessment or governmental charge, other than as provided in Section 4.20(i);

(5) in respect of any tax, duty, assessment or other governmental charge which is payable other than by deduction or withholding from payments of principal of (including premium) or interest on the Note;

(6) in respect of any tax imposed on overall net income or any branch profits tax; or

(7) in respect of any combination of the above.

(b) Notwithstanding anything to the contrary in this Section 4.20, none of the Issuers, the Guarantors, their respective successors, the Paying Agent or any other person shall be required to pay any Additional Amounts with respect to any payment in respect of any taxes imposed under Sections 1471 through 1474 of the Code, or any successor law or regulation implementing or complying with, or introduced in order to conform to, such sections, or imposed pursuant to any intergovernmental agreement or any agreement entered into pursuant to section 1471(b)(1) of the Code.

(c) No Additional Amounts shall be paid with respect to any payment on a Note to a Holder who is a fiduciary, a partnership, a limited liability company or other than the sole beneficial owner of that payment to the extent that payment would be required by the relevant Taxing Jurisdiction to be included in the income, for tax purposes, of a beneficiary or settlor with respect to the fiduciary, a member of that partnership, an interest holder in a limited liability company or a beneficial owner who would not have been entitled to the Additional Amounts had that beneficiary, settlor, member or beneficial owner been the Holder.

(d) Payments on the Notes are subject in all cases to any tax, fiscal or other law or regulation or administrative or judicial interpretation.

(e) In the event that Additional Amounts actually paid with respect to the Notes are based on rates of deduction or withholding of withholding taxes in excess of the appropriate rate applicable to the Holder of such Notes, and, as a result thereof such Holder is entitled to make claim for a refund or credit of such excess from the authority imposing such withholding tax, then such Holder shall, by accepting such Notes, be deemed to have assigned and transferred all right, title, and interest to any such claim for a refund or credit of such excess to the Issuers.

(f) Any reference in this Indenture or the Notes to principal, interest or any other amount payable in respect of the Notes by the Issuers or the Note Guarantees by the Guarantors (or their successors) will be deemed also to refer to any Additional Amount, unless the context requires otherwise, that may be payable with respect to that amount under the obligations referred to in this Section.

(g) Each of the Issuers and the Guarantors covenants that if any of the Issuers or the Guarantors, as applicable, is required under applicable law to make any deduction or withholding on payments of principal of or interest on the Notes for or on account of any tax, duty, assessment or other governmental charge, at least 10 days prior to the first payment date on the Notes and at least 10 days prior to each payment date thereafter where such withholding is required, the Issuer or the Guarantor, as applicable, shall furnish the Trustee and the Paying Agent with an Officer's Certificate (but only if there has been any change with respect to the matters set forth in any previously delivered Officer's Certificate) instructing the Trustee and the Paying Agent as to whether such payment of principal of or interest on the Notes shall be made without deduction or withholding for or on account of any tax, duty, assessment or other governmental charge, or, if any such deduction or withholding shall be required by the Taxing Jurisdiction, then such certificate shall: (i) specify the amount required to be deducted or withheld on such payment to the relevant recipient; (ii) certify that the Issuer or the Guarantor, as applicable, shall pay such deduction or withholding amount to the appropriate taxing authority and (iii) certify that the Issuer or the Guarantor, as applicable, shall pay or cause to be paid to the Trustee or the Paying Agent such Additional Amounts as are required by this Section 4.20.

(h) Each of the Issuers and the Guarantors (or their respective successors) will pay any Taxes required to be deducted or withheld pursuant to applicable law and will furnish to the Holders (with a copy to the Trustee), within 60 days after the date such payment is due, either certified copies of Tax receipts evidencing such payment, or, if such receipts are not obtainable, other evidence of such payments reasonably satisfactory to the Holders.

(i) The Issuers or the Guarantors, as applicable, will pay when due any present or future stamp, transfer, court or documentary Taxes or any other excise or property Taxes, charges or similar levies and any penalties, additions to Tax or interest due with respect thereto imposed by Chile, Florida, the Bahamas, Brazil, the Cayman Islands, Colombia, Ecuador or Peru (or, in each case, any political subdivision or Governmental Authority thereof or therein having power to tax) with respect to the initial execution, delivery or registration of the Notes or any other document or instrument relating thereto.

(j) Each of the Issuers and the Guarantors agrees to indemnify the Trustee and the Paying Agent for, and to hold each harmless against, any loss, liability or expense reasonably incurred without bad faith on its part arising out of or in connection with actions taken or omitted by it in reliance on any Officer's Certificate furnished pursuant to this Section 4.20 or any failure to furnish such a certificate.

(k) The obligations of the Issuers and the Guarantors pursuant to this Section 4.20 shall survive termination or discharge of this Indenture, payment of the Notes and/or resignation or removal of the Trustee or the Paying Agent.

Section 4.21. Business Activities; Frequent Flyer Program.

The Chilean Issuer will not, and will not permit any of its Restricted Subsidiaries to (a) engage in any business other than Permitted Businesses, except to such extent as would not be material to the Chilean Issuer and its Restricted Subsidiaries, taken as a whole, or (b) create or acquire any new Frequent Flyer Program unless (i) the related Frequent Flyer Program Assets are owned by an Issuer or a Guarantor, and (ii) to the extent any such Frequent Flyer Program Assets consist of Pledged Receivables and would not have automatically been pledged and subject to a perfected first priority Lien pursuant to the Security Documents in existence as of the Issue Date, execute and deliver to the Collateral Trustee or the applicable Local Collateral Agent, as applicable (subject to the Guaranty and Security Principles) joinders or collateral supplements to the applicable Security Documents or new Security Documents to create or purport to create and perfect a first priority Lien (subject to Permitted Liens) in such assets in favor of the Collateral Trustee or applicable Local Collateral Agent, as applicable, for the benefit of the Secured Parties within 120 days of such creation or acquisition (or such later date as the Controlling Representative may agree in its sole discretion); provided that clause (b) shall not restrict the acquisition of any Non-Guarantor Acquired Airline so long as the Chilean Issuer and its Restricted Subsidiaries continue to operate any existing Frequent Flyer Programs consistent with past practice.

Section 4.22. Negative Pledge Clauses.

The Chilean Issuer will not, and will not permit any of its Restricted Subsidiaries to, enter into or become effective any agreement that prohibits or limits the ability of the Chilean Issuer or any Restricted Subsidiary to create, incur, assume or suffer to exist any Lien upon any of its Significant Assets, now owned or hereafter acquired, to secure its obligations under the 2027 Notes Documents to which it is a party other than (a) any Priority Lien Debt (so long as any prohibition or restriction in any documentation governing any Priority Lien Debt is not more restrictive in any material respect than this Indenture), including the Term Loan Credit Agreement, the Revolving Credit Agreement, this Indenture, the 2029 Notes Indenture, the 2027 Bridge Loan Credit Agreement and the 2029 Bridge Loan Credit Agreement (and any documentation governing any Permitted Refinancing Indebtedness in respect of the foregoing (and any successive Permitted Refinancing Indebtedness in respect thereof), so long as any such prohibition or restriction in such documentation is not more restrictive in any material respect than the documentation in respect of the Indebtedness being refinanced), (b) the Collateral Trust Agreement and the Local Collateral Agency Agreements, (c) customary prohibitions and restrictions contained in any agreements governing any debt incurred pursuant to clause (8) of Section 4.07(a) or Aircraft Financing (including, without limitation, the RCF Loan Agreement and the Spare Engine Loan Agreement); provided that any such prohibitions and restrictions only apply to the assets financed thereby or the property subject to such lease or arrangement or any interests or agreements related thereto, (d) any such prohibition or limitation in any co-branding agreement, partnering agreement, airline-to-airline frequent flyer program agreement or similar agreement, in each case relating to a Frequent Flyer Program; provided that (i) prior to entering into any new such agreement or arrangement, the Chilean Issuer shall use commercially reasonable efforts to have any such agreement not include any such prohibition or limitation and (ii) any such prohibition or limitation shall apply only with respect to the applicable agreement and the proceeds thereof, (e) in respect of any contract arising in the ordinary course relating to the cargo business of the Chilean Issuer and its Restricted Subsidiaries, any prohibition or limitation in any such contract, and any amendments or modifications thereto so long as such amendment or modification does not expand the scope of any such prohibition or limitation in any material respect; provided that (x) any such prohibition or limitation applies only with respect to the applicable agreement and the proceeds thereof and (y) in respect of any such receivables that would otherwise constitute Collateral, the Chilean Issuer shall use commercially reasonable efforts to have any such contract not include any such prohibition or limitation, (f) any agreement in effect at the time any Person becomes a Restricted Subsidiary of the Chilean Issuer; provided that such agreement was not entered into in contemplation of such Person becoming a Restricted Subsidiary of the Chilean Issuer, (g) customary prohibitions and limitations contained in agreements relating to the sale of a Restricted Subsidiary (or the assets of the Chilean Issuer or a Restricted Subsidiary) pending such sale; provided that such prohibitions and limitations apply only to the Restricted Subsidiary that is to be sold (or the assets to be sold) and such sale is permitted (or not restricted) hereunder (h) prohibitions and limitations under agreements evidencing or governing or otherwise relating to Indebtedness not restricted hereby of Restricted Subsidiaries that are not the Issuers or the Guarantors; provided that such prohibitions and limitations are only with respect to assets of such Restricted Subsidiaries, (i) any prohibition or limitation imposed by applicable law, regulation or order, or the terms of any license, authorization, concession or permit issued or granted by a Governmental Authority and (j) any customary prohibitions or limitations arising or agreed to in the ordinary course of business, arising under leases, licenses or other similar contractual arrangements and not relating to any Indebtedness, and that do not (i) restrict assets other than those subject to such leases, licenses or other arrangements or (ii) taken as a whole, materially diminish the value of the Collateral, in each case, as determined by Chilean Issuer in good faith.

Section 4.23. Restricted Distribution Clauses.

The Chilean Issuer will not, and will not permit any of its Restricted Subsidiaries to, enter into or become effective any consensual encumbrance or restriction on the ability of any Restricted Subsidiary of the Chilean Issuer to pay dividends or distributions or to dividend the proceeds of any Disposition of Significant Assets to the Chilean Issuer or another Restricted Subsidiary, except for such encumbrances or restrictions existing under or by reason of (a) any restrictions with respect to a Restricted Subsidiary imposed pursuant to an agreement that has been entered into in connection with the Disposition of all or substantially of the Equity Interests or assets of such Restricted Subsidiary so long as such Disposition is not restricted hereby, (b) any agreement in effect at the time any Person becomes a Restricted Subsidiary of the Chilean Issuer; provided that such agreement was not entered into in contemplation of such Person becoming a Restricted Subsidiary of the Chilean Issuer, (c) provisions with respect to the Disposition or distribution of assets or property in joint venture agreements, asset sale agreements, agreements in respect of sales of Equity Interests and other similar agreements entered into in connection with transactions not prohibited by this Indenture; provided that such encumbrance or restriction shall only be effective against the assets or property that are the subject to such agreements, (d) any instrument governing Indebtedness or Equity Interests of a Person acquired by the Chilean Issuer or any of its Restricted Subsidiaries as in effect on the date of such acquisition, which encumbrance or restriction is not applicable to any Person or the property or assets of any Person, other than the Person, or the properties or assets of such Person, so acquired, (e) customary encumbrances or restrictions contained in Aircraft Financings (including, without limitation, the RCF Loan Agreement and the Spare Engine Loan Agreement) or debt incurred pursuant to clause (8) of Section 4.07(a) to the extent such encumbrances and restrictions apply only to the property subject to such lease or arrangement and (f) any customary prohibitions or limitations arising or agreed to in the ordinary course of business, arising under leases, licenses or other similar contractual arrangements and not relating to any Indebtedness, and that do not (i) restrict assets other than those subject to such lease, license or other arrangements, (ii) taken as a whole, materially diminish the value of the Collateral or (iii) taken as a whole, materially affect the ability of Chilean Issuer or any Restricted Subsidiary to make future principal or interest payments on outstanding Indebtedness of Chilean Issuer or any Restricted Subsidiary, in each case, as determined by the Chilean Issuer in good faith.

Section 4.24. Significant Assets Ownership.

Subject to the provisions described (including the actions permitted) under Section 4.08 and Article 5, each Issuer and Guarantor will continue to maintain its interest in and right to use all property and assets in its reasonable judgment necessary for the conduct of its business, taken as a whole. Each of the Issuers and the Guarantors shall use, operate and maintain the Significant Assets in the same manner and with the same care as shall be the case with similar assets owned by such Issuer or Guarantor without discrimination.

Section 4.25. Insurance.

The Issuers and Guarantors shall:

(a) keep all Significant Assets that constitute tangible property insured at all times against such risks, including risks insured against by extended coverage, as is prudent and customary in each case with companies of the same or similar size in the same or similar businesses and predominately operating in the same jurisdictions as the Issuers and Guarantors;

(b) prior to the Exit Conversion Date, comply with the insurance provisions of Schedule 4.25(b)(1) (in the case of the Pledged Spare Parts) and Schedule 4.25(b)(2) hereof (in the case of the Pledged Engines);

(c) maintain such other insurance or self-insurance as may be required by law; and

(d) with respect to any Significant Assets (including, for the avoidance of doubt, each Subsidiary of the Chilean Issuer whose Equity Interests have been pledged as Collateral), by the time specified in Schedule 4.5 to the Pledge and Security Agreement, (i) ensure that general property insurance and general liability insurance policies are endorsed to the Collateral Trustee's reasonable satisfaction for the benefit of the Collateral Trustee (including, without limitation, by naming the Collateral Trustee as certificate holder, mortgagee and loss payee or additional insured) and (ii) ensure that such endorsements shall state that such insurance policies shall not be cancelled or materially adversely changed without at least thirty (30) days' prior written notice thereof, except in the case of a cancellation or material adverse change resulting from war, which shall require at least seven (7) days' prior written notice thereof, by the respective insurer to the Collateral Trustee.

(e) With respect to the Mortgaged Collateral that is located in the Unites States which is in an area identified by the Federal Emergency Management Agency (or any successor agency thereto) as a "special flood hazard area" with respect to which flood insurance has been made available under the Flood Insurance Laws, the applicable Issuer or Guarantor (a) shall obtain and maintain with financially sound and reputable insurance companies flood insurance in such amounts and otherwise sufficient to comply with all applicable rules and regulations promulgated under the Flood Insurance Laws and (b) shall deliver to the Trustee evidence of such compliance, including, without limitation, evidence of annual renewals of such flood insurance.

ARTICLE 5

SUCCESSORS

I. From the Issue Date until the Exit Conversion Date, Section 4.5 of Annex B shall apply to the Chilean Issuer and its Restricted Subsidiaries, and this Article 5 shall not be applicable to the Chilean Issuer and its Restricted Subsidiaries.

II. After the occurrence of the Exit Conversion Date, the covenants applicable to the Chilean Issuer and its Restricted Subsidiaries shall be as set forth below in this Article 5, and Section 4.5 of Annex B shall no longer be applicable to the Chilean Issuer and its Restricted Subsidiaries.

Section 5.01. Merger, Consolidation, or Sale of Assets.

(a) None of the Chilean Issuer or any of its Restricted Subsidiaries (whichever is applicable, the "Subject Company") shall directly or indirectly, (i) consolidate or merge with or into another Person (whether or not such Subject Company is the surviving Person) or (ii) Dispose of all or substantially all of the properties or assets of the Subject Company and its Restricted Subsidiaries, taken as a whole, in one or more related transactions, to another Person; provided that:

(1) this Section 5.01(a) shall not restrict the foregoing actions by the Chilean Issuer or the U.S. Co-Issuer if:

(A) either (x) the Chilean Issuer or the U.S. Co-Issuer, as applicable (or, in the case of a consolidation or merger between the Chilean Issuer and the U.S. Co-Issuer, the Chilean Issuer) is the surviving Person or (y) the Person formed by or surviving any such consolidation or merger (if other than the Chilean Issuer or the U.S. Co-Issuer) or to which such Disposition has been made is an entity organized or existing under the laws of a Specified Jurisdiction, and, if such entity is not a corporation, a co-obligor of the Notes is a corporation organized or existing under any such laws;

(B) the Person formed by or surviving any such consolidation or merger (if other than the Chilean Issuer or the U.S. Co-Issuer) or the Person to which such Disposition has been made assumes all the obligations of the Subject Company under the 2027 Notes Documents by operation of law (if the surviving Person is the Chilean Issuer or the U.S. Co-Issuer) or pursuant to Section 4.13 or otherwise pursuant to a supplemental indenture and such amendments or supplements to the Security Documents as are necessary to effect such assumption;

(C) immediately after such transaction, no Default or Event of Default exists;

(D) with respect to any merger or consolidation by the Chilean Issuer or the U.S. Co-Issuer with any other Issuer or Guarantor or any Disposition by the Chilean Issuer or the U.S. Co-Issuer, after giving effect thereto, the interests of the holders in respect of the Collateral are not adversely affected; and

(E) the Subject Company shall have delivered to the Trustee an Officer's Certificate stating that such consolidation, merger or Disposition complies with the applicable provisions of this Indenture;

(2) any Restricted Subsidiary of the Chilean Issuer that is not an Issuer or a Guarantor may consolidate or merge with or into an Issuer or a Guarantor or Dispose of all or substantially all of its properties to an Issuer or a Guarantor so long as, with respect to any consolidation or merger either (A) such Issuer or Guarantor is the surviving Person or (B) (1) the Person formed or surviving any such consolidation (if other than such Issuer or Guarantor) is an entity organized or existing under the laws of a Specified Jurisdiction and (2) the Person formed by or surviving any such consolidation or merger assumes all the obligations of such Issuer or Guarantor under the 2027 Notes Documents by operation of law or pursuant to Section 4.13 or otherwise pursuant to agreements reasonably satisfactory to the Trustee and the Collateral Trustee;

(3) any Guarantor may consolidate or merge with or into either Issuer or any Guarantor or Dispose of all or substantially all of its properties to either Issuer or another Guarantor so long as (x) after giving effect thereto, the interests of the holders in respect of the Collateral are not adversely affected and (y) in the case of any Disposition, the transferee is the Chilean Issuer or a Guarantor and the transferee is either (1) in the same jurisdiction as the transferor, (2) a Specified Jurisdiction or (3) another jurisdiction reasonably satisfactory to the Controlling Representative;

(4) any Restricted Subsidiary that is not an Issuer or a Guarantor may consolidate or merge with or into any other Restricted Subsidiary that is not an Issuer or a Guarantor or Dispose of all or substantially all of its properties to a Restricted Subsidiary that is not an Issuer or a Guarantor; provided that (x) with respect to any consolidation or merger between a Restricted Subsidiary whose Equity Interests constitute Collateral and a Restricted Subsidiary whose Equity Interests do not constitute Collateral, the Restricted Subsidiary whose Equity Interests constitute Collateral shall be the surviving Person and (y) no Subsidiary whose Equity Interests constitute Collateral may Dispose of all or substantially all of its properties to a Restricted Subsidiary whose Equity Interests do not constitute Collateral, unless, in each case, under (x) and (y), (1) such Equity Interests of the applicable Restricted Subsidiary (the "Subject Entity") that do not constitute Collateral as of the date of such consolidation or merger are promptly pledged as Collateral on or following the consummation of such consolidation or merger and (2) the Subject Entity is organized in a Security Jurisdiction (as defined in the Guaranty and Security Principles) or a different jurisdiction reasonably satisfactory to the Controlling Representative;

(5) any Permitted Investment may be structured as a merger or consolidation (provided that (x) if an Issuer is a party to such merger or consolidation, such Issuer shall be the surviving Person thereof, (y) if an Issuer or a Guarantor is a party to such merger or consolidation, such Issuer or Guarantor shall be the surviving Person thereof and (z) if a Restricted Subsidiary that is not an Issuer or a Guarantor is a party to such merger or consolidation, such Restricted Subsidiary shall be the surviving Person thereof);

(6) any merger, consolidation, dissolution or liquidation, in each case, not involving an Issuer, may be effected for the purposes of effecting a Disposition permitted by this Indenture; and

(7) the dissolution of any Restricted Subsidiary (that is not an Issuer or Guarantor) with no or *de minimis* assets is permitted.

Section 5.02. Successor Corporation Substituted.

Upon any consolidation or merger, or any sale, assignment, transfer, lease, conveyance or other disposition of all or substantially all of the properties or assets of any Subject Company in a transaction that is subject to, and that complies with the provisions of clauses (1) and (2) of Section 5.01(a), the successor Person formed by such consolidation or into or with which such Subject Company is merged or to which such sale, assignment, transfer, lease, conveyance or other disposition is made shall succeed to, and be substituted for (so that from and after the date of such consolidation, merger, sale, assignment, transfer, lease, conveyance or other disposition, the provisions of this Indenture and the other 2027 Notes Documents referring to such Subject Company shall refer instead to the successor Person and not to such Subject Company), and may exercise every right and power of such Subject Company under this Indenture and the other 2027 Notes Documents with the same effect as if such successor Person had been named as such Subject Company herein and therein; provided, however, that the predecessor Subject Company (in the case of Chilean Issuer or the U.S. Co-Issuer), if applicable, shall not be relieved from the obligation to pay the principal of, and interest, if any, on the Notes except in the case of a sale of all of such Subject Company's assets in a transaction that is subject to, and that complies with the provisions of clause (1) of Section 5.01(a).

ARTICLE 6

DEFAULTS AND REMEDIES

Section 6.01. Events of Default.

Each of the following (and, from and after the Issue Date until the Exit Conversion Date, each of the additional events set forth in Annex C) is an "Event of Default" with respect to the Notes:

(1) default in the payment of any installment of interest (including Special Interest, if any) on the Notes for 30 days after becoming due and payable;

(2) default in the payment of principal of or premium, if any, on the Notes when they become due and payable at their Stated Maturity, upon redemption, by declaration or otherwise;

(3) failure by any Issuer or any Guarantor to comply with the provisions of Sections 4.12 or 5.01 hereof applicable to the Notes;

(4) failure by any Issuer or any Guarantor to observe or perform any covenant or agreement in the 2027 Notes Documents applicable to the Notes, which continues for a period of 60 days after the notice specified in this Section 6.01;

(5) (a) any Issuer or any Guarantor shall default in the performance of any obligation relating to Material Indebtedness and any applicable grace periods shall have expired and any applicable notice requirements shall have been complied with, and as a result of such default the holder or holders of such Material Indebtedness or any trustee or agent on behalf of such holder or holders shall have caused such Material Indebtedness to become due prior to its scheduled final maturity date or (b) any Issuer or any Guarantor shall default in making any payment in respect of any Material Indebtedness outstanding under one or more agreements of an Issuer or a Guarantor, any applicable grace periods shall have expired and any applicable notice requirements shall have been complied with;

(6) failure by the Issuers or any of their Restricted Subsidiaries to pay judgments by a court or courts of competent jurisdiction aggregating in excess of [*] (determined net of amounts covered by insurance policies issued by creditworthy insurance), which judgments are not paid, discharged, bonded, satisfied or stayed for a period of sixty (60) days;

(7) except as permitted by this Indenture, any Note Guarantee, as it relates to the Notes, is held in any judicial proceeding to be unenforceable or invalid or ceases for any reason to be in full force and effect, or any Guarantor denies or disaffirms in writing its obligations under such Note Guarantee;

(8) (a) any material provision of any 2027 Notes Document applicable to the Notes ceases to be valid and binding obligations of any Issuer or any applicable Guarantor party thereto, or any Issuer or any applicable Guarantor party thereto shall so assert in any pleading filed in any court, (b) any Issuer or any other Person contests in writing the validity or enforceability of any provision of any 2027 Notes Document applicable to the Notes; or an Issuer denies in writing that it has any or further liability or obligation under any 2027 Notes Document applicable to the Notes, or purports in writing to revoke, terminate or rescind the Notes, this Indenture or any Security Document, or (c) the Liens on any material portion of the Collateral intended to be created by the 2027 Notes Documents shall cease to be or shall not be a valid and perfected Lien having the priorities required by this Indenture or by the Collateral Trust Agreement, the DIP Intercreditor Agreement, the Junior Lien Intercreditor Agreement or any other Intercreditor Agreement, as applicable (except as permitted by the terms of this Indenture or such Security Documents);

(9) any Issuer, any Guarantor or any Significant Subsidiary of the Chilean Issuer pursuant to or within the meaning of Bankruptcy Law:

(A) commences a voluntary case,

(B) consents to the entry of an order for relief against it in an involuntary case,

(C) consents to the appointment of a custodian of it or for all or substantially all of its property,

(D) makes a general assignment for the benefit of its creditors, or

(E) generally is not paying its debts as they become due; and

(10) a court of competent jurisdiction enters an order or decree under any Bankruptcy Law that:

(A) is for relief against any Issuer, any Guarantor or any Significant Subsidiary of the Chilean Issuer in an involuntary case;

(B) appoints a custodian of any Issuer, any Guarantor or any Significant Subsidiary of the Chilean Issuer; or

(C) orders the liquidation of any Issuer, any Guarantor or any Significant Subsidiary of the Chilean Issuer;

and the order or decree remains unstayed and in effect for 60 consecutive days;

Notwithstanding the foregoing, any time period set forth above to cure any actual or alleged default or Event of Default may be extended or stayed by a court of competent jurisdiction.

A Default under clause (4) of Section 6.01 above will not constitute an Event of Default with respect to the Notes until the Trustee notifies the Chilean Issuer or the Holders of at least 25% in principal amount of the outstanding Notes notify the Chilean Issuer and the Trustee of the Default (such notice being a "Notice of Default") and the Chilean Issuer (or the U.S. Co-Issuer or the applicable Guarantor, as the case may be) does not cure such Default within 60 days after receipt of such notice. Such notice must specify the Default, demand that it be remedied and state that such notice is a "Notice of Default."

Section 6.02. Acceleration.

In the case of an Event of Default specified in clause (9) or (10) of Section 6.01 hereof, with respect to any Issuer, any Guarantor or any Significant Subsidiary of the Chilean Issuer, the principal of and premium, if any, and accrued and unpaid interest (including Special Interest, if any) on all outstanding Notes will become due and payable immediately without any declaration or further action or notice on the part of the Trustee or any Holder. If any other Event of Default occurs and is continuing with respect to the Notes, the Trustee or the Holders of at least 25% in aggregate principal amount of the then outstanding Notes may, by written notice to the Issuers (and to the Trustee if such notice is given by the Holders), declare all the Notes to be due and payable immediately.

Upon any such declaration, the principal of and premium, if any, and accrued and unpaid interest (including Special Interest, if any) on the Notes shall become due and payable immediately.

Holders of a majority in aggregate principal amount of the then outstanding Notes by written notice to the Trustee may, on behalf of the Holders of all of the Notes, rescind an acceleration and its consequences hereunder, except a continuing Default or Event of Default in the payment of principal of, premium on, if any, or interest (including Special Interest, if any) on, the Notes, if the rescission would not conflict with any judgment or decree and if all Events of Default with respect to the Notes, other than the non-payment of principal or interest which have become due solely by such acceleration, have been cured or waived.

If the Notes are accelerated or otherwise become due prior to their Stated Maturity, in each case as a result of an Event of Default (including, but not limited to, an Event of Default specified in clause (9) or (10) of Section 6.01 (including the acceleration of any portion of the Indebtedness evidenced by the Notes by operation of law)), the amount that shall then be due and payable shall be equal to:

(1) (i) 100% of the principal amount of the Notes then outstanding plus the Applicable Premium in effect on the date of such acceleration or (ii) the applicable redemption price as set forth in Section 3.07(d) in effect on the date of such acceleration, as applicable, plus

(2) accrued and unpaid interest, if any, to, but excluding, the date of such acceleration, in each case as if such acceleration were an optional redemption pursuant to Section 3.07 of the Notes so accelerated.

Without limiting the generality of the foregoing, it is understood and agreed that if the Notes are accelerated or otherwise become due prior to their Stated Maturity, in each case, as a result of an Event of Default (including, but not limited to, an Event of Default specified in clause (9) or (10) of Section 6.01 (including the acceleration of any portion of the Indebtedness evidenced by the Notes by operation of law)), the Applicable Premium or the amount by which the applicable redemption price exceeds the principal amount of the Notes (the "Redemption Price Premium"), as applicable, with respect to an optional redemption of the Notes shall also be due and payable as though the Notes had been optionally redeemed on the date of such acceleration and shall constitute part of the Obligations with respect to the Notes in view of the impracticability and difficulty of ascertaining actual damages and by mutual agreement of the parties as to a reasonable calculation of each Holder's lost profits as a result thereof. If the Applicable Premium or the Redemption Price Premium, as applicable, becomes due and payable, it shall be deemed to be principal of the Notes, and interest shall accrue on the full principal amount of the Notes (including the Applicable Premium or the Redemption Price Premium, as applicable) from and after the applicable triggering event, including in connection with an Event of Default specified in clause (9) or (10) of Section 6.01. Any premium payable pursuant to this Section 6.02 shall be presumed to be liquidated damages sustained by each Holder of Notes as the result of the acceleration of the Notes, and the Issuers agree that it is reasonable under the circumstances currently existing. The premium shall also be payable in the event the Notes or this Indenture are satisfied, released or discharged through foreclosure, whether by judicial proceeding, deed in lieu of foreclosure or by any other means. EACH ISSUER AND EACH GUARANTOR EXPRESSLY WAIVES (TO THE FULLEST EXTENT THEY MAY LAWFULLY DO SO) THE PROVISIONS OF ANY PRESENT OR FUTURE STATUTE OR LAW THAT PROHIBITS OR MAY PROHIBIT THE COLLECTION OF THE FOREGOING PREMIUM IN CONNECTION WITH ANY SUCH ACCELERATION. The Issuers expressly agree (to the fullest extent they may lawfully do so) that: (A) the premium is reasonable and is the product of an arm's length transaction between sophisticated business parties, ably represented by counsel; (B) the premium shall be payable notwithstanding the then prevailing market rates at the time payment is made; (C) there has been a course of conduct between the Holders of Notes and the Issuers giving specific consideration in this transaction for such agreement to pay the premium; and (D) the Issuers and the Guarantors shall be estopped hereafter from claiming differently than as agreed to in this Section 6.02. The Issuers and the Guarantors expressly acknowledge that their agreement to pay the premium to the Holders of Notes as herein described is a material inducement to the Holders of Notes to purchase the Notes.

Section 6.03. Other Remedies.

If an Event of Default with respect to the Notes occurs and is continuing, the Trustee may pursue any available remedy to collect the payment of principal, premium, if any, and interest (including Special Interest, if any) on the Notes or to enforce the performance of any provision of the Notes or this Indenture.

The Trustee may maintain a proceeding even if it does not possess any of the Notes or does not produce any of them in the proceeding. A delay or omission by the Trustee or any Holder in exercising any right or remedy accruing upon an Event of Default with respect to the Notes shall not impair the right or remedy or constitute a waiver of or acquiescence in the Event of Default. All remedies are cumulative to the extent permitted by law.

Section 6.04. Waiver of Past Defaults.

Holders of not less than a majority in aggregate principal amount of the then outstanding Notes by written notice to the Trustee may, on behalf of the Holders of all of the Notes, waive an existing Default or Event of Default and its consequences hereunder, except a continuing Default or Event of Default in the payment of the principal of, premium, if any, or interest (including Special Interest, if any) on, the Notes (including in connection with an offer to purchase); provided, however, that the Holders of a majority in aggregate principal amount of the then outstanding Notes may rescind an acceleration and its consequences pursuant to Section 6.02 hereof. Upon any such waiver, such Default shall cease to exist, and any Event of Default arising therefrom shall be deemed to have been cured for every purpose of this Indenture, but no such waiver shall extend to any subsequent or other Default or impair any right consequent thereon.

Section 6.05. Control by Majority.

Holders of a majority in aggregate principal amount of the then outstanding Notes may direct the time, method and place of conducting any proceeding for exercising any remedy available to the Trustee with respect of the Notes or exercising any trust or power conferred to the Trustee. However, the Trustee may refuse to follow any direction that conflicts with law or this Indenture or the Notes or that the Trustee determines is unduly prejudicial to the rights of other Holders or would involve the Trustee in personal liability (it being understood that the Trustee has no duty to determine if any directed action is prejudicial to any Holder). Prior to taking any such action hereunder, the Trustee shall be entitled to indemnification satisfactory to it against all fees, losses, liabilities and expenses (including attorney's fees and expenses) that may be caused by taking or not taking such action.

Section 6.06. Limitation on Suits.

Except to enforce the right to receive payment of principal, premium, if any, or interest (including Special Interest, if any) when due, no Holder may pursue any remedy with respect to this Indenture or the Notes unless:

(1) an Event of Default has occurred and is continuing with respect to the Notes, and such Holder has given the Trustee prior written notice that an Event of Default with respect to the Notes is continuing;

(2) Holders of at least 25% in aggregate principal amount of the then outstanding Notes make a written request to the Trustee to pursue the remedy;

(3) such Holder or Holders of Notes offer and, if requested, provide to the Trustee security or indemnity satisfactory to the Trustee against any loss, liability or expense;

(4) the Trustee does not comply with the request within 60 days after receipt of the request and the offer or provision of security or indemnity; and

(5) during such 60-day period, Holders of a majority in aggregate principal amount of the then outstanding Notes do not give the Trustee a direction inconsistent with such request.

A Holder of Notes may not use this Indenture to prejudice the rights of another Holder or to obtain a preference or priority over another Holder (it being understood that the Trustee does not have an affirmative duty to ascertain whether or not actions or forbearances by a Holder would prejudice the rights of another Holder or result in a preference of priority over another Holder).

Section 6.07. Rights of Holders of Notes to Receive Payment.

Notwithstanding any other provision of this Indenture, the right of any Holder to receive payment of principal, premium, if any, and interest on the Note (including Special Interest, if any), on or after the respective due dates expressed in the Note (including in connection with an offer to purchase), or to bring suit for the enforcement of any such payment on or after such respective dates, shall not be impaired or affected without the consent of such Holder.

Section 6.08. Collection Suit by Trustee.

If an Event of Default specified in Section 6.01(1) or (2) hereof occurs and is continuing with respect to the Notes, the Trustee is authorized to recover judgment in its own name and as Trustee of an express trust against the Issuers for the whole amount of principal of, premium, if any, and interest (including Special Interest, if any) remaining unpaid on, the Notes and interest (including Special Interest, if any) on overdue principal and, to the extent lawful, interest and such further amount as shall be sufficient to cover the costs and expenses of collection, including the reasonable compensation, expenses, disbursements and advances of the Trustee, the Collateral Trustee, their agents and counsel.

Section 6.09. Trustee May File Proofs of Claim.

The Trustee is authorized to file such proofs of claim and other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for the reasonable compensation, expenses, disbursements and advances of the Trustee, the Collateral Trustee, their agents and counsel) and the Holders of Notes allowed in any judicial proceedings relative to the Issuers (or any other obligor upon the Notes), its creditors or its property and shall be entitled and empowered to collect, receive and distribute any money or other property payable or deliverable on any such claims and any custodian in any such judicial proceeding is hereby authorized by each Holder to make such payments to the Trustee, and in the event that the Trustee shall consent to the making of such payments directly to the Holders of Notes, to pay to the Trustee and Collateral Trustee any amount due to each of them for the reasonable compensation, expenses, disbursements and advances of the Trustee, the Collateral Trustee, their agents and counsel, and any other amounts due the Trustee under Section 7.06 hereof and the Collateral Trustee under Section 12.05 hereof. To the extent that the payment of any such compensation, expenses, disbursements and advances of the Trustee, the Collateral Trustee, their agents and counsel, and any other amounts due the Trustee under Section 7.06 hereof and the Collateral Trustee under Section 12.05 hereof out of the estate in any such proceeding, shall be denied for any reason, payment of the same shall be secured by a Lien on, and shall be paid out of, any and all distributions, dividends, money, securities and other properties that the Holders of Notes may be entitled to receive in such proceeding whether in liquidation or under any plan of reorganization or arrangement or otherwise. Nothing herein contained shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Holder any plan of reorganization, arrangement, adjustment or composition affecting the Notes or the rights of any Holder, or to authorize the Trustee to vote in respect of the claim of any Holder in any such proceeding.

Section 6.10. Priorities.

Subject to the Collateral Trust Agreement and the Intercreditor Agreements, if, in connection with any Event of Default or acceleration of the Notes, the Trustee collects any money pursuant to this Article 6 or, while an Event of Default with respect to the Notes is continuing, any other money or property distributable in respect of the obligations of any Issuer or any Guarantor under this Indenture, it shall pay out the money in the following order:

First: to the Trustee, its agents and attorneys for amounts due under Section 7.06 hereof, including, as applicable, payment of all reasonable compensation, out-of-pocket expenses and liabilities incurred, and all advances made, by the Trustee and the costs and reasonable out-of-pocket expenses of collection;

Second: to Holders of Notes for amounts due and unpaid on the Notes for principal, premium, if any, and interest (including Special Interest, if any), ratably, without preference or priority of any kind, according to the amounts due and payable on the Notes for principal, premium, if any and interest (including Special Interest, if any), respectively; and

Third: to the Issuers, the Guarantors, if applicable, or to such party as a court of competent jurisdiction shall direct.

The Trustee, upon prior notice to the Issuers, may fix a record date and payment date for any payment to Holders of Notes pursuant to this Section 6.10.

Section 6.11. Undertaking for Costs

In any suit for the enforcement of any right or remedy under this Indenture or in any suit against the Trustee for any action taken or omitted by it as a Trustee, a court in its discretion may require the filing by any party litigant in the suit of an undertaking to pay the costs of the suit, and the court in its discretion may assess reasonable costs, including reasonable attorneys' fees, against any party litigant in the suit, having due regard to the merits and good faith of the claims or defenses made by the party litigant. This Section 6.11 does not apply to a suit by the Trustee, a suit by a Holder pursuant to Section 6.07 hereof, or a suit by Holders of more than 10% in aggregate principal amount of the then outstanding Notes.

ARTICLE 7

TRUSTEE

Section 7.01. Duties of Trustee.

(a) If an Event of Default has occurred and is continuing, the Trustee will exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in its exercise, as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs.

(b) Except during the continuance of an Event of Default:

(1) the duties of the Trustee will be determined solely by the express provisions of this Indenture, and the Trustee need perform only those duties that are specifically set forth in this Indenture and no others, and no implied covenants or obligations shall be read into this Indenture against the Trustee; and

(2) in the absence of negligence or willful misconduct on its part, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture.

However, the Trustee will examine the certificates and opinions to determine whether or not they conform to the requirements of this Indenture.

(c) The Trustee may not be relieved from liabilities for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that:

(1) this paragraph does not limit the effect of paragraph (b) of this Section 7.01;

(2) the Trustee will not be liable for any error of judgment made in good faith by a Responsible Officer, unless it is proved that the Trustee was negligent in ascertaining the pertinent facts; and

(3) the Trustee will not be liable with respect to any action it takes or omits to take in good faith in accordance with a direction received by it pursuant to Section 6.05 hereof or in accordance with the direction of a majority in aggregate principal amount of Notes outstanding relating to the exercise of any right or power of the Trustee under this Indenture.

(d) Whether or not therein expressly so provided, every provision of this Indenture that in any way relates to the Trustee is subject to paragraphs (a), (b), (c), and (e) of this Section 7.01.

(e) No provision of this Indenture will require the Trustee to expend or risk its own funds or incur any liability. The Trustee will be under no obligation to exercise any of its rights and powers under this Indenture at the request or direction of any Holders of Notes, unless such Holder has offered, and if requested, provided to the Trustee security and indemnity satisfactory to it against any loss, liability or expense.

(f) The Trustee will not be liable for interest on any money received by it except as the Trustee may agree in writing with the Issuers. Money held in trust by the Trustee need not be segregated from other funds except to the extent required by law.

(g) The Trustee is hereby authorized to execute the Collateral Trust Agreement, the Local Collateral Agency Agreements, any Intercreditor Agreements and any other Security Document to which it may be a party and perform its obligations in accordance with their terms, and whether or not expressly stated therein, the rights, privileges, protections, immunities and benefits given to the Trustee, including, without limitation, its right to be compensated, reimbursed and indemnified, are extended to the Trustee's execution and performance of each such agreement.

(h) At any time that the Trustee is the Controlling Representative, the Trustee shall be entitled to act or refrain from acting in accordance with direction from a majority of aggregate principal amount of the Notes, and shall have no obligation to take any discretionary action or make any determination in the absence of such direction, accompanied by, if requested, indemnity or security satisfactory to the Trustee.

Section 7.02. Rights of Trustee.

(a) The Trustee may conclusively rely upon any document believed by it to be genuine and to have been signed or presented by the proper Person. The Trustee need not investigate any fact or matter stated in the document.

(b) Before the Trustee acts or refrains from acting, it may require an Officer's Certificate or an Opinion of Counsel or both. The Trustee will not be liable for any action it takes or omits to take in good faith in reliance on such Officer's Certificate or Opinion of Counsel. The Trustee may consult with counsel and the advice of such counsel or any Opinion of Counsel will be full and complete authorization and protection from liability in respect of any action taken, suffered or omitted by it hereunder in good faith and in reliance thereon.

(c) The Trustee may act through its attorneys and agents and will not be responsible for the misconduct or negligence of any agent appointed with due care.

(d) The Trustee will not be liable for any action it takes or omits to take in good faith that it believes to be authorized or within the rights or powers conferred upon it by this Indenture.

(e) Unless otherwise specifically provided in this Indenture, any demand, request, direction or notice from the Issuers will be sufficient if signed by an Officer of each Issuer.

(f) Whenever in the administration of this Indenture the Trustee shall deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Trustee (unless other evidence be herein specifically prescribed) may, in the absence of bad faith on its part, conclusively rely upon an Officer's Certificate.

(g) The Trustee will be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request or direction of any of the Holders of Notes unless such Holders of Notes have offered, and if requested, provided to the Trustee indemnity or security satisfactory to the Trustee against the losses, liabilities and expenses that might be incurred by it in compliance with such request or direction.

(h) In no event shall the Trustee be responsible or liable for special, indirect, punitive, incidental or consequential loss or damage of any kind whatsoever (including, but not limited to, loss of profit) irrespective of whether the Trustee has been advised of the likelihood of such loss or damage and regardless of the form of action.

(i) The Trustee shall not be deemed to have notice of any Default or Event of Default unless a Responsible Officer of the Trustee has actual knowledge thereof or unless written notice of any event which is in fact such a Default or Event of Default is received by the Trustee at the Corporate Trust Office of the Trustee, and such notice references the Notes and this Indenture.

(j) The rights, privileges, protections, immunities and benefits given to the Trustee, including, without limitation, its right to be indemnified, are extended to, and shall be enforceable by, the Trustee in each of its capacities hereunder and under the other Note Documents and by the Collateral Trustee.

(k) The Trustee shall not be required to give any bond or surety in respect of the performance of its powers and duties hereunder.

(l) The permissive rights of the Trustee enumerated herein and in the other Note Documents shall not be construed as duties.

Section 7.03. Individual Rights of Trustee.

The Trustee in its individual or any other capacity may become the owner or pledgee of Notes and may become a creditor of, or otherwise deal with the Issuers or any of their respective Affiliates with the same rights it would have if it were not Trustee. However, in the event that the Trustee acquires any conflicting interest it must eliminate such conflict within 90 days, apply to the SEC for permission to continue as trustee or resign. Any Agent and the Collateral Trustee may do the same with like rights and duties. The Trustee is also subject to Section 7.09 hereof.

Section 7.04. Trustee's Disclaimer.

The Trustee will not be responsible for and makes no representation as to the validity or adequacy of this Indenture, the Notes, the Note Guarantees, the Security Documents or the Collateral, it shall not be accountable for the Issuers' use of the proceeds from the Notes or any money paid to the Issuers or upon the Issuers' direction under any provision of this Indenture, it will not be responsible for the use or application of any money received by any Paying Agent other than the Trustee, and it will not be responsible for any statement or recital herein or any statement in the Offering Memorandum, the Notes or any other document in connection with the sale of the Notes or pursuant to this Indenture other than its certificate of authentication.

The Trustee shall not be responsible for the existence, genuineness or value of any of the Collateral or for the validity, perfection, priority or enforceability of the Liens in any of the Collateral, whether impaired by operation of law or by reason of any action or omission to act on its part hereunder, for the validity or sufficiency of the Collateral or any agreement or assignment contained therein. Beyond the exercise of reasonable care in the custody of Collateral in its possession, the Trustee will not have any duty as to any Collateral in its possession or control or in the possession or control of any agent or bailee or any income thereon or as to preservation of rights against prior parties or any other rights pertaining thereto (except as required under applicable law), and neither the Trustee nor the Collateral Trustee will be responsible for filing any financing or continuation statements or recording any documents or instruments in any public office at any time or times or otherwise perfecting or maintaining the perfection of any Liens on the Collateral. The Trustee will be deemed to have exercised reasonable care in the custody of the Collateral in its possession if the Collateral is accorded treatment substantially equal to that which it accords its own property, and the Trustee will not be liable or responsible for any loss or diminution in the value of any of the Collateral by reason of the act or omission of any carrier, forwarding agency or other agent or bailee selected by the Trustee in good faith.

Section 7.05. Notice of Defaults.

If a Default or Event of Default occurs and is continuing and if it is known to the Trustee, the Trustee will mail to Holders of Notes a notice of the Default or Event of Default within the later of 90 days after it occurs and promptly after obtaining knowledge thereof. Except in the case of a Default or Event of Default in payment of principal of, premium, if any, or interest (including Special Interest, if any) on, any Note, the Trustee may withhold the notice if and so long as a committee of its Responsible Officers in good faith determines that withholding the notice is in the interests of the Holders of Notes.

Section 7.06. Compensation and Indemnity.

(a) The Issuers will pay to the Trustee from time to time reasonable compensation for its acceptance of this Indenture and services hereunder. The Trustee's compensation will not be limited by any law on compensation of a trustee of an express trust. The Issuers will reimburse the Trustee promptly upon request for all reasonable disbursements, advances and expenses incurred or made by it in addition to the compensation for its services. Such expenses will include the reasonable compensation, disbursements and expenses of the Trustee's agents and counsel.

(b) The Issuers and the Guarantors, jointly and severally, will indemnify the Trustee against any and all losses, liabilities or expenses incurred by it arising out of or in connection with the acceptance or administration of its duties under this Indenture and the other 2027 Notes Documents, including the costs and expenses of enforcing this Indenture and the other 2027 Notes Documents against any Issuer or any Guarantor (including this Section 7.06) and defending itself against any claim (whether asserted by any Issuer, any Guarantor, any Holder or any other Person) or liability in connection with the exercise or performance of any of its powers or duties hereunder or thereunder, except to the extent any such loss, liability or expense may be attributable to its own negligence or willful misconduct as determined by a final non-appealable order of a court of competent jurisdiction. The Trustee will notify the Issuers promptly of any claim for which it may seek indemnity. Failure by the Trustee to so notify the Issuers will not relieve the Issuers of their obligations hereunder. The Issuers will defend the claim and the Trustee will cooperate in the defense. The Trustee may have separate counsel, and the Issuers will pay the reasonable fees and expenses of such counsel. The Issuers shall not pay for any settlement made without their consent, which consent will not be unreasonably withheld.

(c) The obligations of the Issuers under this Section 7.06 will survive the satisfaction and discharge of this Indenture and the resignation or removal of the Trustee.

(d) To secure the Issuers' payment obligations in this Section 7.06, the Trustee will have a Lien prior to the Notes on all money or property held or collected by the Trustee, except that held in trust to pay principal and interest on particular Notes. Such Lien will survive the satisfaction and discharge of this Indenture and the resignation or removal of the Trustee. The Trustee's rights to receive payment of any amounts due under this Section 7.06 shall not be subordinate to any other liability or Indebtedness of the Issuers.

(e) When the Trustee incurs expenses or renders services after an Event of Default specified in Section 6.01(9) or (10) hereof occurs, the expenses and the compensation for the services (including the fees and expenses of its agents and counsel) are intended to constitute expenses of administration under any Bankruptcy Law.

Section 7.07. Replacement of Trustee.

(a) A resignation or removal of the Trustee and appointment of a successor Trustee will become effective only upon the successor Trustee's acceptance of appointment as provided in this Section 7.07.

(b) The Trustee may resign in writing at any time and be discharged from the trust hereby created by so notifying the Issuers. The Holders of a majority in aggregate principal amount of the then outstanding Notes may remove the Trustee by so notifying the Trustee and the Issuers in writing. The Issuers may remove the Trustee if:

(1) the Trustee fails to comply with Section 7.09 hereof;

(2) the Trustee is adjudged a bankrupt or an insolvent or an order for relief is entered with respect to the Trustee under any Bankruptcy Law;

(3) a custodian or public officer takes charge of the Trustee or its property; or

(4) the Trustee becomes incapable of acting.

(c) If the Trustee resigns or is removed or if a vacancy exists in the office of Trustee for any reason, the Issuers will promptly appoint a successor Trustee. Within one year after the successor Trustee takes office, the Holders of a majority in aggregate principal amount of the then outstanding Notes may appoint a successor Trustee to replace the successor Trustee appointed by the Issuers.

(d) If a successor Trustee does not take office within 60 days after the retiring Trustee resigns or is removed, the retiring Trustee, the Issuers, or the Holders of at least 10% in aggregate principal amount of the then outstanding Notes may petition any court of competent jurisdiction for the appointment of a successor Trustee.

(e) If the Trustee, after written request by any Holder who has been a Holder for at least six months, fails to comply with Section 7.09 hereof, such Holder may petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor Trustee.

(f) A successor Trustee will deliver a written acceptance of its appointment to the retiring Trustee and to the Issuers. Thereupon, the resignation or removal of the retiring Trustee will become effective, and the successor Trustee will have all the rights, powers and duties of the Trustee under this Indenture. The successor Trustee will mail a notice of its succession to Holders of Notes. The retiring Trustee will promptly transfer all property held by it as Trustee to the successor Trustee; provided all sums owing to the Trustee hereunder have been paid and subject to the Lien provided for in Section 7.06 hereof. Notwithstanding replacement of the Trustee pursuant to this Section 7.07, the Issuers' obligations under Section 7.06 hereof will continue for the benefit of the retiring Trustee.

Section 7.08. Successor Trustee by Merger, etc.

If the Trustee consolidates, merges or converts into, or transfers all or substantially all of its corporate trust business to, another corporation, the successor corporation without any further act will be the successor Trustee.

Section 7.09. Eligibility; Disqualification.

There will at all times be a Trustee hereunder that is a corporation organized and doing business under the laws of the United States of America or of any state thereof that is authorized under such laws to exercise corporate trustee power, that is subject to supervision or examination by federal or state authorities and that has a combined capital and surplus of at least $100.0 million as set forth in its most recent published annual report of condition.

ARTICLE 8

LEGAL DEFEASANCE AND COVENANT DEFEASANCE

Section 8.01. Option to Effect Legal Defeasance or Covenant Defeasance.

The Issuers may at any time, at the option of their Board of Directors evidenced by a resolution accompanied by an Officer's Certificate, elect to have either Section 8.02 or 8.03 hereof be applied to all outstanding Notes upon compliance with the conditions set forth below in this Article 8.

Section 8.02. Legal Defeasance and Discharge.

Upon the Issuers' exercise under Section 8.01 hereof of the option applicable to this Section 8.02 with respect to the Notes, each Issuer and each Guarantor will, subject to the satisfaction of the conditions set forth in Section 8.04 hereof, be deemed to have been discharged from its obligations with respect to all outstanding Notes (including the Note Guarantees) on the date the conditions set forth below are satisfied (hereinafter, "Legal Defeasance"). For this purpose, Legal Defeasance means that the Issuers and the Guarantors will be deemed to have paid and discharged the entire Indebtedness represented by the outstanding Notes (including the Note Guarantees), which will thereafter be deemed to be "outstanding" only for the purposes of Section 8.05 hereof and the other Sections of this Indenture referred to in clauses (1) and (2) below, and to have satisfied all its other obligations under such Notes, the Note Guarantees and this Indenture (and the Trustee, on demand of and at the expense of the Issuers, shall execute such instruments reasonably requested by the Issuers acknowledging the same), except for the following provisions which will survive until otherwise terminated or discharged hereunder:

(1) the rights of Holders of outstanding Notes to receive payments in respect of the principal of, or interest (including Special Interest, if any) or premium, if any, on, such Notes when such payments are due from the trust referred to in Section 8.04 hereof;

(2) the Issuers' obligations with respect to such Notes under Article 2 and Section 4.02 hereof;

(3) the rights, powers, trusts, duties and immunities of the Trustee hereunder and the Issuers' and each Guarantor's obligations in connection therewith; and

(4) this Article 8.

Subject to compliance with this Article 8, the Issuers may exercise their option under this Section 8.02 with respect to the Notes notwithstanding the prior exercise of its option under Section 8.03 hereof with respect to the Notes.

Section 8.03. Covenant Defeasance.

Upon the Issuers' exercise under Section 8.01 hereof of the option applicable to this Section 8.03 with respect to the Notes, each Issuer and each Guarantor will, subject to the satisfaction of the conditions set forth in Section 8.04 hereof, be released from each of their obligations under the covenants contained in Sections 4.03, 4.04, 4.06, 4.07, 4.08, 4.09, 4.10, 4.12, 4.13, 4.14, 4.15, 4.16, 4.17, 4.18, 4.19, 4.21, 4.22, 4.23, 4.24 and 4.25 hereof with respect to the outstanding Notes on and after the date the conditions set forth in Section 8.04 hereof are satisfied (hereinafter, "Covenant Defeasance"), and the Notes will thereafter be deemed not "outstanding" for the purposes of any determination of the Asset Coverage Ratio or Total Asset Coverage Ratio, or any direction, waiver, consent or declaration or act of Holders of Notes (and the consequences of any thereof) in connection with such covenants, but will continue to be deemed "outstanding" for all other purposes hereunder (it being understood that the Notes will not be deemed outstanding for accounting purposes). For this purpose, Covenant Defeasance means that, with respect to the outstanding Notes, and Note Guarantees in respect thereof, the Issuers and the Guarantors may omit to comply with and will have no liability in respect of any term, condition or limitation set forth in any such covenant, whether directly or indirectly, by reason of any reference elsewhere herein to any such covenant or by reason of any reference in any such covenant to any other provision herein or in any other document and such omission to comply will not constitute a Default or an Event of Default under Section 6.01 hereof with respect to the Notes, but, except as specified above, the remainder of this Indenture and such Notes and Note Guarantees will be unaffected thereby. In addition, upon the Issuers' exercise under Section 8.01 hereof of the option applicable to this Section 8.03 with respect to the Notes, subject to the satisfaction of the conditions set forth in Section 8.04 hereof, Sections 6.01(3) (with respect to the covenants defeased), 6.01(4) (with respect to the covenants defeased), 6.01(5), 6.01(6), 6.01(7) and 6.01(8) hereof will not constitute Events of Default with respect to the Notes.

Section 8.04. Conditions to Legal or Covenant Defeasance.

In order to exercise either Legal Defeasance or Covenant Defeasance under either Section 8.02 or 8.03 hereof with respect to the Notes:

(1) the Issuers must irrevocably deposit with the Trustee, in trust, for the benefit of the Holders of Notes, cash in U.S. dollars, non-callable Government Securities, or a combination thereof (together with any proceeds or other return thereon while held on deposit, a "Redemption Deposit"), in such amounts as will be sufficient, in the opinion of a nationally recognized investment bank, appraisal firm, or firm of independent public accountants, to pay the principal of, premium, if any, and interest (including Special Interest, if any) on, the outstanding Notes on the stated date for payment thereof or on the applicable Redemption Date, as the case may be, and the Issuers must specify whether the Notes are being defeased to such stated date for payment or to a particular Redemption Date;

(2) in the case of Legal Defeasance, the Issuers must deliver to the Trustee an Opinion of Counsel confirming that (a) the Issuers have received from, or there has been published by, the Internal Revenue Service a ruling or (b) since the date of this Indenture, there has been a change in the applicable federal income tax law, in either case to the effect that, and based thereon such Opinion of Counsel will confirm that, the Holders of Notes will not recognize income, gain or loss for federal income tax purposes as a result of such Legal Defeasance and will be subject to federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Legal Defeasance had not occurred;

(3) in the case of Covenant Defeasance, the Issuers must deliver to the Trustee an Opinion of Counsel reasonably acceptable to the Trustee confirming that the Holders of Notes will not recognize income, gain or loss for federal income tax purposes as a result of such Covenant Defeasance and will be subject to federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Covenant Defeasance had not occurred;

(4) no Default or Event of Default with respect to Notes has occurred and is continuing on the date of such deposit (other than a Default or Event of Default resulting from the borrowing of funds to be applied to such deposit (and any similar concurrent deposit relating to other Indebtedness), and the granting of Liens to secure such borrowings);

(5) such Legal Defeasance or Covenant Defeasance will not result in a breach or violation of, or constitute a default under, any material agreement or instrument (other than this Indenture and the agreements governing any other Indebtedness being defeased, discharged or replaced) to which the Issuers or any of the Guarantors is a party or by which the Issuers or any of the Guarantors is bound;

(6) the Issuers must deliver to the Trustee an Officer's Certificate stating that the deposit was not made by the Issuers with the intent of preferring the Holders of Notes over the other creditors of the Issuers with the intent of defeating, hindering, delaying or defrauding any creditors of the Issuers or others; and

(7) the Issuers must deliver to the Trustee an Officer's Certificate and an Opinion of Counsel, each stating that all conditions precedent relating to the Legal Defeasance or the Covenant Defeasance have been complied with.

Upon a Legal Defeasance or Covenant Defeasance with respect to the Notes, the Collateral Trustee will cease to be a party to the Security Documents on behalf of the Holders of Notes, and the Collateral will no longer secure the Notes (and the Notes shall no longer be Priority Lien Debt). The Collateral will be so released from the Liens securing the Notes (as to which a Legal Defeasance or Covenant Defeasance has occurred) in accordance with applicable requirements in the Collateral Trust Agreement, and each of the Trustee and Collateral Trustee will promptly provide any documents or releases reasonably requested by the Issuers to evidence any such release.

Section 8.05. Deposited Money and Government Securities to be Held in Trust; Other Miscellaneous Provisions.

Subject to Section 8.06 hereof, all money and non-callable Government Securities (including the proceeds thereof) deposited with the Trustee (or other qualifying trustee, collectively for purposes of this Section 8.05, the "Trustee") (as the applicable Redemption Deposit) pursuant to Section 8.04 hereof in respect of the outstanding Notes will be held in trust and applied by the Trustee, in accordance with the provisions of such Notes and this Indenture, to the payment, either directly or through any Paying Agent (including an Issuer acting as Paying Agent) as the Trustee may determine, to the Holders of such Notes of all sums due and to become due thereon in respect of principal, premium, if any, and interest (including Special Interest, if any), but such money need not be segregated from other funds except to the extent required by law.

The Issuers will pay and indemnify the Trustee against any tax, fee or other charge imposed on or assessed against any Redemption Deposit deposited pursuant to Section 8.04 hereof or the principal and interest received in respect thereof other than any such tax, fee or other charge which by law is for the account of the Holders of the outstanding Notes.

Notwithstanding anything in this Article 8 to the contrary, the Trustee will deliver or pay to the Issuers from time to time upon the request of the Issuers all or any applicable portion of Redemption Deposit held by it as provided in Section 8.04 hereof which, in the opinion of a nationally recognized firm of independent public accountants expressed in a written certification thereof delivered to the Trustee (which may be the opinion delivered under Section 8.04(1) hereof), is in excess of the amount thereof that would then be required to be deposited to effect an equivalent Legal Defeasance or Covenant Defeasance in respect of the Notes.

Section 8.06. Repayment to Issuers.

Any money deposited with the Trustee or any Paying Agent, or then held by the Issuers, in trust for the payment of the principal of, premium, if any, or interest on (including Special Interest, if any), any Note and remaining unclaimed for two years after such principal, premium, if any, or interest (including Special Interest, if any) has become due and payable shall be paid to the Issuers on its request or (if then held by the Issuers) will be discharged from such trust; and the Holder of such Note will thereafter be permitted to look only to the Issuers for payment thereof, and all liability of the Trustee or such Paying Agent with respect to such trust money, and all liability of the Issuers as trustee thereof, will thereupon cease; provided, however, that the Trustee or such Paying Agent, before being required to make any such repayment, may at the expense of the Issuers cause to be published once, in the New York Times and The Wall Street Journal (national edition), notice that such money remains unclaimed and that, after a date specified therein, which will not be less than 30 days from the date of such notification or publication, any unclaimed balance of such money then remaining will be repaid to the Issuers.

Section 8.07. Reinstatement.

If the Trustee or Paying Agent is unable to apply a Redemption Deposit in accordance with Section 8.02 or 8.03 hereof with respect to Notes, as the case may be, by reason of any order or judgment of any court or Governmental Authority enjoining, restraining or otherwise prohibiting such application, then the Issuers' and the Guarantor's obligations under the Notes, and this Indenture and the Note Guarantees, will be revived and reinstated as though no deposit had occurred pursuant to Section 8.02 or 8.03 hereof until such time as the Trustee or Paying Agent is permitted to apply all such Redemption Deposit in accordance with Section 8.02 or 8.03 hereof, as the case may be; provided, however, that, if the Issuers make any payment of principal of, premium, if any, or interest (including Special Interest, if any) on, any Note following the reinstatement of its obligations, the Issuers will be subrogated to the rights of the Holders of such Notes to receive such payment from such Redemption Deposit held by the Trustee or Paying Agent.

ARTICLE 9

AMENDMENT, SUPPLEMENT AND WAIVER

Section 9.01. Without Consent of Holders of Notes.

Notwithstanding Section 9.02 and subject to Section 3.12(h) of this Indenture, the Issuers, the Guarantors, the Trustee, Collateral Trustee and the Local Collateral Agents, as applicable, may amend or supplement this Indenture, the Notes, the Note Guarantees and the Security Documents without the consent of any Holder of the Notes:

(1) to surrender any right or power conferred upon the Issuers or the Guarantors, to add to the covenants such further covenants, restrictions, conditions or provisions for the protection of the Holders of the Notes and to make the occurrence, or the occurrence and continuance, of a default in respect of any such additional covenants, restrictions, conditions or provisions a Default or an Event of Default under this Indenture; provided, however, that with respect to any such additional covenant, restriction, condition or provision, such amendment may provide for a period of grace after default, which may be shorter or longer than that allowed in the case of other Defaults, may provide for an immediate enforcement upon such Default, may limit the remedies available to the Trustee upon such Default or may limit the right of Holders of a majority in aggregate principal amount of the Notes to waive such default;

(2) to cure any ambiguity, defect or inconsistency;

(3) to provide for uncertificated Notes in addition to or in place of certificated Notes;

(4) to provide for the assumption of an Issuer's or a Guarantor's obligations to the Holders of the Notes and Note Guarantees in the case of a merger or consolidation or sale of all or substantially all of the such Issuer's or such Guarantor's assets, as applicable;

(5) to make any change that would provide any additional rights or benefits to the Holders of the Notes or that does not adversely affect the legal rights hereunder of any Holder;

(6) to conform the text of any of the Note Documents to any provision of the "Description of notes" section of the Offering Memorandum, to the extent that such provision in that "Description of notes" was intended to be a verbatim recitation of a provision of this Indenture or any of the Security Documents, as determined in good faith by an Officer of the Chilean Issuer and set forth in an Officer's Certificate to that effect;

(7) to enter into additional or supplemental Security Documents or provide for additional Collateral;

(8) to make, complete or confirm any grant of Collateral permitted or required by this Indenture or any of the Security Documents or to release Collateral in accordance with the terms of this Indenture and the Security Documents;

(9) to provide for the issuance of Additional Notes in accordance with the limitations set forth in this Indenture as of the date of this Indenture;

(10) to provide for a successor Trustee, Collateral Trustee or Local Collateral Agent; or

(11) to allow any Guarantor (or Subsidiary of the Issuers so becoming a Guarantor) to execute a supplemental indenture and/or a Note Guarantee with respect to the Notes.

Upon the request of the Chilean Issuer accompanied by a resolution of the Board of Directors authorizing the execution of any such amended or supplemental indenture, and upon receipt by the Trustee of the documents described in Section 7.02 and Section 9.05 hereof, the Trustee and the Collateral Trustee will join with the Issuers and each Guarantor in the execution of any amended or supplemental indenture authorized or permitted by the terms of this Indenture and to make any further appropriate agreements and stipulations that may be therein contained, but neither the Trustee nor the Collateral Trustee will be obligated to enter into such amended or supplemental indenture that affects its own rights, duties or immunities under this Indenture or otherwise.

For the avoidance of doubt, Section 3.12 hereof may not be amended without the consent of the Initial Purchasers.

Section 9.02. With Consent of Holders of Notes.

Except as provided below in this Section 9.02 and Section 3.12(h) hereof, the Issuers, the Guarantors, the Trustee, the Collateral Trustee and the Local Collateral Agents, as applicable, may amend or supplement this Indenture (including, without limitation, Sections 3.11, 4.08 and 4.12 hereof), the Notes and the Note Guarantees in respect thereof and the Security Documents with the consent of the Issuers and the Holders of at least a majority in aggregate principal amount of the then outstanding Notes (including, without limitation, Additional Notes, if any) voting as a single class (including, without limitation, consents obtained in connection with a tender offer or exchange offer for, or purchase of, the Notes), and, subject to Sections 6.04 and 6.07 hereof, any existing Default or Event of Default (other than a Default or Event of Default in the payment of the principal of, premium on, if any, or interest (including Special Interest, if any) on, the Notes, except a payment default resulting from an acceleration that has been rescinded) or compliance with any provision of this Indenture, the Notes or the Note Guarantees in respect thereof may be waived with the consent of the Holders of a majority in aggregate principal amount of the then outstanding Notes (including, without limitation, Additional Notes, if any) voting as a single class (including, without limitation, consents obtained in connection with a tender offer or exchange offer for, or purchase of, the Notes). Section 2.08 hereof shall determine which Notes are considered to be "outstanding" for purposes of this Section 9.02.

Upon the request of the Chilean Issuer accompanied by a resolution of the Board of Directors authorizing the execution of any such amended or supplemental indenture, and upon the filing with the Trustee and the Collateral Trustee of evidence satisfactory to the Trustee of the consent of the applicable Holders of Notes as aforesaid, and upon receipt by the Trustee of the documents described in Section 7.02 and Section 9.05 hereof, each of the Trustee and the Collateral Trustee will join with the Issuers and the Guarantors in the execution of such amended or supplemental indenture unless such amended or supplemental indenture directly affects the Trustee's and/or the Collateral Trustee's own rights, duties or immunities under this Indenture or otherwise, in which case the Trustee and/or the Collateral Trustee may in its discretion, but will not be obligated to, enter into such amended or supplemental Indenture.

It is not necessary for the consent of the Holders of Notes under this Section 9.02 to approve the particular form of any proposed amendment, supplement or waiver, but it is sufficient if such consent approves the substance thereof.

After an amendment, supplement or waiver under this Section 9.02 becomes effective, the Issuers will mail to the Holders of Notes affected thereby a notice briefly describing the amendment, supplement or waiver. Any failure of the Issuers to mail such notice, or any defect therein, will not, however, in any way impair or affect the validity of any such amended or supplemental indenture or waiver. Subject to Sections 6.04 and 6.07 hereof, the Holders of a majority in aggregate principal amount of the Notes then outstanding voting as a single class may waive compliance in a particular instance by the Issuers with any provision of this Indenture, the Notes or the Note Guarantees in respect thereof. However, without the consent of each Holder affected thereby, an amendment, supplement or waiver under this Section 9.02 may not (with respect to any Notes held by a non-consenting Holder):

(1) reduce the principal amount of Notes whose Holders must consent to an amendment, supplement or waiver;

(2) reduce the principal of or change the fixed maturity of any Note or alter or waive any of the provisions with respect to the redemption of the Notes (except as provided above with respect to Sections 3.11, 3.12, 4.08 and 4.12 hereof);

(3) reduce the rate of or change the time for payment of interest, including default interest or Special Interest, on any Note;

(4) waive a Default or Event of Default in the payment of principal of, or premium on, if any, or interest (including the payment of Special Interest, if any, when due) on, the Notes (except a rescission of acceleration of the Notes by the Holders of at least a majority in aggregate principal amount of the then outstanding Notes and a waiver of the payment default that resulted from such acceleration);

(5) make any Note payable in money other than that stated in the Notes;

(6) make any change in the provisions of this Indenture relating to waivers of past Defaults or the rights of Holders of Notes to receive payments of principal of, premium on, if any, or interest (including the payment of Special Interest, if any, when due) on, the Notes;

(7) waive a redemption payment with respect to any Note (other than a payment required by Sections 3.11, 3.12, 4.08 and 4.12 hereof);

(8) make any change to the percentage of principal amount of Notes the Holders of which must consent to an amendment or waiver;

(9) except as provided under Article 8 hereof, or in connection with a consolidation, merger or conveyance, transfer or lease of assets pursuant to this Indenture, release any Guarantor from its obligations under its Note Guarantee (other than as provided in Section 10.05) or make any change in the Note Guarantee that would adversely affect such Holder; or

(10) make any change in the preceding amendment and waiver provisions.

Any amendment to, or waiver of, the provisions of this Indenture or any Security Document that has the effect of releasing all or substantially all of the Collateral from the Liens securing the Notes, of releasing all or substantially all of the Note Guarantees or of altering the relative priority of the Liens in favor of the holders of Priority Lien Debt or subordinating (in payment or lien priority) the Notes in security or contractual right of payment to any senior indebtedness will require the consent of Holders of at least 75% in aggregate principal amount of Notes then outstanding.

For the avoidance of doubt, Section 3.12 hereof may not be amended without the consent of the Initial Purchasers.

Section 9.03. Revocation and Effect of Consents.

Until an amendment, supplement or waiver becomes effective, a consent to it by a Holder of a Note is a continuing consent by the Holder of a Note and every subsequent Holder of a Note or portion of a Note that evidences the same debt as the consenting Holder's Note, even if notation of the consent is not made on any Note. However, any such Holder of a Note or subsequent Holder of a Note may revoke the consent as to its Note if the Trustee receives written notice of revocation before the date the amendment, supplement or waiver becomes effective. An amendment, supplement or waiver becomes effective in accordance with its terms and thereafter binds every Holder.

Section 9.04. Notation on or Exchange of Notes.

The Trustee may place an appropriate notation about an amendment, supplement or waiver on any Note thereafter authenticated. The Issuers in exchange for all Notes may issue and the Trustee shall, upon receipt of an Authentication Order, authenticate new Notes that reflect the amendment, supplement or waiver.

Failure to make the appropriate notation or issue a new Note will not affect the validity and effect of such amendment, supplement or waiver.

Section 9.05. Trustee to Sign Amendments, etc.

Each of the Trustee and the Collateral Trustee will sign any amended or supplemental indenture authorized pursuant to this Article 9 if the amendment or supplement does not adversely affect the rights, duties, liabilities or immunities of the Trustee and the Collateral Trustee. The Issuers may not sign an amended or supplemental indenture until the Board of Directors approve it. In executing any amended or supplemental indenture, each of the Trustee and the Collateral Trustee will be entitled to receive and (subject to Section 7.01 hereof) will be fully protected in relying upon, in addition to the documents required by Section 13.02 hereof, an Officer's Certificate and an Opinion of Counsel stating that the execution of such amended or supplemental indenture is authorized or permitted by this Indenture.

ARTICLE 10

NOTE GUARANTEES

Section 10.01. Guarantee.

(a) Subject to the provisions of this Article 10, each Guarantor hereby unconditionally guarantees to each Holder of a Note authenticated and delivered by the Trustee and to each of the Trustee and Collateral Trustee and its successors and assigns, irrespective of the validity and enforceability of this Indenture, the Notes or the obligations of the Issuers hereunder or thereunder, that:

(1) the principal of, premium, if any, and interest (including Special Interest, if any) on, the Notes will be promptly Paid in Full when due, whether at maturity, by acceleration, redemption or otherwise, and interest on the overdue principal of, premium, if any, and interest on the Notes, if any, if lawful, and all other obligations of the Issuers to the Holders of Notes, the Trustee or the Collateral Trustee hereunder or thereunder will be promptly Paid in Full or performed, all in accordance with the terms hereof and thereof; and

(2) in case of any extension of time of payment or renewal of any Notes or any of such other obligations, that same will be promptly Paid in Full when due or performed in accordance with the terms of the extension or renewal, whether at Stated Maturity, by acceleration or otherwise.

Failing payment when due of any amount so guaranteed or any performance so guaranteed for whatever reason, each Guarantor will be jointly and severally obligated to pay the same immediately. Each Guarantor agrees that this is a guarantee of payment and not a guarantee of collection.

(b) To the extent permitted by applicable law, each Guarantor hereby agrees that its obligations hereunder are unconditional, irrespective of the validity, regularity or enforceability of the Notes or this Indenture, the absence of any action to enforce the same, any waiver or consent by any Holder with respect to any provisions hereof or thereof, the recovery of any judgment against the Issuers, any action to enforce the same or any other circumstance which might otherwise constitute a legal or equitable discharge or defense of a guarantor. Each Guarantor hereby waives diligence, presentment, demand of payment, filing of claims with a court in the event of insolvency or bankruptcy of any Issuer, any right to require a proceeding first against an Issuer, protest, notice and all demands whatsoever and covenants that this Note Guarantee will not be discharged except by complete performance of the obligations contained in the Notes and this Indenture.

(c) If any Holder, the Trustee or the Collateral Trustee is required by any court or otherwise to return to any Issuer, any Guarantor or any custodian, trustee, liquidator or other similar official acting in relation to any Issuer or any Guarantor, any amount paid by either to the Trustee, the Collateral Trustee or such Holder, this Note Guarantee, to the extent theretofore discharged, will be reinstated in full force and effect.

(d) Each Guarantor agrees that it will not be entitled to any right of subrogation in relation to the Holders of Notes in respect of any obligations guaranteed hereby until Payment in Full of all obligations (other than contingent obligations) guaranteed hereby. Each Guarantor further agrees that, as between such Guarantor, on the one hand, and the Holders of Notes and the Trustee and the Collateral Trustee, on the other hand, (1) the maturity of the obligations guaranteed hereby may be accelerated as provided in Article 6 hereof for the purposes of this Note Guarantee, notwithstanding any stay, injunction or other prohibition preventing such acceleration in respect of the obligations guaranteed hereby, and (2) in the event of any declaration of acceleration of such obligations as provided in Article 6 hereof, such obligations (whether or not due and payable) will forthwith become due and payable by such Guarantor for the purpose of this Note Guarantee. Each Guarantor will have the right to seek contribution from any non-paying Guarantor so long as the exercise of such right does not impair the rights of the Holders of Notes under the Note Guarantee.

Section 10.02. Limitation on Guarantor Liability.

Each Guarantor, and by its acceptance of Notes, each Holder, hereby confirms that it is the intention of all such parties that the Note Guarantee of such Guarantor not constitute a fraudulent transfer or conveyance for purposes of Bankruptcy Law, the Uniform Fraudulent Conveyance Act, the Uniform Fraudulent Transfer Act or any similar federal or state law to the extent applicable to any Note Guarantee. To effectuate the foregoing intention, the Trustee, the Holders of Notes, the Collateral Trustee and each Guarantor hereby irrevocably agree that the obligations of such Guarantor will be limited to the maximum amount that will, after giving effect to such maximum amount and all other contingent and fixed liabilities of such Guarantor that are relevant under such laws, and after giving effect to any collections from, rights to receive contribution from or payments made by or on behalf of any other Guarantor in respect of the obligations of such other Guarantor under this Article 10, result in the obligations of such Guarantor under its Note Guarantee not constituting a fraudulent transfer or conveyance. Each Guarantor that makes a payment for distribution under its Note Guarantee is entitled to a contribution from each other Guarantor in a pro rata amount based on the adjusted net assets of each Guarantor.

Section 10.03. Execution and Delivery of Note Guarantee.

To evidence its Note Guarantee set forth in Section 10.01 hereof, each Guarantor hereby agrees that this Indenture or a supplemental indenture in substantially the form of Exhibit D attached hereto shall be executed on behalf of such Guarantor by one of its Officers by manual, electronic or facsimile signature. Each Guarantor hereby agrees that its Guarantee set forth in Section 10.01 hereof shall remain in full force and effect notwithstanding the absence of the endorsement of any notation of such Guarantee on the Notes.

If an Officer whose signature is on this Indenture or on the Note Guarantee no longer holds that office at the time the Trustee authenticates any Note, the Note Guarantee will be valid nevertheless.

The delivery of any Note by the Trustee, after the authentication thereof hereunder, will constitute due delivery of the Note Guarantee set forth in this Indenture on behalf of each Guarantor.

Section 10.04. Guarantors May Consolidate, etc., on Certain Terms.

Except as otherwise provided in Article 5 and Section 10.05 hereof, no Guarantor may sell or otherwise dispose of all or substantially all of its assets to, or consolidate with or merge with or into (whether or not such Guarantor is the surviving Person) another Person, other than an Issuer or another Guarantor, unless either:

(1) subject to Article 5 and Section 10.05 hereof, the Person acquiring the property in any such sale or disposition or the Person formed by or surviving any such consolidation or merger unconditionally assumes all the obligations of that Guarantor under the Note Guarantees and this Indenture on the terms set forth herein or therein, pursuant to a supplemental indenture; or

(2) subject to Article 5, the net proceeds of such sale or other disposition, if any, are applied in accordance with the applicable provisions of this Indenture.

Subject to Article 5, in case of any such consolidation, merger, sale or conveyance and upon the assumption by the successor Person, by supplemental indenture, executed and delivered to the Trustee and the Collateral Trustee and satisfactory in form to the Trustee and the Collateral Trustee, of the Note Guarantee with respect to the Notes and the due and punctual performance of all of the covenants and conditions of this Indenture to be performed by such Guarantor, such successor Person will succeed to and be substituted for such Guarantor with the same effect as if it had been named herein as a Guarantor. The Note Guarantee of such successor Person will in all respects have the same legal rank and benefit under this Indenture as the Note Guarantee theretofore issued in accordance with the terms of this Indenture as though such Note Guarantee had been issued at the date of the execution hereof.

Except as set forth in Articles 4 and 5 hereof, and notwithstanding clauses (1) and (2) of this Section 10.04, nothing contained in this Indenture or in any of the Notes will prevent any consolidation or merger of a Guarantor with or into an Issuer or another Guarantor, or will prevent any sale or conveyance of the property of a Guarantor as an entirety or substantially as an entirety to an Issuer or another Guarantor.

Section 10.05. Releases.

(a) On and after the Exit Conversion Date, each Guarantor (and, in the event of a sale or other disposition of all or substantially all of the assets of such Guarantor, the corporation acquiring such property) will be released from all obligations under its Note Guarantee upon:

(1)

(A) any sale or other disposition of all or substantially all of the assets of such Guarantor, by way of merger, consolidation or otherwise, or a sale or other disposition of Capital Stock of any Guarantor such that after giving effect to such sale or other Disposition such Guarantor is no longer a Subsidiary, in each case to a Person that is not (either before or after giving effect to such transactions) an Issuer or a Guarantor (and excluding the merger or consolidation of such Guarantor with or into any Issuer or another Guarantor), and in each case, in a transaction permitted in accordance with the terms of this Indenture;

(B) designation of such Guarantor as an Unrestricted Subsidiary in accordance with the terms of this Indenture;

(C) the election by the Chilean Issuer to (1) cause a Designated Guarantor to be an Excluded Subsidiary (provided that such Designated Guarantor is either an Excluded Aircraft Subsidiary or does not own any Significant Assets at such time of election (other than pursuant to the thresholds set forth in clause (g) of the definition of "Excluded Subsidiary")) or (2) cause any Guarantor that becomes a Guarantor after the Issue Date to be an Excluded Subsidiary pursuant to the thresholds set forth in clause (g) of the definition of "Excluded Subsidiary"); or

(D) Legal Defeasance or Covenant Defeasance in accordance with Article 8 hereof or satisfaction and discharge of this Indenture in accordance Article 11 hereof; and

(2) the delivery by the Chilean Issuer to the Trustee of an Officer's Certificate and an Opinion of Counsel stating that such transaction or release was made in accordance with the provisions of this Indenture.

(b) Upon the delivery of an Officer's Certificate and Opinion of Counsel, the Trustee, the Collateral Trustee and the Local Collateral Agents, as applicable, will use commercially reasonable efforts to execute and deliver any documents reasonably requested by the Issuers or any such Guarantor and at the sole cost and expense of the Issuers, in order to evidence the release of any Guarantor from its obligations under its Note Guarantee.

Any Guarantor not released from its obligations under its Note Guarantee as provided in this Section 10.05 will remain liable for the full amount of principal of and interest (including Special Interest, if any) and premium, if any, on the Notes and for the other obligations of any Guarantor under this Indenture as provided in this Article 10.

ARTICLE 11

SATISFACTION AND DISCHARGE

Section 11.01. Satisfaction and Discharge.

This Indenture will be discharged and will cease to be of further effect as to all Notes issued hereunder, when:

(1) either:

(A) all such Notes that have been authenticated, except lost, stolen or destroyed Notes that have been replaced or paid and Notes for whose payment money has theretofore been deposited in trust and thereafter repaid to the Issuers, have been delivered to the Trustee for cancellation; or

(B) all such Notes that have not been delivered to the Trustee for cancellation have become due and payable by reason of the mailing of a notice of redemption or otherwise or will become due and payable within one year and the Issuers or any Guarantor has irrevocably deposited or caused to be deposited with the Trustee as trust funds in trust solely for the benefit of the Holders of such Notes, cash in U.S. dollars, non-callable Government Securities, or a combination thereof, in such amounts as will be sufficient, without consideration of any reinvestment of interest, to pay and discharge the entire Indebtedness on such Notes not delivered to the Trustee for cancellation for principal of, premium on, if any, and interest (including Special Interest, if any) on, such Notes to the date of maturity or redemption;

(2) in respect of Section 11.01(1)(B), no Default or Event of Default has occurred and is continuing on the date of such deposit (other than a Default or Event of Default resulting from the borrowing of funds to be applied to such deposit and any similar deposit relating to other Indebtedness, in each case, the granting of Liens to secure such borrowings) and the deposit will not result in a breach or violation of, or constitute a default under, any other instrument to which the Issuers or any Guarantor is a party or by which the Issuers or any Guarantor is bound (other than with respect to the borrowing of funds to be applied concurrently to make the deposit required to effect such satisfaction and discharge and any similar concurrent deposit relating to other Indebtedness, and in each case the granting of Liens to secure such borrowings);

(3) the Issuers or any Guarantor has paid or caused to be paid all sums payable by it under this Indenture; and

(4) the Issuers have delivered irrevocable instructions to the Trustee under this Indenture to apply the deposited money toward the payment of the Notes at maturity or on the Redemption Date, as the case may be.

In addition, the Issuers must deliver an Officer's Certificate and an Opinion of Counsel to the Trustee stating that all conditions precedent to satisfaction and discharge have been satisfied.

Upon the satisfaction and discharge of this Indenture pursuant to this Article 11, the Collateral Trustee will cease to be a party to the Security Documents on behalf of the Holders of the Notes, and the Collateral will no longer secure the Notes.

Notwithstanding the satisfaction and discharge of this Indenture, if money has been deposited with the Trustee pursuant to subclause (B) of clause (1) of this Section 11.01, the provisions of Sections 11.02 and 8.06 hereof will survive. In addition, nothing in this Section 11.01 will be deemed to discharge those provisions of Section 7.06 or Section 12.05 hereof, that, by their terms, survive the satisfaction and discharge of this Indenture.

Section 11.02. Application of Trust Money.

Subject to the provisions of Section 8.06 hereof, all money deposited with the Trustee pursuant to Section 11.01 hereof shall be held in trust and applied by it, in accordance with the provisions of the Notes and this Indenture, to the payment, either directly or through any Paying Agent (including an Issuer acting as its own Paying Agent) as the Trustee may determine, to the Persons entitled thereto, of the principal (and premium, if any), interest (including Special Interest, if any) and Additional Amounts, if any, for whose payment such money has been deposited with the Trustee; but such money need not be segregated from other funds except to the extent required by law.

If the Trustee or Paying Agent is unable to apply any money or Government Securities in accordance with Section 11.01 hereof by reason of any legal proceeding or by reason of any order or judgment of any court or Governmental Authority enjoining, restraining or otherwise prohibiting such application, the Issuers' and any Guarantor's obligations under this Indenture and the Notes shall be revived and reinstated as though no deposit had occurred pursuant to Section 11.01 hereof; provided that if the Issuers have made any payment of principal of, premium, if any, interest (including Special Interest, if any) or Additional Amounts, if any, on, any Notes because of the reinstatement of their obligations, the Issuers shall be subrogated to the rights of the Holders of such Notes to receive such payment from the money or Government Securities held by the Trustee or Paying Agent.

ARTICLE 12

COLLATERAL AND SECURITY

Section 12.01. Security Interest.

The due and punctual payment of the principal of, premium (if any), interest and Special Interest, if any, and Additional Amounts, if any, on, the Notes when and as the same shall be due and payable, whether on an interest payment date, at maturity, by acceleration, repurchase, redemption or otherwise, and interest on the overdue principal of, premium (if any), interest and Special Interest, if any, and Additional Amounts, if any, on the Notes and performance of all other obligations of the Issuers to the Holders of Notes, the Trustee, the Collateral Trustee and the Local Collateral Agents, according to the terms hereunder or thereunder, are secured as provided in the Security Documents. Each Holder, by its acceptance thereof, consents and agrees to the terms of the Security Documents (including, without limitation, the Collateral Trust Agreement, the DIP Intercreditor Agreement, any Junior Lien Intercreditor Agreement, any other Intercreditor Agreement and the provisions of the Security Documents providing for foreclosure and release of Collateral) as the same may be in effect or may be amended from time to time in accordance with their terms and authorizes and appoints Wilmington Trust, National Association as the Trustee and as the Collateral Trustee and appoints each Local Collateral Agent pursuant to the terms of the Local Collateral Agency Agreements, and each Holder and the Trustee direct the Collateral Trustee and the Local Collateral Agents to enter into the Security Documents (including, without limitation, the Collateral Trust Agreement, the Local Collateral Agency Agreements, the DIP Intercreditor Agreement, any Junior Lien Intercreditor Agreement and any other Intercreditor Agreement) and to perform their respective obligations and exercise their respective rights thereunder in accordance therewith. The Issuers consent and agree to be bound by the terms of the Security Documents (including, without limitation, the Collateral Trust Agreement, the Local Collateral Agency Agreements, the DIP Intercreditor Agreement, any Junior Lien Intercreditor Agreement and any other Intercreditor Agreement), as the same may be in effect from time to time, and agree to perform their obligations thereunder in accordance therewith. The Issuers will deliver to the Trustee copies of all documents delivered by the Issuers to the Collateral Trustee pursuant to the Security Documents, if applicable, and will do or cause to be done all such acts and things as may be required by the provisions of the Security Documents, to assure and confirm to the Collateral Trustee the security interest in the Collateral contemplated by the Security Documents or any part thereof, as from time to time constituted, so as to render the same available for the security and benefit of this Indenture and of the Notes. The Issuers will take, and will cause their Subsidiaries to take, any and all actions reasonably required to cause the Security Documents to create and maintain, as security for the Priority Lien Obligations, a valid and enforceable perfected Lien in and on all the Collateral in favor of the Collateral Trustee for the benefit of the Holders of Notes and holders of other Priority Lien Obligations, to the extent required by, with the Lien priority required under, and subject to the qualifications set forth within, the Priority Lien Documents.

Notwithstanding anything to the contrary in any Note Document, the Issuers and Guarantors shall not be required to record any leasehold interests, make any fixture filings, or make any other real property recordings or filings, or other actions in connection with the perfection of real property interests in any jurisdiction, in each case, in connection with the Lien on any Gate Leaseholds (to the extent characterized as interests in real property) that are included in the Collateral.

Section 12.02. Collateral Trust Agreement.

This Article 12 and the provisions of each other Security Document are subject to the terms, conditions and benefits set forth in the Collateral Trust Agreement and each Local Collateral Agency Agreement. The Issuers consent to, and agree to be bound by, the terms of the Collateral Trust Agreement and each Local Collateral Agency Agreement, as the same may be in effect from time to time, and to perform their obligations thereunder in accordance with the terms therewith.

Section 12.03. Release of Liens in Respect of the Notes.

The Collateral Trustee's Liens upon the Collateral will no longer secure the Notes outstanding under this Indenture or any other Obligations under this Indenture, and the right of the Holders of Notes and such Obligations to the benefits and proceeds of the Collateral Trustee's Liens on the Collateral will terminate and be discharged with respect to all the Notes:

(1) upon satisfaction and discharge of this Indenture in accordance with Article 11;

(2) upon a Legal Defeasance or Covenant Defeasance of the Notes in accordance with Article 8;

(3) upon Payment in Full and discharge of all Notes outstanding under this Indenture and all Obligations that are outstanding, due and payable under this Indenture at the time the Notes are Paid in Full and discharged; and

(4) in whole or in part, with the consent of the Holders of the requisite percentage of Notes or Notes, as applicable, in accordance with Article 9.

In addition, the Collateral Trustee's Liens on the Collateral will be released upon the terms and subject to the conditions set forth in Section 4.1 of the Collateral Trust Agreement. In the event the Issuers reasonably request that the Collateral Trustee take any actions or execute any documents in order to evidence the automatic release of the Priority Liens on any Collateral, the Collateral Trustee will take such actions or execute such documents upon, among other things, the receipt of an Officer's Certificate stating that the release of the Priority Liens are authorized and permitted under the Collateral Trust Agreement and the applicable Priority Lien Documents.

Section 12.04. After-Acquired Property.

(a) On or after the Issue Date but prior to the Exit Conversion Date, without limiting the effect of the Final DIP Order to cause the automatic perfection of the security interests of the Priority Lien Representatives against the Issuers and the Guarantors to the extent such security interests may be perfected by the entry of the Final DIP Order, if property that is intended to be super-priority DIP Collateral is acquired by any Issuer or Guarantor (including property of a Person that becomes a new Guarantor pursuant to Section 4.13 hereof) that is not automatically subject to a perfected security interest under the Security Documents, then such Issuer or Guarantor will promptly (and in any event within forty-five (45) calendar days following of such acquisition, termination, release or other applicable event, or such later date as the Controlling Representative may agree in its sole discretion) provide a Lien with the same priority as the existing DIP Collateral, as applicable, over such property (or, in the case of a new Issuer or Guarantor, such of its property) in favor of the Collateral Trustee or a Local Collateral Agent, as applicable, in each case subject to Permitted Liens, and deliver any certificates, filings, pledges, instruments or documents in respect thereof, all as and to the extent required by this Indenture or the Security Documents.

(b) On and after the Exit Conversion Date, if property that is required to be Collateral is acquired by any Issuer or Guarantor (including property of a Person that becomes a new Issuer or Guarantor pursuant to Section 4.13 hereof) that is not automatically subject to a perfected security interest under the Security Documents, then such Issuer or Guarantor will promptly (and in any event within forty-five (45) calendar days following of such acquisition, termination, release or other applicable event, or such later date as the Controlling Representative may agree in its sole discretion) provide a first priority Lien, as applicable, over such property (or, in the case of a new Issuer or Guarantor, such of its property) in favor of the Collateral Trustee or a Local Collateral Agent, as applicable, and deliver any filings, pledges, instruments or documents certificates in respect thereof, all as and to the extent required by this Indenture or the Security Documents, in each case subject to Permitted Liens.

Section 12.05. Collateral Trustee.

(a) The Collateral Trustee will hold (directly or through co-trustees or agents, including each Local Collateral Agent, where applicable) and is directed by each Holder to so hold, and will be entitled to enforce on behalf of the holders of Priority Lien Obligations and Junior Lien Obligations (if any and to the extent applicable), all Liens on the Collateral created by the Security Documents for their benefit, subject to the provisions of the Collateral Trust Agreement and the Intercreditor Agreements and the Security Documents.

(b) Neither the Issuers nor their Affiliates may serve as Collateral Trustee (or as a Local Collateral Agent).

(c) Except as provided in the Collateral Trust Agreement or as directed by the Controlling Representative in accordance with the Collateral Trust Agreement, the Collateral Trustee will not be obligated:

(1) to act upon directions purported to be delivered to it by any Person;

(2) to foreclose upon or otherwise enforce any Lien; or

(3) to take any other action whatsoever with regard to any or all of the Security Documents, the Liens created thereby or the Collateral.

(d) The Issuers and the Guarantors, jointly and severally, will indemnify the each of the Collateral Trustee and the Local Collateral Agents against any and all losses, liabilities or expenses incurred by it arising out of or in connection with this Indenture, including defending itself against any claim (whether asserted by any Issuer, any Guarantor, any Holder or any other Person) or liability in connection with the exercise or performance of any of its powers or duties hereunder; provided that the indemnification set forth in this clause (d) shall not, as to the Collateral Trustee or its related parties, be available to the extent that such liabilities, obligations, losses, damages, penalties or related expenses are determined by a court of competent jurisdiction by final and non-appealable judgment to have resulted from the gross negligence or willful misconduct of the Collateral Trustee or such related party, as applicable. Each of the Collateral Trustee and the Local Collateral Agents will notify the Issuers promptly of any claim for which it may seek indemnity. Failure to so notify the Issuers will not relieve the Issuers of their obligations hereunder. The Issuers will defend the claim, and the Collateral Trustee and any applicable Local Collateral Agent will cooperate in the defense. The Collateral Trustee may have separate counsel and the Issuers will pay the reasonable fees and expenses of such counsel. The Issuers shall not pay for any settlement made without its consent, which consent will not be unreasonably withheld. The obligations of the Issuers under this Section 12.05(d) will survive the satisfaction and discharge of this Indenture and the resignation or removal of the Collateral Trustee. The indemnification provided for in this Section 12.05(d) is in addition to, and not in derogation of, the Collateral Trustee's rights to compensation, reimbursement and indemnity as set forth in the Collateral Trust Agreement and the other Security Documents.

(e) The Collateral Trustee shall be entitled to all of the rights, privileges, immunities and indemnities set forth in the Collateral Trust Agreement and granted to the Trustee hereunder.

(f) By its acceptance of the Notes, each Holder severally agrees (a) to reimburse on demand the Collateral Trustee for such Holder's Aggregate Exposure Percentage of any expenses and fees incurred for the benefit of the Holders under this Indenture and any of the Note Documents, including, without limitation, counsel fees and compensation of agents and employees paid for services rendered on behalf of the Holders, and any other expense incurred in connection with the operations or enforcement thereof, not reimbursed by the Obligors and (b) to indemnify and hold harmless the Collateral Trustee and any of its related parties, on demand, in the amount equal to such Holder's Aggregate Exposure Percentage, from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses, or disbursements of any kind or nature whatsoever which may be imposed on, incurred by, or asserted against it or any of them in any way relating to or arising out of this Indenture or any of the Note Documents or any action taken or omitted by it or any of them under this Agreement or any of the Note Documents to the extent not reimbursed by the Obligors; provided that the indemnification set forth in this clause (f) shall not, as to the Collateral Trustee or its related parties, be available to the extent that such liabilities, obligations, losses, damages, penalties or related expenses are determined by a court of competent jurisdiction by final and non-appealable judgment to have resulted from the gross negligence or willful misconduct of the Collateral Trustee or such related party, as applicable. The obligations of the Holders under this Section 12.05(f) will survive the satisfaction and discharge of this Indenture and the resignation or removal of the Collateral Trustee.

Section 12.06. Post-Closing Obligations.

The Issuers and the Guarantors shall comply with the obligations set forth in Section 4.5 to the Pledge and Security Agreement within the time periods set forth therein.

ARTICLE 13

MISCELLANEOUS

Section 13.01. Notices.

Any notice or communication by the Issuers, any Guarantor, the Collateral Trustee or the Trustee to the others is duly given if in writing and delivered in Person or by first class mail (registered or certified, return receipt requested), facsimile transmission, electronic mail or overnight air courier guaranteeing next day delivery, to the others' address:

If to the Issuers and/or any Guarantor:

LATAM Airlines Group S.A.
Av. Presidente Riesco 5711, 20th Floor
Las Condes Santiago, Chile
Fax: +56 (2) 2565-3952
Attention: Andrés del Valle
E-mail: andres.delvalle@latam.com

If to the Trustee:

Wilmington Trust, National Association
1100 North Market Street
Wilmington, Delaware 19890
Fax: 302-636-4149
Attention: LATAM Notes Administrator

If to the Collateral Trustee:

Wilmington Trust, National Association
1100 North Market Street
Wilmington, Delaware 19890
Fax: 302-636-4149
Attention: LATAM Collateral Trust Administrator

The Issuers, any Guarantor, the Collateral Trustee or the Trustee, by notice to the others, may designate additional or different addresses for subsequent notices or communications.

All notices and communications (other than those sent to Holders of Notes) will be deemed to have been duly given: at the time delivered by hand, if personally delivered; five Business Days after being deposited in the mail, postage prepaid, if mailed; when receipt acknowledged, if transmitted by facsimile; and the next Business Day after timely delivery to the courier, if sent by overnight air courier guaranteeing next day delivery.

Any notice or communication to a Holder will be delivered to its address shown on the register kept by the Registrar. Failure to mail a notice or communication to a Holder or any defect in it will not affect its sufficiency with respect to other Holders of Notes.

If a notice or communication is mailed in the manner provided above within the time prescribed, it is duly given, whether or not the addressee receives it.

If the Issuers mail a notice or communication to Holders of Notes, it will mail a copy to the Trustee, the Collateral Trustee and each Agent at the same time.

Notwithstanding any other provision of this Indenture or any Note, where this Indenture or any Note provides for notice of any event (including any notice of redemption or purchase) to a Holder of a Global Note (whether by mail or otherwise), such notice shall be sufficiently given if given to DTC (or its designee) pursuant to the standing instructions from DTC or its designee.

Section 13.02. Certificate and Opinion as to Conditions Precedent.

Upon any request or application by the Issuers to the Trustee to take any action under this Indenture, the Issuers shall furnish to the Trustee:

(1) an Officer's Certificate in form and substance reasonably satisfactory to the Trustee (which must include the statements set forth in Section 13.03 hereof) stating that, in the opinion of the signers, all conditions precedent and covenants, if any, provided for in this Indenture relating to the proposed action have been satisfied; and

(2) an Opinion of Counsel in form and substance reasonably satisfactory to the Trustee (which must include the statements set forth in Section 13.03 hereof) stating that, in the opinion of such counsel, all such conditions precedent have been satisfied.

Section 13.03. Statements Required in Certificate or Opinion.

Each certificate or opinion with respect to compliance with a condition or covenant provided for in this Indenture must include:

(1) a statement that the Person making such certificate or opinion has read such covenant or condition;

(2) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based;

(3) a statement that, in the opinion of such Person, he or she has made such examination or investigation as is necessary to enable him or her to express an informed opinion as to whether or not such covenant or condition has been satisfied; and

(4) a statement as to whether or not, in the opinion of such Person, such condition or covenant has been satisfied.

Section 13.04. Rules by Trustee and Agents.

The Trustee may make reasonable rules for action by or at a meeting of Holders of Notes. The Registrar or Paying Agent may make reasonable rules and set reasonable requirements for its functions.

Section 13.05. No Personal Liability of Directors, Officers, Employees and Stockholders.

No director, officer, employee, incorporator or stockholder of the Issuers or any Guarantor, as such, will have any liability for any obligations of the Issuers or the Guarantors under the Note Documents or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes. The waiver may not be effective to waive liabilities under the federal securities laws.

Section 13.06. Governing Law.

THE INTERNAL LAW OF THE STATE OF NEW YORK WILL GOVERN AND BE USED TO CONSTRUE THIS INDENTURE, THE NOTES AND THE NOTE GUARANTEES WITHOUT GIVING EFFECT TO APPLICABLE PRINCIPLES OF CONFLICTS OF LAW TO THE EXTENT THAT THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION WOULD BE REQUIRED THEREBY.

Section 13.07. Waiver of Jury Trial; Consent to Jurisdiction; Waiver of Immunities.

(a) EACH OF THE ISSUERS, THE GUARANTORS, THE TRUSTEE AND THE COLLATERAL TRUSTEE HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS INDENTURE, THE NOTES, THE NOTE GUARANTEES, THE SECURITY DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY.

(b) Each of the parties hereto hereby irrevocably submits to the non-exclusive jurisdiction of any New York state or U.S. federal court sitting in the Borough of Manhattan in The City of New York with respect to actions brought against it as a defendant in respect of any suit, action or proceeding or arbitral award arising out of or relating to this Indenture or the Notes or any transaction contemplated hereby or thereby (a "Proceeding"), and irrevocably accepts for itself and in respect of its property, generally and unconditionally, the jurisdiction of the aforesaid courts. Each of the parties hereto irrevocably waives, to the fullest extent it may do so under applicable law, any objection which it may now or hereafter have to the laying of the venue of any such Proceeding brought in any such court and any claim that any such Proceeding brought in any such court has been brought in an inconvenient forum. Each of the Issuers and the Guarantors irrevocably appoints Law Debenture Corporate Services (the "Process Agent"), with an office at 801 2nd Avenue, Suite 403, New York, NY 10017, as its authorized agent to receive on behalf of it and its property service of copies of the summons and complaint and any other process which may be served in any Proceeding. If for any reason such Person shall cease to be such agent for service of process, each of the Issuers and the Guarantors shall forthwith appoint a new agent of recognized standing for service of process in the State of New York and deliver to the Trustee a copy of the new agent's acceptance of that appointment within 30 days. Nothing herein shall affect the right of the Trustee, any Agent or any Holder to serve process in any other manner permitted by law or to commence legal proceedings or otherwise proceed against the Issuers and the Guarantors in any other court of competent jurisdiction.

(c) Each of the Issuers and the Guarantors hereby irrevocably appoints the Process Agent as its agent to receive, on behalf of itself and its property, service of copies of the summons and complaint and any other process which may be served in any such suit, action or proceeding brought in such New York state or U.S. federal court sitting in the Borough of Manhattan in The City of New York. Such service shall be made by delivering by hand a copy of such process to the Issuers or the Guarantors, as the case may be, in care of the Process Agent at the address specified above. The Issuers irrevocably authorize and direct the Process Agent to accept such service on its behalf. Failure of the Process Agent to give notice to the Issuers or failure of the Issuers to receive notice of such service of process shall not affect in any way the validity of such service on the Process Agent or the Issuers. As an alternative method of service, the Issuers consent to the service of any and all process in any such Proceeding by the delivery by hand of copies of such process to the Issuers at their addresses specified in Section 13.01 or at any other address previously furnished in writing by the Issuers to the Trustee. The Issuers covenant and agree that they shall take any and all reasonable action, including the execution and filing of any and all documents, that may be necessary to continue the designation of the Process Agent above in full force and effect during the term of the Notes, and to cause the Process Agent to continue to act as such.

(d) Nothing in this Section 13.07 shall affect the right of any party, including the Trustee, any Agent or any Holder, to serve legal process in any other manner permitted by law or affect the right of any party to bring any action or proceeding against any other party or its property in the courts of other competent jurisdictions.

(e) Each of the Issuers and the Guarantors irrevocably agrees that, in any proceedings anywhere (whether for an injunction, specific performance or otherwise), no immunity (to the extent that it may at any time exist, whether on the grounds of sovereignty or otherwise) from such proceedings, from attachment (whether in aid of execution, before judgment or otherwise) of its assets or from execution of judgment shall be claimed by it or on its behalf or with respect to its assets, except to the extent required by applicable law, any such immunity being irrevocably waived, to the fullest extent permitted by applicable law. Each of the Issuers and the Guarantors irrevocably agrees that, where permitted by applicable law, it and its assets are, and shall be, subject to such proceedings, attachment or execution in respect of its obligations under this Indenture or the Notes.

Section 13.08. No Adverse Interpretation of Other Agreements.

This Indenture may not be used to interpret any other indenture, loan or debt agreement of the Issuers or their Subsidiaries or of any other Person. Any such indenture, loan or debt agreement may not be used to interpret this Indenture.

Section 13.09. Currency Indemnity.

U.S. dollars are the sole currency of account and payment for all sums payable by the Issuers or the Guarantors under or in connection with the Notes and the Note Guarantees, including damages. Any amount received or recovered in a currency other than U.S. dollars (whether as a result of, or of the enforcement of, a judgment or order of a court of any jurisdiction, in the winding-up or dissolution of the Issuers or otherwise) by any Holder of a Note in respect of any sum expressed to be due to it from the Issuers or the Guarantors shall only constitute a discharge to the Issuers or the Guarantors, as the case may be, to the extent of the U.S. dollar amount which the recipient is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so). If that U.S. dollar amount is less than the U.S. dollar amount expressed to be due to the recipient under any Note, the Issuers and the Guarantors shall indemnify such Holder against any loss sustained by it as a result, and if the amount of U.S. dollars so purchased is greater than the sum originally due to such Holder, such Holder shall, by accepting a Note, be deemed to have agreed to repay such excess. In any event, the Issuers and the Guarantors shall indemnify the recipient against the cost of making any such purchase.

For the purposes of this Section 13.09, it shall be sufficient for the Holder of a Note to certify in a satisfactory manner (indicating the sources of information used) that it would have suffered a loss had an actual purchase of U.S. dollars been made with the amount so received in that other currency on the date of receipt or recovery (or, if a purchase of U.S. dollars on such date had not been practicable, on the first date on which it would have been practicable, it being required that the need for a change of date be certified in the manner mentioned above). These indemnities constitute a separate and independent obligation from the other obligations of the Issuers and the Guarantors, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by any Holder of a Note and shall continue in full force and effect despite any other judgment, order, claim or proof for a liquidated amount in respect of any sum due under any Note.

Section 13.10. Successors.

All agreements of the Issuers in this Indenture and the Notes will bind their successors. All agreements of the Trustee in this Indenture will bind its successors. All agreements of each Guarantor in this Indenture will bind its successors, except as otherwise provided in Section 10.05 hereof.

Section 13.11. Severability.

In case any provision in this Indenture or in the Notes is invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions will not in any way be affected or impaired thereby.

Section 13.12. Counterpart Originals.

The parties may sign any number of copies of this Indenture. Each signed copy will be an original, but all of them together represent the same agreement. The exchange of copies of this Indenture and of signature pages by facsimile or PDF transmission shall constitute effective execution and delivery of this Indenture as to the parties hereto and may be used in lieu of the original Indenture for all purposes. Signatures of the parties hereto transmitted by facsimile or PDF shall be deemed to be their original signatures for all purposes. For the avoidance of doubt, the words “execution,” “signed,” “signature,” “delivery” and words of like import in or relating to this Indenture or any document to be signed in connection with this Indenture shall be deemed to include electronic signatures, deliveries or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be, and the parties hereto consent to conduct the transactions contemplated hereunder by electronic means; provided that, notwithstanding anything herein to the contrary, neither the Trustee nor the Collateral Trustee is under any obligation to agree to accept electronic signatures in any form or in any format except for facsimile and PDF unless expressly agreed to by the Trustee or Collateral Trustee, as applicable, pursuant to reasonable procedures approved by the Trustee or Collateral Trustee, as applicable.

Section 13.13. Table of Contents, Headings, etc.

The Table of Contents, Cross-Reference Table and Headings of the Articles and Sections of this Indenture have been inserted for convenience of reference only, are not to be considered a part of this Indenture and will in no way modify or restrict any of the terms or provisions hereof.

Section 13.14. Force Majeure.

In no event shall the Trustee or the Collateral Trustee be responsible or liable for any failure or delay in the performance of its obligations hereunder arising out of or caused by, directly or indirectly, forces beyond its control, including, without limitation, strikes, work stoppages, accidents, acts of war or terrorism, civil or military disturbances, nuclear or natural catastrophes or acts of God, epidemics or pandemics and interruptions, loss or malfunctions of utilities, communications or computer (software and hardware) services or the unavailability of the Federal Reserve Bank wire or telex or other wire or communication facility, it being understood that the Trustee and the Collateral Trustee shall use commercially reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as practicable under the circumstances.

[Signatures on following page]

SIGNATURES

Dated as of October 18, 2022

LATAM AIRLINES GROUP S.A.

By: /s/ Andres del Valle
Name: Andres del Valle Eitel
Title: Attorney-in-Fact

[*]

Exhibit 4.49

[Certain confidential portions of this exhibit have been redacted pursuant to 4(a) of the Instructions as to Exhibits of Form 20-F. The omitted information (i) is not material and (ii) is the type of information the Company treats as private or confidential. In addition, schedules and similar attachments to this exhibit have been omitted pursuant to the Instructions as to Exhibits of Form 20-F.]

LATAM AIRLINES GROUP S.A.
PROFESSIONAL AIRLINE SERVICES, INC.

EACH OF THE GUARANTORS PARTY HERETO

13.375% SENIOR SECURED NOTES DUE 2029

INDENTURE

Dated as of October 18, 2022

Wilmington Trust, National Association
as Trustee

and

Wilmington Trust, National Association
as Collateral Trustee

TABLE OF CONTENTS

INDENTURE dated as of October 18, 2022, among LATAM Airlines Group S.A., a Chilean *sociedad anónima* (the "Chilean Issuer"), Professional Airline Services, Inc., a Florida corporation (the "U.S. Co-Issuer" and, together with the Chilean Issuer, the "Issuers"), each of the Guarantors party hereto and Wilmington Trust, National Association, as trustee and as collateral trustee.

Each Issuer, each Guarantor, the Trustee and the Collateral Trustee agree as follows for the benefit of each other and for the equal and ratable benefit of the Holders (as defined herein) of the 13.375% Senior Secured Notes due 2029 (the "Notes"):

ARTICLE 1

DEFINITIONS AND INCORPORATION BY REFERENCE

Section 1.01. Definitions.

From the Issue Date and for so long as any of the Notes remain outstanding until the Exit Conversion Date, the definitions set out in Annex A hereto shall apply to the covenants in Annex B hereto and the Events of Default in Annex C hereto.

"144A Global Note" means a Global Note substantially in the form of Exhibit A hereto bearing the Global Note Legend and the Private Placement Legend and deposited with or on behalf of, and registered in the name of, the Depositary or its nominee that will be issued in a denomination equal to the outstanding principal amount of the Notes sold in reliance on Rule 144A.

"2027 Bridge Loan Administrative Agent" shall have the meaning assigned to such term in the Collateral Trust Agreement.

"2027 Bridge Loan Credit Agreement" means the Senior Secured Bridge to 5Y Notes Credit Agreement, dated as of October 12, 2022, among the Chilean Issuer, each guarantor party thereto from time to time, the 2027 Bridge Loan Administrative Agent and the Collateral Trustee.

"2027 Bridge Loans" shall mean the "Bridge Loans" as defined in the 2027 Bridge Loan Credit Agreement.

"2027 Exchange Notes" shall have the meaning assigned to such term in the 2027 Bridge Loan Credit Agreement.

"2027 Exchange Notes Indenture" shall mean the "Exchange Notes Indenture" as defined in the 2027 Bridge Loan Credit Agreement.

"2027 Notes" means the Issuers' 13.375% Senior Secured Notes due 2027.

"2027 Notes Indenture" means the indenture, dated as of October 18, 2022, by and among the Issuers, the Guarantors, Wilmington Trust, National Association, as trustee, and Wilmington Trust, National Association, as collateral trustee, pursuant to which the 2027 Notes were issued.

"2027 Notes Obligations" means Obligations with respect to the 2027 Notes, the related note guarantees under the 2027 Notes Indenture and under the 2027 Notes Indenture.

"2027 Securities" shall have the meaning assigned to such term in the 2027 Bridge Loan Credit Agreement.

"2027 Trustee" means Wilmington Trust, National Association, as trustee under the 2027 Notes Indenture.

"2029 Bridge Loan Administrative Agent" shall have the meaning assigned to such term in the Collateral Trust Agreement.

"2029 Bridge Loan Credit Agreement" means the Senior Secured Bridge to 7Y Notes Credit Agreement, dated as of October 12, 2022, among the Chilean Issuer, each guarantor party thereto from time to time, the 2029 Bridge Loan Administrative Agent and the Collateral Trustee.

"2029 Bridge Loans" shall mean the "Bridge Loans" as defined in the 2029 Bridge Loan Credit Agreement.

"2029 Exchange Notes" shall have the meaning assigned to such term in the 2029 Bridge Loan Credit Agreement.

"2029 Exchange Notes Indenture" shall mean the "Exchange Notes Indenture" as defined in the 2029 Bridge Loan Credit Agreement.

"2029 Notes Documents" means the Notes, this Indenture, the Security Documents and any other instrument or agreement (which is designated as a 2029 Notes Document herein and therein) executed and delivered by an Issuer or a Guarantor to the Trustee, the Collateral Trustee or a Local Collateral Agent, in each case, as the same may be amended, restated, modified, supplemented, extended or amended and restated from time to time in accordance with the terms hereof.

"2029 Notes Obligations" means Obligations with respect to the Notes, the related Note Guarantees and under this Indenture.

"2029 Securities" shall have the meaning assigned to such term in the 2029 Bridge Loan Credit Agreement.

"Acceptable Letter of Credit" means an irrevocable standby letter of credit on customary terms issued by a bank or branch having a long term unsecured debt rating of at least [*] (or the equivalent) or better by S&P, Moody's or Fitch and drawable by the applicable Priority Lien Representative or Collateral Trustee, as applicable, upon presentation in New York.

"Account" means all "accounts" as defined in the UCC, and all rights to payment for interest (other than with respect to debt and credit card receivables).

"Additional Collateral" means any of the following assets pledged or mortgaged to the Collateral Trustee or a Local Collateral Agent, as applicable, after the Issue Date which would not have automatically been pledged or mortgaged pursuant to the Security Documents in existence as of the Issue Date without modifying such Security Documents or entering into new Security Documents not then in existence: (a) any category of Collateral set forth in the Security Documents as of the Issue Date (provided that any Slots or Gate Leaseholds pledged as Additional Collateral shall be at an Eligible Airport), (b) Aircraft, Engines, Spare Parts, Appliances or Parts, or (c) any other assets acceptable to the Controlling Representative (it being understood that cash, Cash Equivalents and Receivables shall be acceptable to the Controlling Representative), which in each case shall (i) be valued by a new Appraisal at the time the Chilean Issuer designates such assets as Additional Collateral (except for any cash or Cash Equivalents), (ii) as of the date such assets are added as Collateral, be subject, to the extent purported to be created by the applicable Security Documents, to a perfected first priority Lien in favor of the Collateral Trustee (or a sub-trustee or sub-agent designated pursuant to the applicable Security Document) or a Local Collateral Agent, as applicable, for the benefit of the Secured Parties and otherwise subject only to Permitted Liens (other than Liens referred to in clause (5) and (13) of the definition of Permitted Liens in effect as of the Issue Date).

"Additional Notes" means Notes (other than the Initial Notes) issued under this Indenture in accordance with Sections 2.02, 2.14 and 4.09 hereof which shall have identical terms as the Initial Notes, other than with respect to the date of issuance and issue price.

"Additional Obligors" means, collectively, TAM S.A., Tam Linhas Aereas S.A., Prismah Fidelidade Ltda., Fidelidade de Viagens e Turismo S.A., TP Franchising Ltda., ABSA Aerolinhas Brasileiras S.A. and Holdco I S.A.

"Additional Priority Lien Debt" means additional Priority Secured Debt permitted to be incurred under each applicable Priority Lien Document to be secured by a Priority Lien equally and ratably with all previous existing and future Priority Secured Debt.

"Affiliate" means, as to any Person, any other Person which, directly or indirectly, is in control of, is controlled by, or is under common control with, such Person. For purposes of this definition, a Person (a "Controlled Person") shall be deemed to be "controlled by" another Person (a "Controlling Person") if the Controlling Person possesses, directly or indirectly, power to direct or cause the direction of the management and policies of the Controlled Person whether by contract or otherwise; provided that (i) beneficial ownership by any "person" or "group" of 10% or more of the Voting Stock of a Person shall be deemed to be control and (ii) the terms "person," "group" and "beneficial owner" shall have the meanings ascribed to them when such terms are used pursuant to Sections 13(d), Section 14(d) and Rule 13d-3 of the Exchange Act, respectively.

"Agent" means any Registrar, co-registrar, Paying Agent or additional paying agent.

"Aggregate Exposure" shall mean, with respect to any Holder at any time, an amount equal to the sum of the amount of such Holder's Notes then outstanding.

"Aggregate Exposure Percentage" shall mean, with respect to any Holder at any time, the ratio (expressed as a percentage) of such Holder's Aggregate Exposure at such time to the Aggregate Exposure of all Holders at such time.

"Air Carrier Entity" means the Chilean Issuer and each other Guarantor that owns or operates Aircraft.

"Aircraft" means any contrivance invented, used, or designed to navigate, or fly in, the air, including, without duplication, the airframes related thereto.

"Aircraft Financing" means (i) any indebtedness, guarantee, finance lease, operating lease, sale and lease back or other financing arrangements (including any bonds, debentures, notes or similar instruments) in respect of or secured by Engines, Spare Parts, Aircraft, airframes or Appliances, Parts, components, instruments, appurtenances, furnishings, other equipment installed on such Engines, Spare Parts, Aircraft, airframes or any other related assets, (ii) any financing arrangements assumed or incurred in connection with the acquisition, construction (including any pre-delivery payments in connection with such acquisition or construction), modifications or improvement of any Engines, Spare Parts, Aircraft, airframes or Appliances, Parts, components, instruments, appurtenances, furnishings, other equipment installed on such Engines, Spare Parts, Aircraft, airframes or any other related assets, and (iii) extensions, renewals and replacements of such financing arrangements under clauses (i) and (ii); provided that, in each case under clauses (i), (ii) or (iii), such financing arrangement, if secured, is secured on a usual and customary basis (which may include the collateralization thereof with cash, Cash Equivalents or letters of credit) as determined by the Chilean Issuer in good faith for such financing arrangement or Indebtedness in respect of Engines, Spare Parts, Aircraft, airframes or Appliances, Parts, components, instruments, appurtenances, furnishings, other equipment installed on such Engines, Spare Parts, Aircraft, airframes or any other related assets.

"Aircraft Financing Related Cargo Business Assets" means assets described in clauses (a) and (b) of the definition of Cargo Business Assets.

"Airport Authority" means any city or any public or private board or other body or organization chartered or otherwise established for the purpose of administering, operating or managing airports or related facilities, which in each case is an owner, administrator, operator or manager of one or more airports or related facilities.

"Anti-Corruption Laws" means all applicable anti-corruption and anti-bribery laws, rules and regulations of any jurisdiction from time to time, including, without limitation, the U.S. Foreign Corrupt Practices Act of 1977, as amended.

"Anti-Money Laundering Laws" means any and all laws, rules and regulations of any jurisdiction applicable to the Chilean Issuer or its Subsidiaries or Affiliates from time to time concerning or relating to terrorism financing, money laundering or any predicate crime to money laundering, including, without limitation, any applicable provision of the Patriot Act and The Currency and Foreign Transactions Reporting Act (also known as the "Bank Secrecy Act," 31 U.S.C. §§ 5311-5330 and 12 U.S.C. §§ 1818(s), 1820(b) and 1951-1959).

"Appliance" means any instrument, equipment, apparatus, part, appurtenance or accessory used, capable of being used, or intended to be used, in operating or controlling Aircraft in flight, including a parachute, communication equipment and another mechanism installed in or attached to an Aircraft during flight, and not a part of an Aircraft or Engine.

"Applicable Premium" means, with respect to any Note on any applicable Redemption Date, the greater of:

(A) 1.0% of the principal amount of such Note; and

(B) the excess (to the extent positive) of:

(a) the present value at such Redemption Date of (i) the redemption price of such Note at the First Call Date (such redemption price (expressed in percentage of principal amount) being set forth in Section 3.07(d) hereof (excluding accrued but unpaid Special Interest and other interest, if any)), plus (ii) all required interest payments due on such Note to and including such date set forth in clause (i) (excluding accrued but unpaid interest, if any), computed upon the Redemption Date using a discount rate equal to the Applicable Treasury Rate at such Redemption Date plus 50 basis points; over

(b) the outstanding principal amount of such Note,

in each case, as calculated by the Issuers or on behalf of the Issuers by such Person as the Issuers shall designate. The Trustee shall have no duty to calculate or verify the calculations of the Applicable Premium.

"Applicable Procedures" means, with respect to any transfer or exchange of or for beneficial interests in any Global Note, the rules and procedures of the Depositary, Euroclear and Clearstream that apply to such transfer or exchange.

"Applicable Treasury Rate" means the weekly average for each Business Day during the most recent week that has ended at least two Business Days prior to the Redemption Date of the yield to maturity at the time of computation of United States Treasury securities with a constant maturity (as compiled and published in the Federal Reserve Statistical Release H.15 (or, if such statistical release is not so published or available, any publicly available source of similar market data selected by the Issuers in good faith)) most nearly equal to the period from the Redemption Date to the First Call Date; provided, however, that if the period from the Redemption Date to the First Call Date is not equal to the constant maturity of a United States Treasury security for which a yield is given, the Applicable Treasury Rate shall be obtained by linear interpolation (calculated to the nearest one-twelfth of a year) from the yields of United States Treasury securities for which such yields are given, except that if the period from the Redemption Date to such applicable date is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year shall be used.

"Appraisal" means (a) the Initial Appraisals, (b) any other appraisal (a "Subsequent Appraisal"), certifying, at the time of determination, in reasonable detail the Appraised Value of the Coverage Assets that are the subject thereof, which is prepared by either, at the option of the Chilean Issuer, (i) an Initial Appraiser and any successor thereof (including any appraiser whose employees or principals previously appraised the relevant Coverage Assets) but solely in respect of asset classes assigned to such Initial Appraiser in the definition thereof or (ii) another independent appraisal firm appointed by the Chilean Issuer in good faith; provided that, (x) in the case of Pledged SGR, the methodology and form of presentation of such Subsequent Appraisal are consistent in all material respects with the methodology and form of presentation of the Initial Appraisal applicable to such type of Coverage Assets, or which, as to any deviations from such methodology (including as to discount rate and terminal value growth rate) and/or form of presentation, are otherwise in form and substance consistent with market practice for assets of such type in a manner as determined by the Chilean Issuer in good faith or (y) in the case of assets other than Pledged SGR, the Subsequent Appraisal sets forth the Fair Market Value thereof in a manner consistent with market practice for assets of such type as determined by the Chilean Issuer in good faith.

"Appraised Value" means, as of any date of determination, the sum of the aggregate value of all Coverage Assets as of such date, as reflected in the most recent Appraisals delivered to the Trustee in respect of such Coverage Assets in accordance with this Indenture as of that date (for the avoidance of doubt, calculated after giving effect to any additions to or eliminations from the Coverage Assets since the date of delivery of such Appraisal); provided that (i) if any Pledged Slots at an airport have been added to or eliminated from the Coverage Assets since the most recent Appraisal of the Pledged Slots at such airport and such most recent Appraisal assigned differing Appraised Values to Pledged Slots at such airport based on the criteria set forth in such most recent Appraisal, such added or eliminated Pledged Slots at such airport shall, for purposes of determining the Appraised Value of all remaining Pledged Slots at such airport (including any added Pledged Slots as the case may be), be assigned an Appraised Value in accordance with such criteria set forth in such most recent Appraisal (and for clarity, such assignment of Appraised Value to such added or eliminated Pledged Slots shall not otherwise impact the Appraised Value of any other Pledged Slots at such airport), and (ii) when used in reference to any particular Coverage Asset, "Appraised Value" shall mean the value of such Coverage Asset as reflected in such most recent Appraisal of such Coverage Asset; provided that if at the relevant time the Chilean Issuer has not previously delivered to the Trustee an Appraisal of a specific Coverage Asset item (such as a single Route), but has delivered to the Trustee an Appraisal that includes the Appraised Value of a portion of the Coverage Assets (such as all Routes to a particular region) that includes such specific Coverage Asset item, the Chilean Issuer shall allocate the Appraised Value of such specific Coverage Asset item on a reasonable basis, and such allocated amounts shall be the Appraised Value of such specific Coverage Asset item, except that this proviso shall not be applicable in a case where this Indenture or other 2029 Notes Document expressly requires that the Issuers obtain an Appraisal in respect of such specific Coverage Asset item.

"Asset Coverage Ratio" means, as of any date, the ratio of (a) the Appraised Value of the Coverage Assets as of such date to (b) the sum of (i) the aggregate principal amount of all Priority Lien Debt as of such date (including, other than for purposes of Section 4.16 hereof, without duplication of any outstanding principal amounts, the amount of any unfunded commitments under all revolving credit facilities (including the Revolving Credit Agreement) of the Chilean Issuer and its Restricted Subsidiaries) plus (ii) without duplication, any Senior Priority Refinancing Indebtedness plus (iii) the aggregate outstanding amount of Currency under any Frequent Flyer Program as of such date that has been Disposed by the Chilean Issuer or any Restricted Subsidiary pursuant to a financing arrangement for cash in advance of such Currency being redeemed for goods or services provided by the Chilean Issuer or its Restricted Subsidiaries ("Pre-Sold Currency").

"Asset Coverage Test" means, with respect to the applicable Reference Date, the Asset Coverage Ratio will not be less than [*].

"Bankruptcy Code" means Title 11 of the United States Code (11 U.S.C. § 101 et seq.), as it has been, or may be, amended, from time to time.

"Bankruptcy Court" means the United States Bankruptcy Court for the Southern District of New York (together with any other court having jurisdiction over any of the Chapter 11 Cases or any proceeding therein from time to time).

"Bankruptcy Law" means the Bankruptcy Code or any similar federal or state law for the relief of debtors.

"Board of Directors" means the board of directors of the Chilean Issuer or any committee thereof duly authorized to act on behalf of the board of directors of the Chilean Issuer.

"Brazilian Engine Mortgage" shall have the meaning assigned to such term in the Collateral Trust Agreement.

"Business Day" means any day other than a Legal Holiday.

"Capital Lease Obligation" means, at the time any determination is to be made, the amount of the liability in respect of a capital lease that would at that time be required to be capitalized and reflected as a liability on a balance sheet prepared in accordance with IFRS, as in effect immediately prior to the adoption of IFRS 16 (Leases), and the Stated Maturity thereof shall be the date of the last payment of rent or any other amount due under such lease prior to the first date upon which such lease may be prepaid by the lessee without payment of a penalty.

"Capital Stock" means:

(1) in the case of a corporation, corporate stock;

(2) in the case of an association or business entity or exempted company, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock;

(3) in the case of a partnership or limited liability company, partnership interests (whether general or limited) or membership interests; and

(4) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person,

but excluding from all of the foregoing any debt securities convertible into Capital Stock, whether or not such debt securities include any right of participation with Capital Stock.

"Cargo Business Assets" means (a) all intercompany Aircraft leases in respect of freighter Aircraft used in the cargo business of the Chilean Issuer and its Restricted Subsidiaries, (b) all intercompany contracts providing rights to use the belly of passenger Aircraft for the cargo business of the Chilean Issuer and its Restricted Subsidiaries, (c) all accounts receivable in respect of the cargo business of the Chilean Issuer and its Restricted Subsidiaries and (d) all owned and leased real estate assets used in the cargo business of the Chilean Issuer and its Restricted Subsidiaries; provided that, for purposes of calculating the Asset Coverage Ratio and the Total Asset Coverage Ratio, the Cargo Business Assets shall not include any of the foregoing assets described in clauses (a) through (d) above to the extent owned or acquired by a Non-Guarantor Acquired Airline.

"Carve-Out" shall have the meaning given to it in the Final DIP Order.

"Cash Equivalents" means each of the following:

(1) direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States (or by any agency thereof to the extent such obligations are backed by the full faith and credit of the United States), in each case maturing within one (1) year from the date of acquisition thereof;

(2) each Acceptable Letter of Credit;

(3) investments in commercial paper maturing within 365 days from the date of acquisition thereof and having, at such date of acquisition, a rating of at least A-2 (or the equivalent thereof) from S&P or P-2 (or the equivalent thereof) from Moody's;

(4) investments in certificates of deposit (including investments made through an intermediary, such as the certificated deposit account registry service), banker's acceptances, time deposits, eurodollar time deposits and overnight bank deposits maturing within one (1) year from the date of acquisition thereof issued or guaranteed by or placed with, and money market deposit accounts issued or offered by, any domestic office of any commercial bank of recognized standing organized under the laws of the United States or any State thereof that has a combined capital and surplus and undivided profits of not less than [*];

(5) fully collateralized repurchase agreements with a term of not more than six (6) months for underlying securities that would otherwise be eligible for investment;

(6) investments in money in an investment company registered under the Investment Company Act of 1940, as amended, or in pooled accounts or funds offered through mutual funds, investment advisors, banks and brokerage houses which invest its assets in obligations of the type described in clauses (1) through (5) above. This could include, but not be limited to, money market funds or short-term and intermediate bonds funds;

(7) money market funds that (i) comply with the criteria set forth in SEC Rule 2a-7 under the Investment Company Act of 1940, as amended, (ii) are rated AAA (or the equivalent thereof) by S&P and Aaa (or the equivalent thereof) by Moody's and (iii) have portfolio assets of at least $5.0 billion;

(8) securities with maturities of one (1) year or less from the date of acquisition issued or fully guaranteed by any state, commonwealth or territory of the United States, by any political subdivision or taxing authority of any such state, commonwealth or territory or by any foreign government, the securities of which state, commonwealth, territory, political subdivision, taxing authority or foreign government (as the case may be) are rated at least A- by S&P or A3 by Moody's;

(9) any other securities or pools of securities that are classified under IFRS as Cash Equivalents or short-term investments on a balance sheet; and

(10) instruments or investments denominated in any currency that have a comparable tenor and credit quality to those referred to above (as determined by the Chilean Issuer in good faith) and (x) are customarily utilized in the countries in which such instrument is used or investment is made or (y) are consistent with the cash management practices of the Chilean Issuer (as determined by the Chilean Issuer in good faith).

"Cayman Companies Act" means the Companies Act (as revised) of the Cayman Islands.

"Cayman JPL Applications" means the applications pursuant to section 104(3) of the Cayman Companies Act for the appointment of the Cayman JPLs in furtherance of the Chapter 11 Cases.

"Cayman JPLs" means the joint provisional liquidators appointed by the Grand Court of the Cayman Islands with regard to LATAM Finance Limited and Peuco Finance Limited pursuant to the Cayman JPL Applications.

[*]

"Chapter 11 Case" or "Chapter 11 Cases" means the filing by the Obligors on the applicable Petition Date of voluntary petitions for relief under Chapter 11 of the Bankruptcy Code in the Bankruptcy Court.

"Chilean Debtors" means collectively the Chilean Issuer, HoldCo I.S.A., Lan Cargo S.A., Fast Air Almacenes de Carga S.A., Latam Travel Chile II S.A., Lan Cargo Inversiones S.A., Holdco Colombia I SpA, Holdco Colombia II SpA, Transporte Aéreo S.A., Inversiones Lan S.A., Lan Pax Group S.A., Technical Training LATAM S.A. and Holdco Ecuador S.A.

"Chilean Engine Pledge" shall have the meaning assigned to such term in the Collateral Trust Agreement.

"Chilean Recognition Proceeding" means the proceeding conducted before the Second Civil Court of Santiago, Chile, titled LATAM Airlines Group S.A./ Technical Training Latam S.A., Rol N° C-8.553-2020, concerning the recognition in Chile of the Chapter 11 Cases as foreign main insolvency proceedings pursuant to the Chilean Insolvency and Reorganization Law No. 20,720 (Ley de Insolvencia y Reemprendimiento) with respect to the Chilean Debtors.

"Clearstream" Clearstream Banking, société anonyme.

"Code" means the U.S. Internal Revenue Code of 1986, as amended from time to time.

"Collateral" means all assets and properties (real and personal) of the Issuers and the Guarantors now owned or hereafter acquired upon which Liens have been granted to the Collateral Trustee or a Local Collateral Agent, as applicable, to secure the 2029 Notes Obligations or any other Priority Lien Obligations, including without limitation any Additional Collateral and all of the "Collateral" as defined in (or such other equivalent term in the Security Documents), and pledged pursuant to, the Security Documents (but excluding all such assets and properties released from such Liens pursuant to the applicable Security Document), together with all proceeds of the foregoing (including, without limitation, proceeds from Dispositions of the foregoing).

"Collateral Trust Agreement" means that certain Collateral Trust Agreement dated as of October 12, 2022, among the Issuers and the Guarantors from time to time party thereto, the Term Loan Administrative Agent, the Revolver Administrative Agent, 2027 Bridge Loan Administrative Agent, the 2029 Bridge Loan Administrative Agent, the Collateral Trustee, each Local Collateral Agent from time to time party thereto and each other Priority Lien Representative (as defined in the Collateral Trust Agreement) from time to time party thereto, substantially in the form attached hereto as Exhibit F, as the same may be amended, restated, modified, supplemented, extended or amended and restated from time to time in accordance with the terms thereof.

"Collateral Trustee" means Wilmington Trust, National Association, in its capacity as Collateral Trustee under the Collateral Trust Agreement, together with its successors in such capacity.

"Colombian Engine Pledge" shall have the meaning assigned to such term in the Collateral Trust Agreement.

"Colombian Recognition Proceeding" means the recognition proceeding conducted before the Superintendence of Companies of Colombia, under legal record 20641 of 2020, whereby the Chapter 11 Cases have been recognized as foreign main insolvency proceedings pursuant to Title III of Law No. 1116 of 2006 by court order proffered in a 12 June of 2020 hearing.

"Commitment Date Reorganization Plan" shall mean the *Joint Plan of Reorganization of LATAM Airlines Group, S.A., et al. Under Chapter 11 of the Bankruptcy Code* [Docket No. 5331], without giving effect to any amendment, supplement or modification thereto.

"Confirmation Order" means the Order (I) Confirming Debtors' Joint Plan of Reorganization of LATAM Airlines Group S.A. et al. Under Chapter 11 of the Bankruptcy Code and (II) Granting Related Relief [Docket No. 5754] entered by the Bankruptcy Court on June 18, 2022, as amended, supplemented or modified from time to time after entry thereof in accordance with the terms hereto.

"Consolidated Liquidity" means, as of any date, the sum of (i) the Unrestricted Cash Amount as of such date, (ii) the aggregate principal amount committed and available to be drawn by the Chilean Issuer and its Restricted Subsidiaries (taking into account all borrowing base limitations, collateral coverage requirements and other restrictions on borrowing in effect as of such date) under all revolving credit facilities (including the Revolving Credit Agreement) of the Chilean Issuer and its Restricted Subsidiaries and (iii) the net proceeds, as determined by the Issuers in good faith (after giving effect to any expected repayment of existing indebtedness using such proceeds) of any offerings of "securities" (as defined under the Securities Act) in (a) a public offering registered under the Securities Act, or (b) an offering not required to be registered under the Securities Act (including, without limitation, a private placement under section 4(a)(2) of the Securities Act, an exempt offering pursuant to Rule 144A and/or Regulation S of the Securities Act and an offering of exempt securities) of the Chilean Issuer or any of its Restricted Subsidiaries that has priced but has not yet closed (until the earliest of the closing thereof, the termination thereof without closing or the date that falls five (5) Business Days after the initial scheduled closing date thereof).

"Consolidated Net Income" means, with respect to any specified Person for any period, the aggregate of the net income (or loss) of such Person and its Restricted Subsidiaries for such period, on a consolidated basis (excluding the net income (or loss) of any Unrestricted Subsidiary of such Person), determined in accordance with IFRS and without any reduction in respect of preferred stock dividends; provided that:

(1) all net after-tax extraordinary, non-recurring or unusual gains or losses and all gains or losses realized in connection with the Disposition of securities by such Person or the early extinguishment of Indebtedness of such Person, together with any related provision for Taxes on any such gain, will be excluded;

(2) the net income of any Unrestricted Subsidiary or any other Person that is not the specified Person or a Restricted Subsidiary or that is accounted for by the equity method of accounting will be included for such period only to the extent of the amount of dividends or similar distributions paid in cash to the specified Person or a Restricted Subsidiary of the specified Person;

(3) the net income of any Restricted Subsidiary will be excluded to the extent that the declaration or payment of dividends or similar distributions by that Restricted Subsidiary of that net income is not at the date of determination permitted (x) without any prior governmental approval (that has not been obtained) or (y) directly or indirectly, by operation of the terms of its charter or any agreement, instrument, judgment, decree, order, statute, rule or governmental regulation applicable to that Restricted Subsidiary or its stockholders;

(4) the cumulative effect of a change in accounting principles on such Person will be excluded;

(5) any non-cash compensation expense recorded from grants by such Person of stock appreciation or similar rights, stock options or other rights to officers, directors or employees, will be excluded;

(6) the effect on such Person of any non-cash items resulting from any amortization, write-up, writedown or write-off of assets (including intangible assets, goodwill and deferred financing costs) in connection with any acquisition, Disposition, merger, consolidation or similar transaction or any other non-cash impairment charges incurred subsequent to the Issue Date resulting from the application of Financial Accounting Standards Board Accounting Standards Codifications 205 – Presentation of Financial Statements, 350 – Intangibles – Goodwill and Other, 360 – Property, Plant and Equipment and 805 – Business Combinations or, to the extent applicable, the equivalent standard under IFRS (excluding any such non-cash item to the extent that it represents an accrual of or reserve for cash expenditures in any future period except to the extent such item is subsequently reversed), will in each case be excluded;

(7) any provision for income tax reflected on such Person's financial statements for such period will be excluded to the extent such provision exceeds the actual amount of taxes paid in cash during such period by such Person and its consolidated Subsidiaries;

(8) any gain (or loss) attributable to the mark to market movement in the valuation of hedging obligations or other derivative instruments pursuant to FASB Accounting Standards Codification 815 – Derivatives and Hedging or mark to market movement of other financial instruments pursuant to FASB Accounting Standards Codification 825 – Financial Instruments or, to the extent applicable, the equivalent standard under IFRS, will be excluded; provided that any cash payments or receipts relating to transactions realized in a given period shall be taken into account in such period;

(9) any gain (or loss) on asset sales, disposals or abandonments (other than asset sales, disposals or abandonments in the ordinary course of business) or income (or loss) from closed or discontinued operations (but if such operations are classified as discontinued due to the fact that they are subject to an agreement to Dispose of such operations, only when and to the extent such operations are actually Disposed of) will be excluded; and

(10) any non-cash gain (or loss) related to currency remeasurements of Indebtedness (including the net loss or gain resulting from Currency Agreements and revaluations of intercompany balances or any other currency-related risk), unrealized or realized net foreign currency translation or transaction gains or losses impacting net income will be excluded.

"Consolidated Total Assets" means, as of any date of determination, the sum of the amounts that would appear on a consolidated balance sheet of the Chilean Issuer and its consolidated Restricted Subsidiaries as the total assets of the Chilean Issuer and its consolidated Restricted Subsidiaries in accordance with IFRS.

"Controlling Representative" shall have the meaning assigned to such term in the Collateral Trust Agreement.

"Corporate Trust Office of the Trustee" will be at the address of the Trustee specified in Section 13.01 hereof or such other address as to which the Trustee may give notice to the Issuers.

"Coverage Assets" means (a) the Frequent Flyer Program Assets of the Issuers and the Guarantors, (b) the Cargo Business Assets of the Issuers and the Guarantors, (c) Intellectual Property constituting Collateral, (d) Pledged Slots, Pledged Routes and Pledged Gate Leaseholds, in each case held at Eligible Airports and (e) any Additional Collateral not covered by the foregoing clauses.

"Credit Agreement" means each of the Revolving Credit Agreement, the Term Loan Credit Agreement, the 2027 Bridge Loan Credit Agreement, the 2029 Bridge Loan Credit Agreement and, prior to the Exit Conversion Date, the Junior DIP Credit Agreement.

"Credit Facilities" means, one or more debt facilities (including, without limitation, the Credit Agreements) or, commercial paper facilities, reimbursement agreements or other agreements providing for the extension of credit, or securities purchase agreements, indentures or similar agreements, whether secured or unsecured, in each case, with banks, insurance companies, financial institutions or other institutional lenders or investors providing for, or acting as initial purchasers of, revolving credit loans, term loans, receivables financing (including through the sale of receivables to such lenders or to special purpose entities formed to borrow from such lenders against such receivables) or, letters of credit, surety bonds, insurance products or the issuance and sale of securities, in each case, as amended, restated, modified, renewed, extended, refunded, replaced in any manner (whether upon or after termination or otherwise) or refinanced (including by means of sales of debt securities to institutional investors) in whole or in part from time to time.

"Currency" means miles, points and/or other units that are a medium of exchange constituting a convertible, virtual and private currency that is tradeable property and that can be sold or issued to persons.

"Currency Agreement" means any foreign exchange contract, currency swap agreement or other similar agreement or arrangement.

"Custodian" means the Trustee, as custodian with respect to the Notes in global form, or any successor entity thereto.

"Default" means any event that, unless cured or waived, is, or with the passage of time or the giving of notice or both would be, an Event of Default.

"Deferred Asset" shall have the meaning assigned to such term in the Pledge and Security Agreement.

"Definitive Note" means a certificated Note registered in the name of the Holder thereof and issued in accordance with Section 2.06 hereof, substantially in the applicable form of Exhibit A hereto except that such Note shall not bear the Global Note Legend and shall not have the "Schedule of Exchanges of Interests in the Global Note" attached thereto.

"Delta Airlines" means Delta Air Lines, Inc., a Delaware corporation.

"Deposit Account" shall have the meaning assigned to such term in the Pledge and Security Agreement.

"Deposit Account Control Agreement" shall have the meaning assigned to such term in the Pledge and Security Agreement.

"Depositary" means, with respect to the Notes issuable or issued in whole or in part in global form, the Person specified in Section 2.03 hereof as the Depositary with respect to the Notes, and any and all successors thereto appointed as depositary hereunder and having become such pursuant to the applicable provision of this Indenture.

"DIP Intercreditor Agreement" shall have the meaning assigned to such term in the Collateral Trust Agreement.

"Disbursement Account" means that certain deposit account number ending 9980 maintained by the Chilean Issuer at JPMorgan Chase Bank, N.A.

"Disposition" means, with respect to any property, any sale (including conditional sale), lease, sale and leaseback, conveyance, transfer or other disposition thereof (including by means of a Restricted Payment or an Investment). The terms "Dispose", "Disposes" and "Disposed of" shall have correlative meanings.

"Disqualified Stock" means, as determined for purposes of covenants herein with respect to the Notes, any Capital Stock that, by its terms (or by the terms of any security into which it is convertible, or for which it is exchangeable, in each case, at the option of the holder of the Capital Stock), or upon the happening of any event, matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise (other than as a result of a change of control or asset sale), is convertible or exchangeable for Indebtedness or Disqualified Stock, or is redeemable at the option of the holder of the Capital Stock, in whole or in part (other than as a result of a change of control or asset sale), on or prior to the date that is 91 days after the date on which the Notes mature. Notwithstanding the preceding sentence, any Capital Stock that would constitute Disqualified Stock solely because the holders of the Capital Stock have the right to require the Chilean Issuer to repurchase such Capital Stock upon the occurrence of a change of control or an asset sale will not constitute Disqualified Stock if the terms of such Capital Stock provide that the Chilean Issuer may not repurchase or redeem any such Capital Stock pursuant to such provisions unless such repurchase or redemption complies with Section 4.06. The amount of Disqualified Stock deemed to be outstanding at any time for purposes of this Indenture will be the maximum amount that the Chilean Issuer and its Restricted Subsidiaries may become obligated to pay upon the maturity of, or pursuant to any mandatory redemption provisions of, such Disqualified Stock, exclusive of accrued dividends.

"Dollar Equivalent" means, at any time, (a) with respect to any amount denominated in Dollars, such amount and (b) with respect to any amount denominated in any other currency, the equivalent amount thereof in Dollars as determined in accordance Section 1.04 hereof.

"Dollars" and "$" mean lawful money of the United States of America.

"DOT" means the U.S. Department of Transportation and any successor thereto.

"Eligible Airport" means John F. Kennedy International Airport, Heathrow Airport or any other airport proposed by the Chilean Issuer that is reasonably acceptable to the Controlling Representative.

"Engine" means an engine used, or intended to be used, to propel an Aircraft, including a Part, appurtenance, and accessory of such Engine and any records relating to such Engine.

"Engine Collateral Documents" shall have the meaning set forth in the Collateral Trust Agreement.

"Engine Mortgage" means, as the context may require a Chilean Engine Pledge, Colombian Engine Pledge, Peruvian Engine Pledge or Brazilian Engine Mortgage.

"Equity Interests" means Capital Stock and all warrants, options or other rights to acquire Capital Stock (but excluding any debt security that is convertible into, or exchangeable for, Capital Stock).

"Equity Offering" means (x) a sale of Capital Stock (other than through the issuance of Disqualified Stock or through an Excluded Contribution) other than (a) offerings registered on Form S-8 (or any successor form) under the Securities Act or any similar offering in other jurisdictions or other securities of the Chilean Issuer and (b) issuances of Capital Stock to any Subsidiary of the Chilean Issuer or (y) a cash equity contribution to the Chilean Issuer.

"ERISA Legend" means the legend set forth in Section 2.06(f)(3) hereof, which is required to be placed on all Global Notes issued under this Indenture.

"Euroclear" means Euroclear Bank, S.A./N.V., as operator of the Euroclear system.

"Event of Loss" means, with respect to any Collateral, any of the following events: (i) the destruction of or damage to such property that renders repair uneconomic or that renders such property permanently unfit for normal use; (ii) any damage or loss to or other circumstance with respect to such property that results in an insurance settlement with respect to such property on the basis of a total loss, or a constructive or arranged total loss; (iii) the confiscation or nationalization of, or requisition of title to such property by any Governmental Authority; (iv) the theft or disappearance of such property that shall have resulted in the loss of possession of such property by any Issuer or any Guarantor for a period in excess of thirty (30) days; or (v) the seizure of, detention of or requisition for use of, such property by any Governmental Authority that shall have resulted in the loss of possession of such property by any Issuer or any Guarantor and such requisition for use shall have continued beyond the earlier of (A) sixty (60) days and (B) the date of receipt of insurance or condemnation proceeds with respect thereto.

An Event of Loss shall be deemed to have occurred:

(1) in the case of an actual total loss, at 12 midnight (London time) on the actual date the relevant Collateral was lost;

(2) in the case of any of the events described in paragraph (i) of the definition of Event of Loss above (other than an actual total loss), upon the date of occurrence of such destruction, damage or rendering unfit;

(3) in the case of any of the events described in paragraph (ii) of the definition of Event of Loss above (other than an actual total loss), the date and time at which either a total loss is subsequently admitted by the insurers or a competent court or arbitration tribunal issues a judgment to the effect that a total loss has occurred;

(4) in the case of any of the events referred to in paragraph (iii) of the definition of Event of Loss above, upon the occurrence thereof; and

(5) in the case of any of the events referred to in paragraphs (iv) and (v) of the definition of Event of Loss above, upon the expiration of the period of time specified therein.

"Exchange Act" means the Securities Exchange Act of 1934, as amended.

"Exchange Rate" means, on any day, with respect to conversions from any Non-U.S. Currency to Dollars, (i) the rate of exchange for the purchase of Dollars with such Non-U.S. Currency last provided by Reuters on the Business Day (New York City time) immediately preceding the date of determination or (ii) if at the time of any such determination, no such rate pursuant to clause (i) is being provided, then the Chilean Issuer may, at its election, use any customary method that it reasonably determines in good faith is an appropriate substitute to determine such rate and shall promptly notify the Trustee of such substitute. The Chilean Issuer shall promptly provide the Trustee with the then current Exchange Rate used by the Chilean Issuer upon the Trustee's request therefor.

"Excluded Aircraft Subsidiary" means (a) any Subsidiary involved or contemplated to be involved in an Aircraft Financing, where substantially all of the assets of such Subsidiary consists of an interest in Aircraft (including airframes), Engines, Spare Parts, intercompany obligations, cash and/or Cash Equivalents and that owns no Significant Assets other than Aircraft Financing Related Cargo Business Assets as a result of the relevant Subsidiary being a party to an intercompany lease or contract and (b) any Subsidiary that owns the Equity Interest in one or more Subsidiaries referred to in clause (a) and no other material assets.

"Excluded Assets" shall have the meaning provided in the Pledge and Security Agreement.

"Excluded Contributions" means net cash proceeds received by the Chilean Issuer after the Exit Conversion Date from:

(1) contributions to its common equity capital (other than from any Subsidiary); or

(2) the sale (other than to a Subsidiary or to any management equity plan or stock option plan or any other management or employee benefit plan or agreement of the Chilean Issuer or any Subsidiary) of Qualifying Equity Interests,

in each case designated as Excluded Contributions pursuant to an Officer's Certificate executed on or around the date such capital contributions are made or the date such Equity Interests are sold, as the case may be. Excluded Contributions will not be considered to be net proceeds of Qualifying Equity Interests for purposes of Section 4.06(a)(iv)(3)(C) hereof.

"Excluded Subsidiary" means any Subsidiary of the Chilean Issuer (a) that is not or ceases to be a Subsidiary in which at least 85% of its capital stock is owned by the Chilean Issuer or another Subsidiary of the Chilean Issuer, other than due to a minority interest required to comply with a local ownership requirement; provided that this clause (i) shall not apply to [*], and any other Restricted Subsidiary of the Chilean Issuer that the Chilean Issuer may elect to exclude from time to time from the application of this clause (a) by written notice to the Trustee (which election may be subsequently revoked by the Chilean Issuer from time to time by written notice to the Trustee), (b) that is prohibited or restricted by applicable law, or regulation from being or becoming a Guarantor, (c) that is subject to any contract or other restrictions existing prior to the Issue Date or the date such entity is acquired by the Chilean Issuer or a Restricted Subsidiary of the Chilean Issuer, as applicable, that prohibits such Subsidiary from providing a Note Guarantee, (d) for which the Chilean Issuer and the Controlling Representative (with respect to the corresponding requirement under the applicable Priority Lien Documents) mutually agree that the granting or maintenance of a Note Guarantee by such Subsidiary would result in material adverse tax consequences to an Issuer or any of its Restricted Subsidiaries, (e) that is a captive insurance company, special purpose entity, securitization, receivables subsidiary, not-for-profit subsidiary or Excluded Aircraft Subsidiary, (f) that is a Non-Guarantor Acquired Airline or (g) at the election of the Chilean Issuer by written notice to the Trustee, [*] or any other Restricted Subsidiary of the Chilean Issuer that owns Significant Assets, in the good faith determination of the Chilean Issuer (i) in an aggregate amount not to exceed [*] and (ii) together with all other Restricted Subsidiaries excluded pursuant to this clause (g), in an aggregate amount not to exceed [*] (provided that any such election pursuant to this clause (g) may be subsequently revoked and reallocated to any other Restricted Subsidiary from time to time); provided, further, that "Excluded Subsidiary" shall not include any Designated Guarantor that becomes a Guarantor pursuant to Section 4.13 hereof for as long as such Subsidiary remains a Designated Guarantor.

"Exit Conditions" means the conditions set forth on Annex E hereto.

"Exit Conversion Anniversary Date" means the date that is one year after the Exit Conversion Date.

"Exit Conversion Date" means the date all the conditions on Annex E have been satisfied and the Officer's Certificate has been delivered as required in clause I. of Article 4 hereof.

"Exit Conversion Date Indebtedness" means Priority Lien Debt in an aggregate principal amount not to exceed [*], which Indebtedness is incurred solely to either (a) make payments required to unsecured creditors pursuant to the Reorganization Plan in connection with the Exit Conversion Date or (b) refinance any payment made pursuant to clause (a) above.

"FAA" means the Federal Aviation Administration of the United States of America and any successor thereto.

"Fair Market Value" means the value that would be paid by a willing buyer to an unaffiliated willing seller in a transaction not involving distress or necessity of either party, determined in good faith by the Board of Directors or an officer of the Chilean Issuer (unless otherwise provided in this Indenture); provided that the Board of Directors or such officer of the Chilean Issuer, as applicable, shall be permitted to consider the circumstances existing at such time (including, without limitation, economic or other conditions affecting the U.S. airline industry generally and any relevant legal compulsion, judicial proceeding or administrative order or the possibility thereof) in determining such Fair Market Value in connection with such transaction; and provided, further, that nothing herein shall be construed as a limitation of the fiduciary duties of the Board of Directors pursuant to applicable law.

"Final DIP Order" means the *Order (I) Authorizing the Debtors to (A) Obtain DIP and DIP-To-Exit Financing and (B) Grant Superpriority Administrative Expense Claims, and (II) Granting Related Relief* [Docket No. 5791] entered by the Bankruptcy Court on June 24, 2022.

"Fitch" means Fitch, Inc., also known as Fitch Ratings, and its successors.

"Flood Insurance Laws" means, collectively, (i) the National Flood Insurance Reform Act of 1994 (which comprehensively revised the National Flood Insurance Act of 1968 and the Flood Disaster Protection Act of 1973) as now or hereafter in effect or any successor statute thereto, (ii) the Flood Disaster Reform Act of 2004 as now or hereafter in effect or any successor statute thereto, and (iii) the Biggert-Waters Flood Insurance Reform Act of 2012 as now or hereafter in effect or any successor statute thereto.

"Frequent Flyer Program" means any customer loyalty program available to individuals that is operated, owned or controlled, directly or indirectly, by the Chilean Issuer or any of its Restricted Subsidiaries and which loyalty program grants members in such program Currency based on a member's purchasing behavior and that entitles a member to accrue and redeem such Currency for a benefit or reward, including flights and/or other goods and services.

"Frequent Flyer Program Agreements" means all currently existing, future and successor co-branding agreements, partnering agreements, airline-to-airline frequent flyer program agreements or similar agreements related to or entered into in connection with a Frequent Flyer Program.

"Frequent Flyer Program Assets" means (a) all Frequent Flyer Program Agreements, (b) Intellectual Property owned or purported to be owned, or later developed or acquired and owned or purported to be owned, by the Chilean Issuer or any of its Restricted Subsidiaries and required or necessary to operate a Frequent Flyer Program, (c) customer data (i) owned, or later developed or acquired and owned or purported to be owned, by the Chilean Issuer or any of its Restricted Subsidiaries and (ii) used, generated or produced as part of a Frequent Flyer Program (including a list of all members and profile data for each member), (d) all currently existing or future intercompany agreements governing the sale, transfer or redemption of Currency under any Frequent Flyer Program ("Intercompany Frequent Flyer Agreements") and (e) accounts receivable in respect of any Frequent Flyer Program, including accounts receivable arising under Frequent Flyer Program Agreements or Intercompany Frequent Flyer Agreements; provided that, for purposes of calculating the Asset Coverage Ratio and the Total Asset Coverage Ratio, as of any date of determination, the Frequent Flyer Program Assets shall not include any of the foregoing assets described in clauses (a) through (e) above to the extent owned or acquired by a Non-Guarantor Acquired Airline, as of such date.

"Fuel Hedging Agreement" means any spot, forward or option fuel price protection agreements and other types of fuel hedging agreements or economically similar arrangements designed to protect against or manage exposure to fluctuations in fuel prices.

"Gate Leaseholds" means, at any time, all of the right, title, privilege, interest and authority, now held or hereafter acquired, of any Issuer or any Guarantor in connection with the right to use or occupy holdroom and passenger boarding and deplaning space in an airport terminal at any airport at which such Issuer or such Guarantor conducts scheduled operations.

"Global Note Legend" means the legend set forth in Section 2.06(f)(2) hereof, which is required to be placed on all Global Notes issued under this Indenture.

"Global Notes" means, individually and collectively, each of the Restricted Global Notes and the Unrestricted Global Notes deposited with or on behalf of and registered in the name of the Depositary or its nominee, substantially in the form of Exhibit A hereto and that bears the Global Note Legend and that has the "Schedule of Exchanges of Interests in the Global Note" attached thereto, issued in accordance with Section 2.01 or 2.06(b)(3), 2.06(b)(4), 2.06(d)(2) or 2.06(d)(3).

"Governmental Authority" means the government of Chile, the United States of America, Peru, Colombia, Ecuador, Brazil and any other nation or any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank organization, or other entity exercising executive, legislative, judicial, taxing or regulatory powers or functions of or pertaining to government. Governmental Authority shall not include any Person in its capacity as an Airport Authority.

"Government Securities" means direct obligations of, or obligations guaranteed by, the United States of America, and the payment for which the United States pledges its full faith and credit.

"Guarantee" means a guarantee (other than (a) by endorsement of negotiable instruments for collection or (b) customary contractual indemnities, in each case in the ordinary course of business), direct or indirect, in any manner including, without limitation, by way of a pledge of assets or through letters of credit or reimbursement agreements in respect thereof, of all or any part of any Indebtedness (whether arising by virtue of partnership arrangements, or by agreements to keep-well, to purchase assets, goods, securities or services, to take or pay or to maintain financial statement conditions).

"Guarantor" means, collectively, each Subsidiary of the Chilean Issuer (including any Designated Guarantor) that is either (i) party to this Indenture on the Issue Date or (ii) becomes a guarantor pursuant to Section 4.13 hereof.

"Guaranty and Security Principles" shall have the meaning assigned to such term in the Collateral Trust Agreement.

"Hedging Agreement" means any Interest Rate Agreement, any Currency Agreement, any Fuel Hedging Agreement and any other derivative or hedging contract, agreement, confirmation or other similar transaction or arrangement that is entered into by any Issuer or any Guarantor, including any commodity or equity exchange, swap, collar, cap, floor, adjustable strike cap, adjustable strike corridor, cross-currency swap or forward rate agreement, spot or forward foreign currency or commodity purchase or sale, listed or over-the-counter option or similar derivative right related to any of the foregoing, non-deliverable forward or option, foreign currency swap agreement, currency exchange rate price hedging arrangement or other arrangement designed to protect against fluctuations in interest rates or currency exchange rates, commodity, currency or securities values, or any combination of the foregoing agreements or arrangements.

"Hedging Obligations" means obligations under or with respect to Hedging Agreements.

"Holder" means a Person in whose name a Note is registered.

"IATA" means the International Air Transport Association and any successor thereto.

"IFRS" means the International Financial Reporting Standards.

"Indebtedness" means, with respect to any specified Person, any indebtedness of such Person (excluding advance ticket sales, accrued expenses and trade payables), whether or not contingent:

(1) in respect of borrowed money;

(2) evidenced by bonds, notes, debentures or similar instruments or letters of credit (or reimbursement agreements in respect thereof);

(3) in respect of banker's acceptances;

(4) representing Capital Lease Obligations;

(5) representing the balance deferred and unpaid of the purchase price of any property or services due more than eighteen (18) months after such property is acquired or such services are completed, but excluding in any event trade payables arising in the ordinary course of business;

(6) representing any Hedging Obligations; or

(7) representing Disqualified Stock,

if and to the extent any of the preceding items (other than letters of credit and Hedging Obligations) would appear as a liability upon a balance sheet of the specified Person prepared in accordance with IFRS. In addition, the term "Indebtedness" includes all Indebtedness of others secured by a Lien on any asset of the specified Person (whether or not such Indebtedness is assumed by the specified Person) and, to the extent not otherwise included, the Guarantee by the specified Person of any Indebtedness of any other Person. Indebtedness shall be calculated without giving effect to the effects of IFRS 9, Chapter 6 – Hedge Accounting (or any successor provision thereto) and related interpretations to the extent such effects would otherwise increase or decrease an amount of Indebtedness for any purpose under this Indenture as a result of accounting for any embedded derivatives created by the terms of such Indebtedness.

"Indenture" means this Indenture, as amended or supplemented from time to time.

"Indirect Participant" means a Person who holds a beneficial interest in a Global Note through a Participant.

"Initial Appraisals" means, collectively, the report of (a) BK Associates, Inc., dated as of February 14, 2022, setting forth the Appraised Value of the Cargo Business Assets of the Issuers and the Guarantors; (b) BK Associates, Inc., dated as of February 11, 2022, setting forth the Appraised Value of the Frequent Flyer Program Assets of the Issuers and the Guarantors; (c) Ocean Tomo, LLC, dated as of February 17, 2022, setting forth the Appraised Value of Intellectual Property of the Issuers and the Guarantors; (d) mba Aviation, dated as of December 23, 2021, setting forth the Appraised Value of certain Routes in Brazil; (e) ICF SH&E Limited, dated as of December 17, 2021, setting forth the Appraised Value of certain Slots and Routes; (f) mba Aviation, dated as of December 23, 2021, setting forth the Appraised Value of certain Routes in Peru; (g) mba Aviation, dated as of December 23, 2021, setting forth the Appraised Value of certain Routes in Chile; (h) mba Aviation, dated as of December 23, 2021, setting forth the Appraised Value of certain Routes in Colombia; (i) mba Aviation, dated as of December 17, 2021, setting forth the Appraised Value of certain Slots; and (j) AVITAS, Inc., dated as of February 8, 2022, setting forth the Appraised Value of certain Aircrafts and Engines, in each case as delivered to the Collateral Trustee by the Chilean Issuer pursuant to Section 4.15 hereof.

"Initial Appraiser" means, collectively, (a) BK Associates, Inc. (as it relates to appraisals of any Cargo Business Assets or any Frequent Flyer Program Assets); (b) Ocean Tomo, LLC, (as it relates to any Intellectual Property); (c) mba Aviation (as it relates to Slots and Routes); (d) ICF SH&E Limited (as it related to Slots and Routes); and (e) AVITAS, Inc. (as it relates to Aircrafts and Engines).

"Initial Notes" means the first $700.0 million aggregate principal amount of Notes issued under this Indenture on the Issue Date.

"Initial Obligors" means each Issuer and each Guarantor that filed a voluntary petition for relief under Chapter 11 of the Bankruptcy Code on May 26, 2020.

"Initial Purchasers" means J.P. Morgan Securities LLC, Goldman Sachs & Co. LLC, Barclays Capital Inc., BNP Paribas Securities Corp. and Natixis Securities Americas LLC or, in each case, the Affiliate designated by such Initial Purchaser in connection with an Exit Condition Event Offer (it being understood that each reference in this Indenture to the Initial Purchasers shall be deemed to include all such Affiliates).

"Insolvency or Liquidation Proceeding" shall have the meaning given to such term in the Collateral Trust Agreement.

"Intellectual Property" shall have the meaning given to such term in the Pledge and Security Agreement.

"Intellectual Property Security Agreement" shall have the meaning given to such term in the Pledge and Security Agreement.

"Intercompany Note" means a subordinated global promissory note among the Issuers and the Guarantors and certain other Restricted Subsidiaries that are not Issuers and the Guarantors substantially in the form attached hereto as Exhibit G.

"Intercreditor Agreements" means, collectively, the DIP Intercreditor Agreement, the Junior Lien Intercreditor Agreement and any other junior lien intercreditor agreement or other subordination agreement entered into pursuant to terms of the Priority Lien Documents.

"Interest Rate Agreement" means any interest rate protection agreement, interest rate future agreement, interest rate option agreement, interest rate swap agreement, interest rate cap agreement, interest rate collar agreement, interest rate hedge agreement, option or future contract or other similar agreement or arrangement.

"Investments" means, with respect to any Person, all direct or indirect investments made from and after the Issue Date by such Person in other Persons (including Affiliates) in the forms of loans (including Guarantees), capital contributions or advances (but excluding advance payments and deposits for goods and services and similar advances to officers, employees and consultants made in the ordinary course of business), purchases or other acquisitions for consideration of Indebtedness, Equity Interests or other securities of other Persons, together with all items that are or would be classified as investments on a balance sheet prepared in accordance with IFRS. If the Chilean Issuer or any Restricted Subsidiary of the Chilean Issuer sells or otherwise Disposes of any Equity Interests of any direct or indirect Restricted Subsidiary of the Chilean Issuer after the Issue Date such that, after giving effect to any such sale or Disposition, such Person is no longer a Restricted Subsidiary of the Chilean Issuer, the Chilean Issuer will be deemed to have made an Investment on the date of any such sale or Disposition equal to the Fair Market Value of the Chilean Issuer's Investments in such Subsidiary that were not sold or Disposed of in an amount determined as provided in Section 4.06(c). Notwithstanding the foregoing, any Equity Interests retained by the Chilean Issuer or any of its Subsidiaries after a Disposition or dividend of assets or Capital Stock of any Person in connection with any partial "spin-off" of a Subsidiary or similar transactions shall not be deemed to be an Investment. The acquisition by the Chilean Issuer or any Restricted Subsidiary of the Chilean Issuer after the Issue Date of a Person that holds an Investment in a third Person will be deemed to be an Investment by the Chilean Issuer or such Restricted Subsidiary in such third Person in an amount equal to the Fair Market Value of the Investments held by the acquired Person in such third Person in an amount determined as provided in Section 4.06(c). Except as otherwise provided in this Indenture, the amount of an Investment will be determined at the time the Investment is made and without giving effect to subsequent changes in value.

"Issue Date" means October 18, 2022.

"Issue Price" means the issue price of the Initial Notes (expressed as a percentage of the principal amount of the Notes) set forth on the cover of the Offering Memorandum.

"Junior DIP Agents" means, collectively, the administrative agent under the Junior DIP Credit Agreement and the collateral agent under the Junior DIP Credit Agreement.

"Junior DIP Credit Agreement" means that certain U.S.$1,145,672,141.67 Debtor-in-Possession Term Loan Credit Agreement, dated as of October 3, 2022, among the Chilean Issuer, each of the several banks and other financial institutions or entities from time to time party thereto and JPMorgan Chase Bank, N.A., as administrative agent and Wilmington Trust, National Association, as collateral agent, as amended, restated, amended and restated, supplemented or otherwise modified, refinanced or replaced from time to time.

"Junior DIP Facility" shall have the meaning assigned to such term in the DIP Intercreditor Agreement.

"Junior DIP Loan Documents" shall have the meaning assigned to such term in the DIP Intercreditor Agreement.

"Junior DIP Obligations" means all Obligations arising under the Junior DIP Loan Documents.

"Junior Lien" means a Lien granted by a Security Document to the Collateral Trustee, at any time, upon any property of the Chilean Issuer or any other Issuer or Guarantor to secure Junior Lien Obligations.

"Junior Lien Documents" means, collectively any indenture, credit agreement or other agreement governing each Series of Junior Lien Indebtedness and the security documents related thereto.

"Junior Lien Indebtedness" means, with respect to the Notes, any Indebtedness incurred by an Issuer or a Guarantor that is secured by all or a portion of the Collateral on a junior lien basis to the Liens on the Collateral securing any such 2029 Notes Obligations; provided that (a) such Indebtedness is subordinated in right of payment to such 2029 Notes Obligations pursuant to the Junior Lien Intercreditor Agreement or otherwise on terms reasonably satisfactory to the Controlling Representative; provided that, for clarity, any Permitted Refinancing Indebtedness in respect of Priority Lien Debt (or any successive Permitted Refinancing Indebtedness) may be pari passu in right of payment to the Obligations, (b) the Liens on Collateral, if any, securing such Indebtedness are junior to the Liens on the Collateral securing the Obligations pursuant to the Junior Lien Intercreditor Agreement or otherwise on terms reasonably satisfactory to the Controlling Representative, (c) such Indebtedness matures no earlier than the date on which the Notes mature, (d) such Indebtedness has a Weighted Average Life to Maturity no shorter than the Weighted Average Life to Maturity of such Notes with the longest Weighted Average Life to Maturity at the time of incurrence of such Indebtedness, (e) is not subject to any Guarantee by any Person other than an Issuer or any Guarantor and (f) such Indebtedness is secured only by Collateral.

"Junior Lien Intercreditor Agreement" shall have the meaning assigned to such term in the Collateral Trust Agreement.

"Junior Lien Obligations" means Junior Lien Indebtedness and all other Obligations in respect thereof under the Junior Lien Documents.

"Junior Lien Representative" means (a) in the case of the Junior DIP Credit Agreement, JPMorgan Chase Bank, N.A. or any successor administrative agent thereunder, (b) in the case of any other Series of Junior Lien Indebtedness, the trustee, agent or representative of the holders of any Series of Junior Lien Indebtedness who maintains the transfer register for such Series of Junior Lien Indebtedness and (x) is appointed as a Junior Lien Representative (for purposes related to the administration of the security documents) pursuant to the credit agreement, indenture or other agreement governing such Series of Junior Lien Indebtedness, together with its successors in such capacity, and (y) has executed a Lien Sharing and Priority Confirmation.

"Lease Subordination Agreement" shall have the meaning assigned to such term in the Collateral Trust Agreement.

"Legal Holiday" means a Saturday, a Sunday or a day on which banking institutions in the City of New York or Santiago, Chile or at a place of payment are authorized by law, regulation or executive order to remain closed. If a payment date is a Legal Holiday at a place of payment, payment may be made at that place on the next succeeding day that is not a Legal Holiday, and no interest shall accrue on such payment for the intervening period.

"Lien" means, with respect to any asset, any mortgage, lien, pledge, charge, security interest or similar encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected under applicable law (but excluding any lease, sublease, use or license agreement or similar arrangement by any Issuer or Guarantor described in clauses (7) or (8) of the definition of "Permitted Disposition"), including any conditional sale or other title retention agreement, any option or other agreement to sell or give a security interest in and, except in connection with any Qualified Receivables Transaction, any agreement to give any financing statement under the UCC (or equivalent statutes) of any jurisdiction.

"Lien Sharing and Priority Confirmation" means as to any Series of Priority Lien Debt incurred after the Issue Date, the written agreement of the holders of Priority Lien Obligations (or the Priority Lien Representative with respect to such Series of Priority Lien Debt), as set forth in the applicable Priority Lien Document governing such Series of Priority Lien Debt, for the benefit of all holders of Priority Lien Obligations:

(1) that all Priority Lien Obligations will be and are secured equally and ratably, subject to the priorities and rights set forth in the Collateral Trust Agreement, by all Liens at any time granted by the Chilean Issuer or any other Issuer or Guarantor to the Collateral Trustee (or, where applicable, a Local Collateral Agent) to secure the Priority Lien Obligations in respect of such Series of Priority Lien Debt and that all such Liens will be enforceable by the Collateral Trustee and such Local Collateral Agent (acting at the direction of the Collateral Trustee) for the benefit of all holders of Priority Lien Obligations equally and ratably all of the foregoing, subject in each case to the priorities and rights set forth in the Collateral Trust Agreement;

(2) that the holders of Obligations in respect of such Series of Priority Lien Debt are bound by the provisions of the Collateral Trust Agreement, including the provisions relating to the ranking of Liens and the order of application of proceeds from enforcement of Liens; and

(3) consenting to the terms of the Collateral Trust Agreement and the Collateral Trustee's and each Local Collateral Agent's performance of, and directing the Collateral Trustee and each Local Collateral Agent to perform its obligations under, the Collateral Trust Agreement and the other Security Documents.

"Local Collateral Agency Agreements" shall have the meaning assigned to such term in the Collateral Trust Agreement.

"Local Collateral Agents" shall have the meaning assigned to such term in the Collateral Trust Agreement.

"Material Adverse Effect" means a material adverse effect on (a) the consolidated business, operations or financial condition of the Chilean Issuer and its Restricted Subsidiaries, taken as a whole, (b) the validity or enforceability of the Notes, the Note Guarantees, this Indenture or any material Security Documents or the material rights or remedies of the Trustee, the Collateral Trustee and the Holders of the Notes or (c) the ability of the Issuers and Guarantors, collectively, to pay the Obligations or otherwise perform their material obligations under the 2029 Notes Documents.

"Material Indebtedness" means Indebtedness of the Issuers and/or Guarantors (other than the Notes) outstanding under the same agreement in a principal amount exceeding [*].

"Material Pledged Routes" means the [*] Routes of the Issuers and the Guarantors with the highest revenues from ticket revenues during the [*] calendar year.

"Material Pledged Slots" means the Slots of any Issuer or any Guarantor held at John F. Kennedy International Airport and London Heathrow Airport.

"Moody's" means Moody's Investors Service, Inc. and its successors.

"Mortgaged Collateral" shall mean all of the "Collateral" as defined in any Engine Mortgage or the "Real Property" as defined in the U.S. Real Estate Mortgage.

"Net Proceeds" means (i) with respect to any incurrence of Indebtedness, the cash received by any Issuer or any Guarantor in respect of such incurrence net of fees, commissions, taxes, costs and expenses incurred in connection therewith and (ii) the aggregate cash and Cash Equivalents received by the Chilean Issuer or any of its Restricted Subsidiaries in respect of any Disposition (including, without limitation, any cash or Cash Equivalents received in respect of or upon the sale or other disposition of any non-cash consideration received in any Disposition) or Recovery Event, net of (a) the direct costs and expenses relating to such Disposition and incurred by the Chilean Issuer or a Restricted Subsidiary (including the sale or disposition of such non-cash consideration) or any such Recovery Event, including, without limitation, legal, accounting and investment banking fees, and sales commissions, and any relocation expenses incurred as a result of the Disposition or Recovery Event, (b) any Taxes paid or payable as a result of the Disposition or Recovery Event, in each case, after taking into account any available Tax credits or deductions and any Tax sharing arrangements; (c) any reserve for adjustment or indemnification obligations in respect of the sale price of such asset or assets established in accordance with IFRS; (d) any portion of the purchase price from a Disposition placed in escrow pursuant to the terms of such Disposition (either as a reserve for adjustment of the purchase price, or for satisfaction of indemnities in respect of such Disposition) until the termination of such escrow; (e) with respect to (i) any Disposition of Significant Assets that are not Collateral or (ii) any Recovery Event in respect of Significant Assets that are not Collateral, any portion of the aggregate cash and Cash Equivalents received by the Chilean Issuer or any of its Restricted Subsidiaries in respect of such Disposition that are required to be applied to any contractual arrangement permitted by this Indenture or any financing arrangement that is secured by such Significant Assets; and (f) with respect to any Disposition prior to the Exit Conversion Date, amounts for payment of the outstanding principal amount of, premium or penalty, if any, and interest on any claim allowed by the Bankruptcy Court in the Chapter 11 Cases relating to Indebtedness or any other obligation (other than any 2029 Notes Obligations, any other Priority Lien Debt and the Indebtedness outstanding under the Junior DIP Loan Documents) that is secured by a Permitted Priority Lien on the Collateral subject to such Disposition and that is required to be repaid under the terms thereof as a result of such Disposition.

"Non-Guarantor Acquired Airline" means any Restricted Subsidiary acquired by the Chilean Issuer after the Exit Conversion Date that owns a passenger airline and is not principally a cargo business for so long as such Restricted Subsidiary operates its cargo business and its Frequent Flyer Program business separately from, and on an arms' length basis with, the Chilean Issuer.

"Non-Recourse Debt" means Indebtedness:

(1) as to which neither the Chilean Issuer, nor any of its Restricted Subsidiaries (a) provides credit support of any kind (including any undertaking, agreement or instrument that would constitute Indebtedness) or (b) is directly or indirectly liable as a guarantor or otherwise; and

(2) as to which the holders of such Indebtedness do not otherwise have recourse to the stock or assets of the Chilean Issuer or any of its Restricted Subsidiaries (other than the Equity Interests of an Unrestricted Subsidiary).

"Non-U.S. Aviation Authority" means any non-U.S. governmental, quasi-governmental, regulatory or other agency, public corporation or private entity that exercises jurisdiction over the issuance or authorization (a) to serve any non-U.S. point on any flights that any Issuer or any Guarantor is serving at any time and/or to conduct operations related to routes or gates that constitute Significant Assets and/or (b) to hold and operate any Non-U.S. Route or Slots at any time.

"Non-U.S. Cases" means the Cayman JPL Applications, the Chilean Recognition Proceeding, the Colombian Recognition Proceeding and the Peruvian Preventivo.

"Non-U.S. Currency" shall mean any currency other than Dollars.

"Non-U.S. IP Security Agreements" shall have the meaning assigned to such term in the Pledge and Security Agreement.

"Non-U.S. Person" means a Person who is not a U.S. Person.

"Non-U.S. Pledge Agreements" shall have the meaning assigned to such term in the Collateral Trust Agreement.

"Non-U.S. Route or Slot" means any Slot of any Person at any airport outside the United States that is an origin and/or destination point.

"Note Guarantees" means the Guarantee by each Guarantor of the Issuers' obligations under this Indenture and the Notes, executed pursuant to the provisions of this Indenture.

"Notes" has the meaning assigned to it in the preamble to this Indenture. The Initial Notes and the Additional Notes shall be treated as a single class for all purposes under this Indenture, and unless the context otherwise requires, all references to the Notes shall include the Initial Notes and any Additional Notes.

"Notes Obligations" means, collectively, the 2027 Notes Obligations and the 2029 Notes Obligations.

"Obligations" means, with respect to any Indebtedness, any principal (including reimbursement obligations with respect to letters of credit whether or not drawn), interest (including all interest and fees accrued thereon after the commencement of any Insolvency or Liquidation Proceeding, at the rate, including any applicable post-default rate, specified in such indebtedness, even if such interest or fees are not enforceable, allowable or allowed as a claim in such proceeding), premium (if any), fees, indemnifications, reimbursements, expenses and other liabilities, in each case payable under the documentation governing such Indebtedness.

"Obligors" means, collectively, the Initial Obligors and the Additional Obligors.

"Offering Memorandum" the Issuers' Offering Memorandum dated October 11, 2022, relating to the initial offering of the Notes.

"Officer" means, with respect to any Person, the Chairman of the Board, the Chief Executive Officer, the President, the Director, the Chief Operating Officer, the Chief Financial Officer, the Treasurer, any Assistant Treasurer, the Controller, the Secretary or any Vice President of such Person.

"Officer's Certificate" means a certificate signed on behalf of the Issuers or Guarantors by an Officer of the applicable Issuer or Guarantor that meets the requirements of Section 13.03 hereof.

"Opinion of Counsel" means an opinion from legal counsel who is reasonably acceptable to the Trustee that meets the requirements of Section 13.03 hereof. The counsel may be an employee of or counsel to the Chilean Issuer, any Subsidiary of the Chilean Issuer or the Trustee.

"Participant" means, with respect to the Depositary, Euroclear or Clearstream, a Person who has an account with the Depositary, Euroclear or Clearstream, respectively (and, with respect to DTC, shall include Euroclear and Clearstream).

"Parts" means all Appliances, parts, modules, accessories, furnishings and instruments, appurtenances and other equipment (including all inflight equipment, buyer-furnished and buyer-designated equipment) of whatever nature which may from time to time be incorporated or installed in or attached to any Aircraft or any Engine, and including all such parts removed from an Aircraft or Engine, so long as title thereto either (i) remains vested in the owner of such parts (provided that such owner is not an Issuer or a Guarantor) or (ii) is subject to the Lien of any applicable financing party, in each case until such parts have been replaced in accordance with the terms of any applicable lease or financing or security agreement.

"Passenger Accounts Receivable" means any Account of the Chilean Issuer and its Restricted Subsidiaries arising as a result of the passenger business of the Chilean Issuer and its Restricted Subsidiaries (and not, for the avoidance of doubt, arising out of the cargo business of the Chilean Issuer and its Restricted Subsidiaries or any Frequent Flyer Program).

"Payment in Full" means, with respect to any obligations, that such obligations have been paid, performed or discharged in full in cash (and if no obligations are specified, the reference shall be to the Obligations). "Paid in Full" shall have a correlative meaning.

"Permitted Business" means any business that is the same as, or reasonably related, ancillary, supportive or complementary to, the business in which the Chilean Issuer and its Restricted Subsidiaries are engaged on the Issue Date.

"Permitted Disposition" means any of the following:

(1) Disposition of cash or Cash Equivalents in exchange for other cash or Cash Equivalents;

(2) (i) Dispositions of accounts receivable, inventory or other current assets (including defaulted receivables but excluding any accounts receivable, inventory or current assets constituting Additional Collateral) in the ordinary course of business or consistent with past or industry practice and (ii) the conversion of accounts receivable to notes receivable or other Dispositions of accounts receivable or rights to payment in connection with the collection or compromise thereof, or as part of any bankruptcy or reorganization process (including any discount or forgiveness in connection with the foregoing);

(3) sales or other Dispositions of surplus, obsolete, negligible or uneconomical assets no longer used in the business of the Issuers and the Guarantors; provided that any such sale or disposition, as applicable, is made in the ordinary course of business consistent with past practices and does not materially and adversely affect the business of the Chilean Issuer and its Restricted Subsidiaries, taken as a whole;

(4) Dispositions of Significant Assets among the Issuers and the Guarantors (including any Person that shall become a Guarantor simultaneous with such Disposition in the manner contemplated by Section 4.13 hereof) to the extent the interests of the Secured Parties in the Collateral are not adversely affected in any material respect after giving effect to such Disposition;

(5) the Disposition or abandonment of Slots and Gate Leaseholds; provided that such Disposition or abandonment is (i) in the ordinary course of business consistent with past practices and does not materially and adversely affect the business of the Chilean Issuer and its Restricted Subsidiaries, taken as a whole, (ii) is reasonably determined by the Chilean Issuer to relate to Slots and Gate Leaseholds of de minimis value or surplus to the Chilean Issuer's needs or (iii) is required by a Governmental Authority;

(6) exchange of Pledged Slots in the ordinary course of business that in the Chilean Issuer's reasonable judgment are of reasonably equivalent value (so long as such new Pledged Slots remain at all times subject to a Lien with the same priority and level of perfection as was the case immediately prior to such exchange (and are otherwise subject only to Permitted Liens));

(7) any other lease or sublease of, or use or license agreements with respect to, assets and properties that constitute Slots or Gate Leaseholds in the ordinary course of business and swap agreements or similar arrangements with respect to Slots in the ordinary course of business and which lease, sublease, use or license agreement or swap agreement or similar arrangement (A) has a term of one year or less, or does not extend beyond two comparable IATA traffic seasons (and contains no option to extend beyond either of such periods), (B) has a term (including any option period) longer than allowed in clause (A); provided, however, that (x) in the case of each transaction pursuant to this clause (B), an Officer's Certificate is delivered to the Collateral Trustee concurrently with or promptly after the applicable Issuer's or Guarantor's entering into any such transaction that (i) immediately after giving effect to such transaction the Asset Coverage Test would be satisfied (excluding, for purposes of calculating such ratio, the proceeds of such transaction and the intended use thereof), (ii) the Collateral Trustee's Liens on Collateral subject to such lease, sublease, use, license agreement or swap or similar arrangement are not materially adversely affected (it being understood that no Permitted Lien shall be deemed to have such an effect) and (iii) no Event of Default exists at the time of such transaction, and (y) immediately after giving effect to any transaction pursuant to this clause (B), the aggregate Appraised Value of Collateral subject to transactions covered by this clause (B) shall not exceed [*]; provided that the foregoing cap shall not apply to the extent such lease, sublease, use or license agreement or swap agreement or similar arrangement is required or advisable (as reasonably determined by the Chilean Issuer) to preserve and keep in full force and effect its rights in such Slot or Gate Leasehold, (C) is for purposes of operations by another airline operating under a brand associated with the Chilean Issuer or otherwise operating routes under a joint business arrangement or at the Chilean Issuer's direction under a code share agreement, capacity purchase agreement, pro-rate agreement or similar arrangement between such airline and the Chilean Issuer, or (D) is subject and subordinated to the rights (including remedies) of the Collateral Trustee under the applicable Security Documents on terms reasonably satisfactory to the Collateral Trustee (acting at the direction of the Controlling Representative);

(8) the lease or sublease of assets and properties in the ordinary course of business; provided that, if such Significant Assets constitute Collateral, the rights of the lessee or sublessee shall be subordinated to the rights (including remedies) of the Collateral Trustee under the applicable Security Document on terms reasonably satisfactory to the Collateral Trustee (acting at the direction of the Controlling Representative);

(9) sales of Equity Interests in Restricted Subsidiaries to comply with local regulatory requirements, subject to the requirements of Section 4.08(b) hereto;

(10) Dispositions of Currency in respect of a Frequent Flyer Program pursuant to financing arrangements for liquidity purposes or pursuant to co-branding arrangements; provided that (i) such financing arrangement or co-branding arrangement is in the ordinary course of business and (ii) immediately after giving effect to such Disposition the Asset Coverage Test would be satisfied on a Pro Forma Basis;

(11) in each case, in the ordinary course of business, (i) the termination or amendment of leases, subleases, use or license agreements and (ii) the termination or amendment of agreements, arrangements or balances between and among the Chilean Issuer and its Restricted Subsidiaries (including paying, transferring, contributing, forgiving or cancelling balances incurred pursuant to any such intercompany agreements or arrangements);

(12) in each case, in the ordinary course of business or in connection with any Aircraft Financing, intercompany agreements between and among the Chilean Issuer and its Restricted Subsidiaries with respect to (i) Aircraft, Engines, Spare Parts, Appliances or Parts, in each case not constituting Significant Assets and (ii) Aircraft Financing Related Cargo Business Assets;

(13) transactions that involve assets having an aggregate Appraised Value of less than [*] (such aggregate amount to be calculated on a cumulative basis from the Issue Date);

(14) any Disposition or other transaction permitted by Section 5.01(a) hereof other than Sections 5.01(a)(5) and 5.01(a)(6); and

(15) any Permitted Lien.

"Permitted Holders" means any of [*].

"Permitted Investments" means:

(1) any Investment in the Chilean Issuer or in a Restricted Subsidiary of the Chilean Issuer;

(2) any Investment in cash or Cash Equivalents;

(3) any Investment by the Chilean Issuer or any Restricted Subsidiary of the Chilean Issuer in a Person, if as a result of such Investment:

(a) such Person becomes a Restricted Subsidiary of the Chilean Issuer; or

(b) such Person, in one transaction or a series of related and substantially concurrent transactions, is merged, consolidated or amalgamated with or into, or transfers or conveys substantially all of its assets to, or is liquidated into, the Chilean Issuer or a Restricted Subsidiary of the Chilean Issuer;

(4) any Investment made as a result of the receipt of non-cash consideration from a Disposition of assets;

(5) any acquisition of assets or Capital Stock in exchange for the issuance of Qualifying Equity Interests;

(6) any Investments received in compromise or resolution of (a) obligations of trade creditors or customers that were incurred in the ordinary course of business of the Chilean Issuer or any of its Restricted Subsidiaries, including pursuant to any plan of reorganization or similar arrangement upon the bankruptcy or insolvency of any trade creditor or customer or (b) litigation, arbitration or other disputes;

(7) Investments represented by Hedging Obligations;

(8) loans or advances to officers, directors or employees made in the ordinary course of business of the Chilean Issuer or any Restricted Subsidiary of the Chilean Issuer in an aggregate principal amount not to exceed [*] at any one time outstanding;

(9) redemption or purchase of the Notes in accordance with this Indenture, or prepayment of any other Priority Lien Debt;

(10) any Guarantee of Indebtedness other than a Guarantee of Indebtedness of an Affiliate of the Chilean Issuer that is not a Restricted Subsidiary of the Chilean Issuer;

(11) any Investment existing on, or made pursuant to binding commitments existing on, the Issue Date and any Investment consisting of an extension, modification or renewal of any Investment existing on, or made pursuant to a binding commitment existing on, the Issue Date; provided that the amount of any such Investment may be increased (a) as required by the terms of such Investment as in existence on the Issue Date or (b) as otherwise permitted under this Indenture;

(12) Investments acquired after the Issue Date as a result of the acquisition by the Chilean Issuer or any Restricted Subsidiary of the Chilean Issuer of another Person, including by way of a merger, amalgamation or consolidation with or into the Chilean Issuer or any of its Restricted Subsidiaries in a transaction that is not prohibited by Section 5.01 after the Issue Date to the extent that such Investments were not made in contemplation of such acquisition, merger, amalgamation or consolidation and were in existence on the date of such acquisition, merger, amalgamation or consolidation;

(13) the acquisition by a Receivables Subsidiary in connection with a Qualified Receivables Transaction of Equity Interests of a trust or other Person established by such Receivables Subsidiary to effect such Qualified Receivables Transaction; and any other Investment by the Chilean Issuer or a Subsidiary of the Chilean Issuer in a Receivables Subsidiary or any Investment by a Receivables Subsidiary in any other Person in connection with a Qualified Receivables Transaction;

(14) Investments constituting (i) accounts receivable or accounts payable, (ii) deposits, prepayments and other credits to suppliers, and/or (iii) in the form of advances made to distributors, suppliers, licensors and licensees, in each case, made in the ordinary course of business and consistent with the past practices;

(15) Investments in connection with outsourcing initiatives in the ordinary course of business;

(16) Investments having an aggregate Fair Market Value (measured on the date each such Investment was made and without giving effect to subsequent changes in value other than a reduction for all returns of principal in cash and capital dividends in cash), when taken together with all Investments made pursuant to this clause (16) that are at the time outstanding, not to exceed [*] of the Consolidated Total Assets of the Chilean Issuer and its Restricted Subsidiaries at the time of such Investment;

(17) Investments in Restricted Subsidiaries as required under the laws of the jurisdiction of formation of each of such Subsidiaries to avoid liquidation under such laws;

(18) Investments in any Affiliate in an aggregate amount not to exceed [*] in any one calendar month for all such Investments pursuant to this clause (18) and, in each case, to pay employee severance, taxes, permits, government charges or wind-down costs in respect of such Affiliate; and

(19) Investments constituting or related to Aircraft Financings.

"Permitted Liens" means:

(1) Priority Liens held by the Collateral Trustee or a Local Collateral Agent, as applicable, securing the Indebtedness permitted by Section 4.07(a)(1) hereof and Related Obligations in respect thereof;

(2) Liens on the collateral securing Junior Lien Indebtedness incurred pursuant Section 4.07(a)(2) and all other Related Obligations; provided that all such Junior Liens contemplated by this clause (2) of the Permitted Liens definition shall rank junior to the Liens securing the 2029 Notes Obligations subject to the Junior Lien Intercreditor Agreement or otherwise on terms reasonably satisfactory to the Controlling Representative;

(3) Liens for Taxes, assessments or governmental charges or claims that are not yet delinquent or that are being contested in good faith by appropriate proceedings promptly instituted and diligently concluded; provided that any reserve or other appropriate provision as is required in conformity with IFRS has been made therefor;

(4) Liens imposed by law, including carriers', warehousemen's, landlord's and mechanics' Liens, in each case, incurred in the ordinary course of business;

(5) Liens arising by operation of law in connection with judgments, attachments or awards which do not, in the aggregate, constitute an Event of Default;

(6) Liens existing as the Issue Date and, to the extent securing Indebtedness greater than or equal to [*] identified on Schedule 1.01(a) hereof; and any modifications, replacements, renewals or extensions thereof; provided that (A) such modified, replacement, renewal or extension Lien does not extend to any additional property other than (1) after-acquired property that is affixed or incorporated into the property covered by such Lien and (2) proceeds and products thereof and (B) such modifications, replacement, renewal or extension does not increase the amount secured or change any direct or contingent obligor in respect thereof;

(7) any overdrafts and related liabilities arising from treasury, netting, depository and cash management services or in connection with any automated clearing house transfers of funds, in each case as it relates to cash or Cash Equivalents, if any;

(8) licenses, sublicenses, leases and subleases by any Issuer or Guarantor as they relate to any Additional Collateral to the extent (A) such licenses, sublicenses, leases or subleases do not interfere in any material respect with the business of the Chilean Issuer and its Restricted Subsidiaries, taken as a whole, and in each case, such license, sublicense, lease or sublease is to be subject and subordinate to the Liens granted to the Collateral Trustee pursuant to the Security Documents and, in each case, would not result in a Material Adverse Effect or (B) otherwise expressly permitted by the Security Documents;

(9) salvage or similar rights of insurers;

(10) pledges and deposits made in the ordinary course of business in compliance with workers' compensation, unemployment insurance and other social security laws or regulations, or Liens in connection with workers' compensation, unemployment insurance or other social security, old age pension or public liability obligations which are not delinquent or which are being contested in good faith by appropriate action and for which adequate reserves have been maintained in accordance with IFRS;

(11) customary rights of set-off and liens arising by operation of law or by the terms of documents or contracts of banks or other financial institutions in relation to the ordinary maintenance and administration of Deposit Accounts or securities accounts;

(12) non-exclusive licenses and sublicenses, whether written, oral or implied, to Intellectual Property granted in the ordinary course of business and consistent with past practice that do not materially interfere with the ordinary conduct of the business of the Issuers or the Guarantors;

(13) Liens incurred in the ordinary course of business of the Chilean Issuer or any Restricted Subsidiary of the Chilean Issuer with respect to obligations that do not exceed in the aggregate [*] at any one time outstanding;

(14) leases, subleases, interchanges, use agreements, license agreements and/or swap agreements constituting "Permitted Dispositions";

(15) in the case of any Gate Leaseholds, any interest or title of a licensor, sublicensor, lessor, sublessor or airport operator under any lease, license or use agreement;

(16) in each case as it relates to Aircraft, Engine, Spare Parts, Appliances or Parts that may be pledged as Additional Collateral from time to time (any such pledged Additional Collateral, "Pledged Aircraft, Engine, Spare Parts, Appliances or Parts Collateral"), Liens solely on Engines, Spare Parts, Appliances, Parts, components, instruments, appurtenances, furnishings and other equipment (other than the Pledged Aircraft, Engine, Spare Parts, Appliances or Parts Collateral) (x) installed on such Pledged Aircraft, Engine, Spare Parts, Appliances or Parts Collateral and (y) separately financed by an Issuer or a Guarantor, to secure such financing;

(17) customary Liens securing the Indebtedness permitted under Section 4.07(a)(8) in accordance with the terms thereof; provided that such Liens are limited to the fixed or capital assets that are acquired, constructed or improved by such Indebtedness;

(18) easements, zoning restrictions, licenses, title restrictions, rights-of-way and similar encumbrances on real property imposed by law or incurred or granted by the Chilean Issuer or any Restricted Subsidiary in the ordinary course of business that do not materially detract from the value of the affected property or materially interfere with the ordinary conduct of business of the Chilean Issuer or any Restricted Subsidiary;

(19) to the extent the Chilean Issuer or any of its Restricted Subsidiaries is an obligor in respect of any Aircraft Financing, pledges of, collateral assignments of or other Liens securing such Aircraft Financing on any lease, sublease, interchange, license, contract, arrangement or agreement related to such financed Aircraft, Engine or Spare Parts, including Aircraft Financing Related Cargo Business Assets to which the Chilean Issuer or such Restricted Subsidiary, as applicable, is a party; and/or

(20) with respect to the equity pledge agreement in respect of TAM Linhas Aéreas S.A.'s shares, the fiduciary lien created by the equity fiduciary lien agreement over the shares held in TAM Linhas Aéreas S.A., considering the listing of assets (*arrolamento de bens*) in connection with the Administrative Proceeding No. 13855.720079/2014-93, as required by article 12 of Federal Revenue Office Normative Ruling (*Instrução Normativa RFB*) No. 2,091, dated June 22, 2022;

provided that until a perfected Lien has been provided to the Collateral Trustee or a Local Collateral Agent, as applicable, in respect of any Deferred Asset, no consensual Lien shall be granted in respect of any such Deferred Asset.

"Permitted Person" means (i) any Person (including any "person" as that term is used in Section 13(d)(3) of the Exchange Act) which owns or operates, directly or indirectly through a contractual arrangement, a Permitted Business, or (ii) any Subsidiary of such Person.

"Permitted Priority Liens" means valid, perfected and unavoidable Liens that were in existence immediately prior to the Petition Date or that are perfected as permitted by Section 546(b) of the Bankruptcy Code.

"Permitted Refinancing Indebtedness" means any Indebtedness (or commitments in respect thereof) of the Chilean Issuer or any of its Restricted Subsidiaries issued in exchange for, or the proceeds of which are used to renew, refund, extend, refinance, replace, defease or discharge other Indebtedness (the "Refinanced Indebtedness") of the Chilean Issuer or any of its Restricted Subsidiaries (other than intercompany Indebtedness); provided that:

(1) the principal amount (or accreted value, if applicable) of such Permitted Refinancing Indebtedness does not exceed the original principal amount (or accreted value, if applicable) when initially incurred of the Refinanced Indebtedness (plus all accrued interest on the Indebtedness and the amount of all fees and expenses, including premiums, incurred in connection therewith); provided that, with respect to any such Permitted Refinancing Indebtedness that is refinancing secured Indebtedness and is secured by the same collateral, the principal amount (or accreted value, if applicable) of such Permitted Refinancing Indebtedness shall not exceed the greater of (x) the preceding amount and (y) the Fair Market Value of the assets securing such Permitted Refinancing Indebtedness (taking into account any other Indebtedness secured on a pari passu or senior basis by such assets);

(2) such Permitted Refinancing Indebtedness has a maturity date no earlier than the maturity date of the Refinanced Indebtedness;

(3) such Permitted Refinancing Indebtedness has a Weighted Average Life to Maturity that is equal to or greater than the Weighted Average Life to Maturity of the Refinanced Indebtedness;

(4) if the Refinanced Indebtedness is subordinated in right of payment to the Notes Obligations, such Permitted Refinancing Indebtedness is subordinated in right of payment to the 2029 Notes Obligations on terms at least as favorable to the Holders of the Notes as those contained in the documentation governing the Refinanced Indebtedness;

(5) no Restricted Subsidiary that is not an Issuer or a Guarantor shall be an obligor with respect to such Permitted Refinancing Indebtedness unless such Restricted Subsidiary was an obligor with respect to the Refinanced Indebtedness; and

(6) such Permitted Refinancing Indebtedness is incurred no later than 36 months after the date on which the Refinanced Indebtedness is actually repaid or discharged by the Chilean Issuer or any of its Restricted Subsidiaries.

"Person" means any natural person, corporation, division of a corporation, partnership, limited liability company, trust, joint venture, association, company, estate, unincorporated organization, Airport Authority or Governmental Authority or any agency or political subdivision thereof.

"Peruvian Engine Pledge" shall have the meaning assigned to such term in the Collateral Trust Agreement.

"Peruvian Preventivo" means the Peruvian "preventive proceeding" filed on May 26, 2020 with the Institute for the Defense of Competition and Intellectual Property with respect to LATAM Airlines Perú S.A.

"Petition Date" means, with respect to the Initial Obligors, May 26, 2020, the date of commencement of their Chapter 11 Cases, and, with respect to the Additional Obligors, July 9, 2020, the date of commencement of their Chapter 11 Cases.

"Pledge and Security Agreement" means that certain Priority Lien Pledge and Security Agreement dated as of October 12, 2022, by and among the Collateral Trustee and the Issuers and the Guarantors, substantially in the form attached as Exhibit E to the Collateral Trust Agreement, as amended, restated, modified, supplemented, extended or amended and restated from time to time.

"Pledged Engines" shall have the meaning given to it in the Pledge and Security Agreement.

"Pledged Gate Leaseholds" shall have the meaning given to it in the Pledge and Security Agreement.

"Pledged Receivables" shall have the meaning given to it in the Pledge and Security Agreement.

"Pledged Routes" means, to the extent not excluded as Excluded Assets, all Routes owned by any Issuer or any Guarantor.

"Pledged SGR" means the Pledged Slots, Pledged Gate Leaseholds and Pledged Routes

"Pledged Slots" shall have the meaning given to it in the Pledge and Security Agreement.

"Pledged Spare Parts" shall have the meaning given to it in the Pledge and Security Agreement.

"Prepayment Percentage" means 100%.

"Pre-Sold Currency" shall have the meaning given to it in the definition of "Asset Coverage Ratio."

"Priority Credit Agreement" means each of the Revolving Credit Agreement and the Term Loan Credit Agreement.

"Priority Lien" means a Lien granted pursuant to a Security Document to the Collateral Trustee or any Local Collateral Agent, at any time, upon any property of an Issuer or a Guarantor to secure any Priority Lien Obligations, including the Liens granted to the Collateral Trustee and each Local Collateral Agent in connection with the Term Loan Credit Agreement, the Revolving Credit Agreement, the 2027 Notes Indenture, the 2027 Bridge Loan Credit Agreement, the 2029 Bridge Loan Credit Agreement and any indentures (including this Indenture) pursuant to which any 2029 Securities secured by all or a portion of the Collateral on a pari passu basis with the Obligations are issued or 2027 Securities to the extent secured by all or a portion of the Collateral on a pari passu basis with the Obligations are issued.

"Priority Lien Debt" means:

(1) Indebtedness of the Issuers and the Guarantors under (i) the 2027 Bridge Loan Credit Agreement, any 2027 Exchange Notes Indenture, and any agreement or instrument pursuant to which any 2027 Securities secured by all or a portion of the Collateral on a pari passu basis with any Notes Obligations are issued, in an aggregate principal amount not to exceed $750.0 million under this clause (1)(i), (ii) the 2029 Bridge Loan Credit Agreement, any 2029 Exchange Notes Indenture, and any agreement or instrument pursuant to which any 2029 Securities secured by all or a portion of the Collateral on a pari passu basis with any Notes Obligations are issued (including this Indenture), in an aggregate principal amount not to exceed $750.0 million under this clause (1)(ii), and (iii) any Permitted Refinancing Indebtedness in respect of any Indebtedness incurred pursuant to clause (1)(i) or (1)(ii) (or any successive Permitted Refinancing Indebtedness) that is secured by all or a portion of the Collateral on a pari passu basis with any Notes Obligations (provided that any amounts incurred under the Term Loan Credit Agreement, the Net Proceeds of which are applied to repay the "Initial Bridge Loans," as defined in each of the 2027 Bridge Loan Credit Agreement and the 2029 Bridge Loan Credit Agreement, shall be deemed to be incurred under clause (3) below and shall reduce the applicable aggregate principal amount permitted to be incurred under clause (1)(i) or (1)(ii));

(2) (i) Indebtedness of the Issuers and the Guarantors under the Revolving Credit Facility (including letters of credit and reimbursement obligations with respect thereto) in an aggregate principal amount not to exceed [*] at any time outstanding, and (ii) on and after the Exit Conversion Date, additional Indebtedness of the Chilean Issuer under the Revolving Credit Facility (including letters of credit and reimbursement obligations with respect thereto) or any other revolving facility in an aggregate principal amount not to exceed [*] at any time outstanding in addition to any Indebtedness incurred pursuant to clause (i) of this paragraph (2); provided that, after giving Pro Forma Effect to the issuance or incurrence of any such Indebtedness incurred pursuant to this clause (ii), the aggregate amount of all Priority Lien Debt, and without duplication, Senior Priority Refinancing Indebtedness (including, in each case, without duplication of any outstanding principal amounts, the amount of any unfunded commitments under a revolving credit facility as of such date) would not exceed the greater of (A) [*] and (B) such an amount that would cause the Asset Coverage Ratio to be equal to [*] and (iii) any Permitted Refinancing Indebtedness (disregarding clauses (2) and (3) of such defined term) in respect of any Indebtedness incurred pursuant to clause (2)(i) or (ii) (or any successive Permitted Refinancing Indebtedness) that is secured by all or a portion of the Collateral on a pari passu basis with the Obligations; provided that all Indebtedness incurred under this clause (2) in the form of revolving Indebtedness may be senior or superpriority in right of payment from the Collateral to the Notes Obligations;

(3) (i) Indebtedness of the Issuers and the Guarantors under the Term Loan Credit Agreement in an aggregate principal amount not to exceed $750.0 million (*plus* any amounts incurred under the Term Loan Credit Agreement, the Net Proceeds of which are applied to repay the "Initial Bridge Loans," as defined in each of the 2027 Bridge Loan Credit Agreement and the 2029 Bridge Loan Credit Agreement) and (ii) any Permitted Refinancing Indebtedness in respect of any Indebtedness incurred pursuant to clause (3)(i) (or any successive Permitted Refinancing Indebtedness) that is secured by all or a portion of the Collateral on a pari passu basis with the Notes Obligations; and

(4) (i) any other Total Funded Debt of the Issuers and the Guarantors that is secured by all or a portion of the Collateral on a pari passu basis with the Notes Obligations; provided that (1) after giving Pro Forma Effect to the issuance or incurrence of any such Indebtedness, the aggregate principal amount of the sum of all Priority Lien Debt, and, without duplication, Senior Priority Refinancing Indebtedness (including, in each case, without duplication of any outstanding principal amounts, the amount of any unfunded commitments under a revolving credit facility as of such date) would not exceed the greater of (A) [*] and (B) such an amount that would cause the Asset Coverage Ratio to be equal to [*] and (2) other than with respect to Exit Conversion Date Indebtedness, no Indebtedness may be incurred under this clause (4)(i) prior to the Exit Conversion Anniversary Date and (ii) any Permitted Refinancing Indebtedness in respect of any Indebtedness incurred pursuant to clause (4)(i) (and any successive Permitted Refinancing Indebtedness) that is secured by all or a portion of the Collateral on a pari passu basis with the Obligations.

"Priority Lien Documents" shall have the meaning given to the term "Secured Debt Documents" in the Collateral Trust Agreement.

"Priority Lien Joinder" shall have the meaning given to the term "Secured Debt Joinders" in the Collateral Trust Agreement.

"Priority Lien Obligations" shall have the meaning given to the term "Secured Obligations" in the Collateral Trust Agreement.

"Priority Lien Representative" shall have the meaning given to the term "Secured Debt Representative" in the Collateral Trust Agreement.

"Priority Pledged Engine" means those Engines set forth on Schedule 5.5 to the Pledge and Security Agreement.

"Priority Secured Debt" shall have the meaning given to the term "Secured Debt" in the Collateral Trust Agreement.

"Private Placement Legend" means the legend set forth in Section 2.06(f)(1) hereof to be placed on all Notes issued under this Indenture except where otherwise permitted by the provisions of this Indenture.

"Pro Forma Basis," "Pro Forma Compliance" and "Pro Forma Effect" means, in connection with determining whether any Disposition, Investment or other Restricted Payment, or repayment and/or incurrence of Indebtedness (each, a "Pro Forma Event") is permitted by reference to the Asset Coverage Ratio, Total Asset Coverage Ratio, Asset Coverage Test or Consolidated Liquidity, that such calculations shall be determined by the Chilean Issuer in good faith after giving pro forma effect to each Pro Forma Event (and any transactions related thereto).

"Qatar Group" means Qatar Airways Group Q.C.S.C., a company incorporated under the laws of the State of Qatar with commercial registration number 16070 and having its principal place of business at Qatar Airways Tower One, Airport Road, P.O. Box 22550, Doha, Qatar.

"QIB" means a "qualified institutional buyer" as defined in Rule 144A.

"Qualified Receivables Transaction" means any transaction or series of transactions entered into by the Chilean Issuer or any of its Subsidiaries pursuant to which the Chilean Issuer or any of its Subsidiaries (1) sells, conveys or otherwise transfers to (A) a Receivables Subsidiary or any other Person (in the case of a transfer by the Chilean Issuer or any of its Subsidiaries) or (B) any other Person (in the case of a transfer by a Receivables Subsidiary) or (2) grants a security interest in any Passenger Accounts Receivable (whether now existing or arising in the future) of the Chilean Issuer or any of its Subsidiaries, and any assets related thereto, including, without limitation, all Equity Interests and other investments in the Receivables Subsidiary, all collateral securing such Passenger Accounts Receivable, all contracts and all Guarantees or other obligations in respect of such Passenger Accounts Receivable, proceeds of such Passenger Accounts Receivable and other assets which are customarily transferred or in respect of which security interests are customarily granted in connection with asset securitization transactions involving accounts receivable, other than assets that constitute Collateral or proceeds of Collateral.

"Qualifying Equity Interests" means Equity Interests of the Chilean Issuer other than Disqualified Stock.

"RCF Loan Agreement" means that certain credit and guaranty agreement dated as of March 29, 2016 by and among the Chilean Issuer, as borrower, Citibank, N.A, as administrative agent, the guarantors from time to time party thereof, the collateral agents from time to time party thereto, and the lenders from time to time party thereto, as amended, restated, amended and restated, supplemented or otherwise modified from time to time.

"Reaffirmation Agreement" shall have the meaning given to such term in the Collateral Trust Agreement.

"Real Estate Mortgages" shall have the meaning set forth in the Collateral Trust Agreement.

"Receivables Pledge Agreements" shall have the meaning set forth in the Collateral Trust Agreement.

"Receivables Subsidiary" means a Subsidiary of the Chilean Issuer which engages in no activities other than in connection with the financing of Passenger Accounts Receivable and which is designated by the Board of Directors (as provided below) as a Receivables Subsidiary; provided that (a) no portion of its Indebtedness or any other obligations (contingent or otherwise) (i) is guaranteed by the Chilean Issuer or any Restricted Subsidiary of the Chilean Issuer that is not a Receivables Subsidiary (other than comprising a pledge of the Capital Stock or other interests in such Receivables Subsidiary (an "incidental pledge"), and excluding any Guarantees of obligations (other than the principal of, and interest on, Indebtedness) pursuant to representations, warranties, covenants and indemnities entered into in the ordinary course of business in connection with a Qualified Receivables Transaction), (ii) is recourse to or obligates the Chilean Issuer or any Restricted Subsidiary of the Chilean Issuer in any way other than through an incidental pledge or pursuant to representations, warranties, covenants, indemnities or other obligations that are usual and customary for a limited recourse financing in the applicable jurisdiction in connection with a Qualified Receivables Transaction or (iii) subjects any property or asset of the Chilean Issuer or any Subsidiary of the Chilean Issuer that is not a Receivables Subsidiary (other than Passenger Accounts Receivable and related assets as provided in the definition of "Qualified Receivables Transaction"), directly or indirectly, contingently or otherwise, to the satisfaction thereof, other than pursuant to representations, warranties, covenants and indemnities entered into in the ordinary course of business in connection with a Qualified Receivables Transaction, (b) with which neither the Chilean Issuer nor any other Restricted Subsidiary of the Chilean Issuer that is not a Receivables Subsidiary has any material contract, agreement, arrangement or understanding (other than pursuant to the Qualified Receivables Transaction) other than (i) on terms no less favorable to the Chilean Issuer or such Subsidiary than those that might be obtained at the time from Persons who are not Affiliates of the Chilean Issuer, and (ii) fees payable in the ordinary course of business in connection with servicing Passenger Accounts Receivable and (c) with which neither the Chilean Issuer nor any other Subsidiary of the Chilean Issuer has any obligation to maintain or preserve such Subsidiary's financial condition, other than a minimum capitalization in customary amounts, or to cause such Subsidiary to achieve certain levels of operating results. Any such designation by the Board of Directors will be evidenced to the Trustee by delivering to the Trustee a certified copy of the resolution of the Board of Directors giving effect to such designation and an Officer's Certificate certifying that such designation complied with the foregoing conditions.

"Recovery Event" means any settlement of or payment in respect of any property or casualty insurance claim or any condemnation proceeding in respect of Significant Assets or any Event of Loss.

"Reference Date" means the thirtieth (30th) Business Day after each March 31st and September 30th of each calendar year (commencing with March 31, 2023).

"Regulation S" means Regulation S promulgated under the Securities Act, as it may be amended from time to time, and any successor provision thereto.

"Regulation S Global Note" means, with respect to the Notes, a Global Note substantially in the form of Exhibit A hereto bearing the Global Note Legend and the Private Placement Legend and deposited with or on behalf of and registered in the name of the Depositary or its nominee, issued in a denomination equal to the outstanding principal amount of the Notes sold in reliance on Rule 903 of Regulation S.

"Related Obligations" means, with respect to any Indebtedness, any principal (including reimbursement obligations with respect to letters of credit whether or not drawn), interest (including interest accruing after the maturity of such Indebtedness and interest accruing after the filing of any petition of bankruptcy, or the commencement of any insolvency, reorganization or like proceeding, relating to the borrower or issuer thereof, whether or not a claim for post-filing or post-petition interest is allowed in such proceeding), premium (if any), fees, indemnifications, reimbursements, expenses and other liabilities, in each case payable under the documentation governing such Indebtedness.

"Relevant Date" means, with respect to any payment on a Note, whichever is the later of: (i) the date on which such payment first becomes due; and (ii) if the full amount payable has not been received by the Trustee or a Paying Agent on or prior to such due date, the date on which notice is given to the Holders that the full amount has been received by the Trustee.

"Reorganization Plan" means the Joint Plan of Reorganization of LATAM Airlines Group, S.A., et al. Under Chapter 11 of the Bankruptcy Code [Docket No. 5753], as amended, supplemented or modified in accordance with the provisions thereto (but without giving effect to any amendment, supplement or modification that is materially adverse to the Holders of the Notes (as determined in good faith by the Chilean Issuer) to which the Holders have not consented.

"Required Lenders" means the "Required Lenders" as defined in the Term Loan Credit Agreement.

"Responsible Officer" when used with respect to the Trustee, means any officer within the Corporate Trust Office of the Trustee (or any successor group of the Trustee) or any other officer of the Trustee customarily performing functions similar to those performed by any of the above designated officers and also means, with respect to a particular corporate trust matter, any other officer to whom such matter is referred because of his knowledge of and familiarity with the particular subject, who, in each case, shall have direct responsibility for administering this Indenture.

"Restricted Definitive Note" means, with respect to the Notes, a Definitive Note bearing the Private Placement Legend.

"Restricted Global Note" means, with respect to the Notes, a Global Note bearing the Private Placement Legend.

"Restricted Investment" means an Investment other than a Permitted Investment.

"Restricted Period" means the 40-day distribution compliance period as defined in Regulation S.

"Restricted Subsidiary" of a Person means any Subsidiary of the referent Person that is not an Unrestricted Subsidiary; provided that, if a referent Person is not specified, then the referent Person shall be the Chilean issuer.

"Revised Claims Procedures Order" means the Revised Order Pursuant to 11 U.S.C. § 105(a) and Fed. R. Bankr. P. 3007 (I) Establishing Claims Objection and Notice Procedures and (II) Granting Related Relief (ECF No. 3624) entered by the Bankruptcy Court on November 19, 2021.

"Revolver Administrative Agent" shall have the meaning given to such term in the Collateral Trust Agreement.

"Revolving Credit Agreement" means certain Super-Priority Debtor-in-Possession and Exit Revolving Credit Agreement, dated as of October 12, 2022, among the Chilean Issuer, the guarantors from time to time party thereto, the Revolver Administrative Agent, and Wilmington Trust, National Association, as collateral trustee.

"Revolving Credit Facility" means the credit facility established under the Revolving Credit Agreement in favor of the Chilean Issuer in accordance with the terms set forth therein or in the other Revolving Loan Documents.

"Revolving Loan Documents" means the "Loan Documents" as defined in the Revolving Credit Agreement.

"Routes" means the authority of the Chilean Issuer or, if applicable, the U.S. Co-Issuer or a Guarantor, pursuant to Title 49 or other applicable law, to operate scheduled service between a specifically designated pair of terminal points and intermediate points, if any, including applicable frequencies, exemption and certificate authorities, including at any time of determination, any route authority identified on Schedule 5.2 of the Pledge and Security Agreement as such Schedule may be amended or modified from time to time in accordance with the terms hereof and "Route" shall mean any of such route authorities as the context requires, in each case whether or not such route authority is utilized at such time by an Issuer or a Guarantor and including, without limitation, any other route authority held by an Issuer or a Guarantor pursuant to certificates, orders, notices and approvals issued to an Issuer or a Guarantor from time to time, but in each case solely to the extent relating to such route authority.

"Rule 144" means Rule 144 promulgated under the Securities Act.

"Rule 144A" means Rule 144A promulgated under the Securities Act.

"Rule 903" means Rule 903 promulgated under the Securities Act.

"Rule 904" means Rule 904 promulgated under the Securities Act.

"S&P" means S&P Global Ratings and its successors.

"Sale of an Issuer or a Guarantor" means, with respect to any Significant Asset, an issuance, sale, lease, conveyance, transfer or other disposition of the Capital Stock of the applicable Issuer or Guarantor that owns such Significant Asset other than (1) an issuance of Equity Interests by an Issuer or a Guarantor to the Chilean Issuer or another Restricted Subsidiary of the Chilean Issuer and (2) an issuance of directors' qualifying shares.

"Sanctioned Country" means a country or territory that is the subject of comprehensive Sanctions broadly prohibiting dealings with such country or territory (currently, the Crimea, the so-called Donetsk People's Republic, and the so-called Luhansk People's Republic regions of Ukraine, Cuba, Iran, North Korea, and Syria).

"Sanctions" means any economic or trade sanctions or embargos enacted, imposed, administered or enforced by the U.S. government, including those administered by the Department of Treasury's Office of Foreign Assets Control and the U.S. Department of State, the United Nations Security Council, the European Union, any European Union member state, the United Kingdom and/or any other applicable Governmental Authorities with jurisdiction over the conduct of a Person performing under this Indenture.

"SEC" means the U.S. Securities and Exchange Commission.

"Second Exit Conversion Anniversary Date" means the date that is two years after the Exit Conversion Date.

"Secured Parties" means, collectively, the Trustee, the Collateral Trustee, the applicable Local Collateral Agent and the Holders of the Notes from time to time, including Holders of additional Notes issued pursuant to this Indenture.

"Securities Act" means the Securities Act of 1933, as amended.

"Security Documents" means, collectively, the Pledge and Security Agreement, the Non-U.S. Pledge Agreements, Non-U.S. IP Security Agreement, the Receivables Pledge Agreements, the Collateral Trust Agreement (and each Reaffirmation Agreement, Loan Party Joinder, Local Collateral Agent Joinder and/or Secured Debt Joinder under and as defined therein), the Local Collateral Agency Agreements, the Intellectual Property Security Agreements, any Intercreditor Agreements and any other instrument or agreement (which is designated as a Security Document therein) executed and delivered by any Issuer or any Guarantor to the Trustee, any Priority Lien Representative, the Collateral Trustee or any Local Collateral Agent in favor of the Secured Parties or in respect of priorities in the Collateral, including with respect to any Additional Collateral, and any financing statement or other instrument or document required to be filed or recorded to perfect, register or record the Priority Lien, in each case, as amended, modified, renewed, restated or replaced, in whole or in part, from time to time, in accordance with its terms and so long as such agreement, instrument or document shall not have been terminated in accordance with its terms; provided that prior to the Exit Conversion Date, the Security Documents shall also include the Final DIP Order, the DIP Intercreditor Agreement, the Engine Collateral Documents, the Real Estate Mortgages and any Deposit Account Control Agreement required under the Collateral Trust Agreement or any other Priority Lien Document, each of which document in this proviso shall be automatically terminated upon the occurrence of the Exit Conversion Date.

"Senior Priority Refinancing Indebtedness" means any Permitted Refinancing Indebtedness in respect of Priority Lien Debt (and any successive Permitted Refinancing Indebtedness) other than any Permitted Refinancing Indebtedness that is subordinated in right of payment to the Obligations on terms no less favorable to the Holders than the terms of the Junior Lien Intercreditor Agreement.

"Series" means, severally, each issue or series of notes, loans or other Indebtedness under any indenture or credit facility represented by a single Priority Lien Representative that constitutes Priority Lien Obligations.

"Series of Junior Lien Indebtedness" means, severally, each issue or series of notes or other Indebtedness under any indenture or Credit Facility represented by a single Junior Lien Representative that constitutes Junior Lien Obligations.

"Series of Priority Lien Debt" means, severally, (a) the Notes, (b) the 2027 Notes, (c) Indebtedness under the Term Loan Credit Agreement, (d) Indebtedness under the Revolving Credit Agreement and (e) any Series of Additional Priority Lien Debt. For the avoidance of doubt, (x) the Notes and the 2027 Notes constitute separate Series of Priority Lien Debt and (y) all reimbursement obligations in respect of letters of credit issued pursuant to a Priority Lien Document shall be part of the same Series of Priority Lien Debt as all other Priority Secured Debt incurred pursuant to such Priority Lien Document.

"Significant Assets" means (a) the Collateral, (b) the Coverage Assets and (c) any other Slots, Gate Leaseholds and Routes.

"Significant Subsidiary" means any "significant subsidiary" as defined in Article 1, Rule 1-02 of Regulation S-X, promulgated pursuant to the Securities Act, as such Regulation is in effect on the Issue Date.

"Slot" means, at any date of determination, the right and operational authority to conduct one landing or take-off operation at a specific time or during a specific time period at an airport and including, without limitation, slots, arrival authorizations and operating authorizations, whether pursuant to FAA or DOT regulations or orders pursuant to Title 14, Title 49 or other federal statutes or regulations now or hereinafter in effect, but excluding in all cases any slot that was obtained by a Person from another air carrier pursuant to an agreement and is held by such Person on a temporary basis.

"Spare Engine Loan Agreement" means that certain Amended and Restated Loan Agreement, dated as of June 29, 2018 by and among the Chilean Issuer, acting through its Florida Branch, as borrower, Crédit Agricole Corporate and Investment Bank, as lender, arranger, agent, and security agent, and the other lenders party thereto, as modified, replaced or refinanced from time to time.

"Spare Parts" means all accessories, appurtenances or Parts of an Aircraft (except an Engine), Parts of an Engine, or Parts of an Appliance, in each case that are to be installed at a later time in an Aircraft, Engine or Appliance.

"Specified Jurisdiction" means the United States, any state of the United States, the District of Columbia, Luxembourg, the Netherlands or any other jurisdiction mutually agreed by the Chilean Issuer and the Trustee.

"Stated Maturity" means, with respect to any installment of interest or principal on any series of Indebtedness, the date on which the payment of interest or principal was scheduled to be paid in the documentation governing such Indebtedness as of the date of this Indenture, and will not include any contingent obligations to repay, redeem or repurchase any such interest or principal prior to the date originally scheduled for the payment thereof.

"Subsequent Appraisal" shall have the meaning to such term in the definition of "Appraisal."

"Subsidiary" means, in respect of any specified Person, any corporation, association, partnership or other business entity of which more than 50% of the total Voting Power of shares of Capital Stock or other interests (including partnership interests) entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by such Person.

"Taxes" means any and all present or future taxes, levies, imposts, duties, assessments, fees, deductions, charges or withholdings imposed by any Governmental Authority including any interest, additions to tax or penalties applicable thereto.

"Term Loan Administrative Agent" shall have the meaning given to such term in the Collateral Trust Agreement.

"Term Loan Credit Agreement" means that certain Debtor-in-Possession and Exit Term Loan Credit Agreement, dated as of October 12, 2022, among the Issuers, each of the several banks and other financial institutions or entities from time to time party thereto and Goldman Sachs Lending Partners LLC, as administrative agent and Wilmington Trust, National Association, as collateral trustee, as amended, restated, amended and restated, supplemented or otherwise modified, refinanced or replaced from time to time.

"Term Loan Documents" means the "Loan Documents" as defined in the Term Loan Credit Agreement.

"Term Loan Facility" means the credit facility established under the Term Loan Credit Agreement in favor of the Issuers in accordance with the terms set forth therein or in the other Term Loan Documents and pursuant to which the commitments thereunder are established.

"Title 14" means Title 14 of the U.S. Code of Federal Regulations, including Part 93, Subparts K and S thereof, as amended from time to time or any successor or recodified regulation.

"Title 49" means Title 49 of the United States Code, which, among other things, recodified and replaced the U.S. Federal Aviation Act of 1958, and the rules and regulations promulgated pursuant thereto, and any subsequent legislation that amends, supplements or supersedes such provisions.

"Total Asset Coverage Ratio" means, as of any date, the ratio of (a) the Appraised Value of the Coverage Assets as of such date to (b) the sum of (i) the aggregate principal amount of all Priority Lien Debt as of such date (including, without duplication of any outstanding principal amounts, the amount of any unfunded commitments under all revolving credit facilities (including the Revolving Credit Agreement) of the Chilean Issuer and its Restricted Subsidiaries as of such date) plus (ii) the aggregate principal amount of all Junior Lien Indebtedness (including, without duplication of any outstanding principal amounts, the amount of any unfunded commitments under a revolving credit facility as of such date) plus (iii) without duplication, the aggregate principal amount of all Permitted Refinancing Indebtedness in respect of Priority Lien Debt or Junior Lien Indebtedness as of such date (including, in each case, without duplication of any outstanding principal amounts, the amount of any unfunded commitments under a revolving credit facility constituting such Permitted Refinancing Indebtedness as of such date) plus (iv) the aggregate outstanding amount of Pre-Sold Currency.

"Total Funded Debt" means, as of any date, the outstanding principal amount of all funded third-party Indebtedness for borrowed money of the Chilean Issuer and its Restricted Subsidiaries determined on a consolidated basis (excluding, for the avoidance of doubt, any Aircraft or Engine leases or other lease obligations), as reflected on a balance sheet of the Chilean Issuer and its Restricted Subsidiaries prepared in accordance with IFRS.

"Trustee" means Wilmington Trust, National Association until a successor replaces it in accordance with the applicable provisions of this Indenture and thereafter means the successor serving hereunder.

"U.S. Person" means a U.S. Person as defined in Rule 902(k) promulgated under the Securities Act.

"U.S. Real Estate Mortgage" means an agreement, including, but not limited to, a mortgage, deed of trust, leasehold mortgage, leasehold deed of trust or any other document, as amended, restated, modified, supplemented, extended or amended and restated from time to time, creating and evidencing a Lien in favor of the Collateral Trustee on that certain real property leased by an Issuer or a Guarantor and set forth on a schedule to the Collateral Trust Agreement.

"Uniform Commercial Code" or "UCC" means the Uniform Commercial Code or any successor provision thereof as the same may from time to time be in effect in the State of New York or the Uniform Commercial Code or any successor provision thereof (or similar code or statute) of another jurisdiction, to the extent it may be required to apply to the perfection or priority of any Lien on any item or items of Collateral.

"United States" or "U.S." means the United States of America; provided that for geographic purposes, "United States" means, in aggregate, the 50 states and the District of Columbia of the United States of America.

"Unrestricted Definitive Note" means, with respect to the Notes, a Definitive Note that does not bear and is not required to bear the Private Placement Legend.

"Unrestricted Cash Amount" means, (a) on any date of determination, as determined in accordance with IFRS (where applicable), the aggregate amount of unrestricted cash and Cash Equivalents owned by the Chilean Issuer or any Restricted Subsidiary as shown on a balance sheet prepared in accordance with IFRS and (b) cash and Cash Equivalents owned by the Chilean Issuer or any Restricted Subsidiary restricted in favor of any Secured Party to secure the 2029 Notes Obligations (it being understood such cash and Cash Equivalents may also secure other Secured Obligations (as defined in the Pledge and Security Agreement)).

"Unrestricted Global Note" means a Global Note that does not bear and is not required to bear the Private Placement Legend.

"Unrestricted Subsidiary" means any Subsidiary of the Chilean Issuer that is designated by the Board of Directors as an Unrestricted Subsidiary if that designation would not cause a Default or Event of Default and no Default or Event of Default exists at the time of such designation; provided that if a Restricted Subsidiary is designated as an Unrestricted Subsidiary, the aggregate Fair Market Value of all outstanding Investments owned by the Chilean Issuer and its Restricted Subsidiaries in the Subsidiary designated as an Unrestricted Subsidiary will be deemed to be an Investment made as of the time of the designation, which Investment is permitted at that time under Section 4.06 hereof. Any designation of an Unrestricted Subsidiary shall be made pursuant to a resolution of the Board of Directors, but only if such Subsidiary:

(1) has no Indebtedness other than Non-Recourse Debt;

(2) other than as permitted under Section 4.10 hereof, is not party to any agreement, contract, arrangement or understanding with the Chilean Issuer or any Restricted Subsidiary of the Chilean Issuer unless the terms of any such agreement, contract, arrangement or understanding are no less favorable to the Chilean Issuer or such Restricted Subsidiary than those that might be obtained at the time from Persons who are not Affiliates of the Chilean Issuer;

(3) is a Person with respect to which neither the Chilean Issuer nor any of its Restricted Subsidiaries has any direct or indirect obligation (a) to subscribe for additional Equity Interests or (b) to maintain or preserve such Person's financial condition or to cause such Person to achieve any specified levels of operating results;

(4) has not guaranteed or otherwise directly or indirectly provided credit support for any Indebtedness of the Chilean Issuer or any of its Restricted Subsidiaries;

(5) has substantially simultaneously with any such designation, been similarly designated under the documents governing any outstanding Priority Lien Debt, the Junior DIP Facility (if outstanding) and any outstanding Junior Lien Indebtedness;

(6) after giving effect to such designation, the Asset Coverage Ratio shall be greater than or equal to [*];

(7) does not own any assets or properties that constitute Collateral; and

(8) does not own assets or properties, taken together with the assets and properties owned by existing Unrestricted Subsidiaries (and Restricted Subsidiaries that substantially simultaneously with such designation shall also be designated as Unrestricted Subsidiaries), in excess of [*].

The Board of Directors may at any time designate any Unrestricted Subsidiary to be a Restricted Subsidiary; provided that (x) no Default or Event of Default would be in existence following such designation, (y) after giving effect to such designation, the Asset Coverage Ratio shall be greater than or equal to [*] and (z) all Liens of such Unrestricted Subsidiary outstanding immediately following such designation would, if incurred at such time, have been permitted to be incurred for all purposes of this Indenture.

"Use or Lose Rule" means with respect to Slots, any applicable utilization requirements issued by the FAA, other Governmental Authorities, any Non-U.S. Aviation Authorities or any Airport Authorities.

"Voting Power" in respect of any Person means the power to vote, or direct the vote of, the Voting Stock of such Person (rather than simply the number of shares of Voting Stock held in respect of such Person).

"Voting Stock" of any specified Person as of any date means the Capital Stock of such Person that is at the time entitled to vote in the election of the board of directors of such Person.

"Weighted Average Life to Maturity" means, when applied to any Indebtedness at any date, the number of years obtained by dividing:

(1) the sum of the products obtained by multiplying (A) the amount of each then remaining installment, sinking fund, serial maturity or other required payments of principal, including payment at final maturity, in respect of the Indebtedness, by (B) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment; by

(2) the then outstanding principal amount of such Indebtedness.

Section 1.02. Other Definitions.

Term	Defined in Section
"Additional Amount"	4.20
"Affiliate Transaction"	4.10
"Asset Disposition Offer"	4.08
"Authentication Order"	2.02
"Change of Control Offer"	4.12
"Change of Control Payment"	4.12
"Change of Control Payment Date"	4.12
"Covenant Defeasance"	8.03
"Coverage Shortfall"	4.16
"Cure Period"	4.16
"Depositary and Information Agent"	3.12
"Designated Guarantor"	4.13
"DTC"	2.03
"Event of Default"	6.01
"Excess Proceeds"	4.08
"Exit Condition Event"	3.12
"Exit Condition Event Offer"	3.12
"Exit Condition Event Payment"	3.12
"Exit Condition Event Payment Date"	3.12
"First Call Date"	3.07
"Legal Defeasance"	8.02
"Minimum Chilean Dividends"	4.06
"Notice of Default"	6.01
"Offer Amount"	3.11
"Offer Period"	3.11
"Other Offer Notes"	4.08
"Paying Agent"	2.03
"Proceeding"	13.07
"Process Agent"	13.07
"Purchase Date"	3.11
"Redemption Date"	3.07
"Redemption Deposit"	8.04
"Redemption Price Premium"	6.02
"Registrar"	2.03
"Restricted Payments"	4.06
"Special Interest"	4.16
"Special Mandatory Redemption"	3.10
"Special Mandatory Redemption Date"	3.10
"Special Mandatory Redemption Notice"	3.10
"Special Mandatory Redemption Price"	3.10
"Special Termination Date"	3.10
"Subject Company"	5.01
"Subject Entity"	5.01
"Taxing Jurisdiction"	4.20

Section 1.03. Rules of Construction. Unless the context otherwise requires:

(1) a term has the meaning assigned to it;

(2) an accounting term not otherwise defined has the meaning assigned to it in accordance with IFRS;

(3) "or" is not exclusive;

(4) words in the singular include the plural, and in the plural include the singular;

(5) "will" shall be interpreted to express a command;

(6) provisions apply to successive events and transactions;

(7) "including" means including without limitation;

(8) references to sections of or rules under the Securities Act will be deemed to include substitute, replacement of successor sections or rules adopted by the SEC from time to time; and

(9) each reference to "cash" shall be deemed to include also Cash Equivalents.

Section 1.04. Calculations and Tests. Unless the context otherwise requires:

(a) For purposes of any determination under Article 4 or any other provision of this Indenture subject to any Dollar limitation, threshold or basket, all amounts incurred, outstanding or proposed to be incurred or outstanding in currencies other than Dollars shall be translated into Dollars at the Exchange Rate (rounded to the nearest currency unit, with 0.5 or more of a currency unit being rounded upward) at the applicable time determined in accordance with this Section 1.04; provided, however, that for purposes of determining compliance with Article 4 with respect to any amount in a currency other than Dollars, no Default or Event of Default shall be deemed to have occurred solely as a result of changes in rates of exchange occurring after the time such Indebtedness or Lien is incurred or Investment or other Restricted Payment or Disposition is made, or transaction with an Affiliate is entered into. For purposes of any determination of the Asset Coverage Ratio, the Total Asset Coverage Ratio or Consolidated Liquidity, amounts in currencies other than Dollars shall be translated into Dollars at the currency exchange rates used in preparing the most recently delivered financial statements pursuant to Section 4.03 (adjusted to reflect the currency translation effects, determined in accordance with IFRS, of any Hedging Agreements for currency exchange risks with respect to the applicable currency in effect on the date of determination of the Dollar Equivalent).

(b) It is understood and agreed that any Indebtedness, Lien, Investment or other Restricted Payment, Disposition and/or Affiliate transaction need not be permitted solely by reference to one category of permitted Indebtedness, Lien, Investment or other Restricted Payment, Disposition and/or Affiliate transaction within the same covenant, but may instead be permitted in part under any combination thereof or under any other available exception within the same covenant.

ARTICLE 2

THE NOTES

Section 2.01. Form and Dating.

(a) General. The Notes and the Trustee's certificate of authentication will be substantially in the form of Exhibit A hereto. The Notes may have notations, legends or endorsements required by law, stock exchange rule or usage. Each Note will be dated the date of its authentication. The Notes shall be in minimum denominations of $2,000 and integral multiples of $1,000 in excess thereof.

The terms and provisions contained in the Notes will constitute, and are hereby expressly made, a part of this Indenture and the Issuers, the Guarantors, the Trustee and the Collateral Trustee, by their execution and delivery of this Indenture, expressly agree to such terms and provisions and to be bound thereby. However, to the extent any provision of any Note conflicts with the express provisions of this Indenture, the provisions of this Indenture shall govern and be controlling.

(b) Global Notes. Notes issued in global form will be substantially in the form of Exhibit A hereto (including the Global Note Legend set forth in Section 2.06(f)(2) hereof and the ERISA Legend set forth in Section 2.06(f)(3) hereof and the "Schedule of Exchanges of Interests in the Global Note" attached thereto). Notes issued in definitive form will be substantially in the form of Exhibit A hereto (but without the Global Note Legend thereon and without the "Schedule of Exchanges of Interests in the Global Note" attached thereto). Each Global Note will represent such of the outstanding Notes as will be specified therein, and each shall provide that it represents the aggregate principal amount of outstanding Notes from time to time endorsed thereon and that the aggregate principal amount of outstanding Notes represented thereby may from time to time be reduced or increased, as appropriate, to reflect exchanges and redemptions. Any endorsement of a Global Note to reflect the amount of any increase or decrease in the aggregate principal amount of outstanding Notes represented thereby will be made by the Trustee or the Custodian, at the direction of the Trustee, in accordance with instructions given by the Holder thereof as required by Section 2.06 hereof.

(c) Euroclear and Clearstream Procedures Applicable. The provisions of the "Operating Procedures of the Euroclear System" and "Terms and Conditions Governing Use of Euroclear" of Euroclear and the "General Terms and Conditions of Clearstream Banking" and "Customer Handbook" of Clearstream and, in each case, any successor provisions, will be applicable to transfers of beneficial interests in the Regulation S Global Notes that are held by Participants through Euroclear or Clearstream.

Section 2.02. Execution and Authentication.

The Notes shall be executed on behalf of the Issuers by at least one Officer of each Issuer. The signature of any Officer on the Notes may be manual, electronic or facsimile signatures of such Officer and may be imprinted or otherwise reproduced on the Notes.

If an Officer whose signature is on a Note no longer holds that office at the time a Note is authenticated, the Note will nevertheless be valid.

A Note will not be valid until authenticated by the manual signature of the Trustee. The signature will be conclusive evidence that the Note has been authenticated under this Indenture.

The Trustee will, upon receipt of a written order of the Issuers signed by an Officer of each Issuer (an "Authentication Order"), authenticate the Notes for original issue that may be validly issued under this Indenture, including any Additional Notes. The aggregate principal amount of Notes outstanding at any time may not exceed the aggregate principal amount of Notes authorized for issuance by the Issuers pursuant to one or more Authentication Orders, except as provided in Section 2.07 hereof.

In authenticating the Notes, the Trustee shall receive, and subject to Section 7.01 hereof will be fully protected in relying upon, an Opinion of Counsel stating that this Indenture and such Notes (when authenticated and delivered by the Trustee and issued by the Issuers in the manner and subject to any conditions specified in such Opinion of Counsel) and such Note Guarantees (when issued by the Guarantors in the manner and subject to any conditions specified in such Opinion of Counsel), will constitute valid and binding obligations of the Issuers and the Guarantors enforceable in accordance with their terms (except as the enforceability thereof may be limited by bankruptcy, insolvency, reorganization, moratorium, or other laws relating to or affecting creditors' rights and by general principles of equity, and subject to customary assumptions).

The Trustee may appoint an authenticating agent acceptable to the Issuers to authenticate Notes. Unless otherwise provided in the appointment, an authenticating agent may authenticate Notes whenever the Trustee may do so. Each reference in this Indenture to authentication by the Trustee includes authentication by such agent. An authenticating agent has the same rights as an Agent to deal with Holders of Notes or an Affiliate of the Issuers.

Section 2.03. Registrar and Paying Agent.

The Issuers will maintain or cause to be maintained an office or agency where Notes may be presented for registration of transfer or for exchange ("Registrar") and an office or agency where Notes may be presented for payment ("Paying Agent"). The Registrar will keep a register of the Notes and of their transfer and exchange. The Issuers may appoint one or more co-registrars and one or more additional paying agents. The term "Registrar" includes any co-registrar, and the term "Paying Agent" includes any additional paying agent. The Issuers may change any Paying Agent or Registrar without notice to any Holder. The Issuers will notify the Trustee in writing of the name and address of any Agent not a party to this Indenture. If the Issuers fail to appoint or maintain another entity as Registrar or Paying Agent, the Trustee shall act as such. Any Issuer or any of its Subsidiaries may act as Paying Agent or Registrar with respect to the Notes.

The Issuers initially appoint The Depository Trust Company ("DTC") to act as Depositary with respect to the Notes.

The Issuers initially appoint the Trustee to act as the Registrar and Paying Agent and to act as Custodian with respect to the Notes.

Section 2.04. Paying Agent to Hold Money in Trust.

The Issuers will require each Paying Agent other than the Trustee to agree in writing that the Paying Agent will hold in trust for the benefit of Holders of Notes or the Trustee all money held by the Paying Agent for the payment of principal, premium or Special Interest, if any, or interest on the Notes, and will notify the Trustee of any default by the Issuers in making any such payment. While any such default continues, the Trustee may require a Paying Agent to pay all money held by it to the Trustee. The Issuers at any time may require a Paying Agent to pay all money held by it to the Trustee. Upon payment over to the Trustee, the Paying Agent (if other than an Issuer or a Subsidiary of an Issuer) will have no further liability for the money. If an Issuer or a Subsidiary of an Issuer acts as Paying Agent, it will segregate and hold in a separate trust fund for the benefit of the Holders of Notes all money held by it as Paying Agent.

Upon any bankruptcy or reorganization proceedings relating to the Chilean Issuer, the Trustee will serve as Paying Agent for the Notes.

Section 2.05. Holder Lists.

The Trustee will preserve in as current a form as is reasonably practicable the most recent list available to it of the names and addresses of all Holders of Notes. If the Trustee is not the Registrar, the Issuers will furnish to the Trustee at least two Business Days before each interest payment date and at such other times as the Trustee may request in writing, a list in such form and as of such date as the Trustee may reasonably require of the names and addresses of the Holders of Notes.

Section 2.06. Transfer and Exchange.

(a) Transfer and Exchange of Global Notes. A Global Note may not be transferred except as a whole by the Depositary to a nominee of the Depositary, by a nominee of the Depositary to the Depositary or to another nominee of the Depositary, or by the Depositary or any such nominee to a successor Depositary or a nominee of such successor Depositary. All Global Notes will be exchanged by the Issuers for Definitive Notes if:

(1) the Issuers deliver to the Trustee notice from the Depositary that it is unwilling or unable to continue to act as Depositary or that it is no longer a clearing agency registered under the Exchange Act and, in either case, a successor Depositary is not appointed by the Issuers within 120 days after the date of such notice from the Depositary; or

(2) there has occurred and is continuing a Default or Event of Default with respect to the Notes.

Upon the occurrence of any of the preceding events in (1) or (2) of this Section 2.06(a), Definitive Notes shall be issued in such names as the Depositary shall instruct the Trustee. Global Notes also may be exchanged or replaced, in whole or in part, as provided in Sections 2.07 and 2.10 hereof. Every Note authenticated and delivered in exchange for, or in lieu of, a Global Note or any portion thereof, pursuant to this Section 2.06 or Section 2.07 or 2.10 hereof, shall be authenticated and delivered in the form of, and shall be, a Global Note. A Global Note may not be exchanged for another Note other than as provided in this Section 2.06(a); however, beneficial interests in a Global Note may be transferred and exchanged as provided in Section 2.06(b) or (c).

(b) Transfer and Exchange of Beneficial Interests in the Global Notes. The transfer and exchange of beneficial interests in the Global Notes will be effected through the Depositary, in accordance with the provisions of this Indenture and the Applicable Procedures. Beneficial interests in the Restricted Global Notes will be subject to restrictions on transfer comparable to those set forth herein to the extent required by the Securities Act. Transfers of beneficial interests in the Global Notes also will require compliance with either subparagraph (1) or (2) below, as applicable, as well as one or more of the other following subparagraphs, as applicable:

(1) Transfer of Beneficial Interests in the Same Global Note. Beneficial interests in any Restricted Global Note may be transferred to Persons who take delivery thereof in the form of a beneficial interest in the same Restricted Global Note in accordance with the transfer restrictions set forth in the Private Placement Legend; provided, however, that prior to the expiration of the Restricted Period, transfers of beneficial interests in the Regulation S Global Note may not be made to a U.S. Person or for the account or benefit of a U.S. Person (other than an Initial Purchaser). Beneficial interests in any Unrestricted Global Note may be transferred to Persons who take delivery thereof in the form of a beneficial interest in an Unrestricted Global Note. No written orders or instructions shall be required to be delivered to the Registrar to effect the transfers described in this Section 2.06(b)(1).

(2) All Other Transfers and Exchanges of Beneficial Interests in Global Notes. In connection with all transfers and exchanges of beneficial interests that are not subject to Section 2.06(b)(1) above, the transferor of such beneficial interest must deliver to the Registrar either:

(A) both:

(i) a written order from a Participant or an Indirect Participant given to the Depositary in accordance with the Applicable Procedures directing the Depositary to credit or cause to be credited a beneficial interest in another Global Note in an amount equal to the beneficial interest to be transferred or exchanged; and

(ii) instructions given in accordance with the Applicable Procedures containing information regarding the Participant account to be credited with such increase; or

(B) both:

(i) a written order from a Participant or an Indirect Participant given to the Depositary in accordance with the Applicable Procedures directing the Depositary to cause to be issued a Definitive Note in an amount equal to the beneficial interest to be transferred or exchanged; and

(ii) instructions given by the Depositary to the Registrar containing information regarding the Person in whose name such Definitive Note shall be registered to effect the transfer or exchange referred to in (1) above;

Upon satisfaction of all of the requirements for transfer or exchange of beneficial interests in Global Notes contained in this Indenture and the Notes or otherwise applicable under the Securities Act, the Trustee shall adjust the principal amount of the relevant Global Note(s) pursuant to Section 2.06(g) hereof.

(3) Transfer of Beneficial Interests to Another Restricted Global Note. A beneficial interest in any Restricted Global Note may be transferred to a Person who takes delivery thereof in the form of a beneficial interest in another Restricted Global Note if the transfer complies with the requirements of Section 2.06(b)(2) above and the Registrar receives the following:

(A) if the transferee will take delivery in the form of a beneficial interest in the 144A Global Note, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications in item (1) thereof; and

(B) if the transferee will take delivery in the form of a beneficial interest in the Regulation S Global Note, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications in item (2) thereof; and

(4) Transfer and Exchange of Beneficial Interests in a Restricted Global Note for Beneficial Interests in an Unrestricted Global Note. A beneficial interest in any Restricted Global Note may be exchanged by any holder thereof for a beneficial interest in an Unrestricted Global Note or transferred to a Person who takes delivery thereof in the form of a beneficial interest in an Unrestricted Global Note if the exchange or transfer complies with the requirements of Section 2.06(b)(2) above and:

(A) the Registrar receives the following:

(i) if the holder of such beneficial interest in a Restricted Global Note proposes to exchange such beneficial interest for a beneficial interest in an Unrestricted Global Note, a certificate from such holder in the form of Exhibit C hereto, including the certifications in item (1)(a) thereof; or

(ii) if the holder of such beneficial interest in a Restricted Global Note proposes to transfer such beneficial interest to a Person who shall take delivery thereof in the form of a beneficial interest in an Unrestricted Global Note, a certificate from such holder in the form of Exhibit B hereto, including the certifications in item (4) thereof;

and, in each such case set forth in this subparagraph (A), if the Issuers or the Registrar so requests or if the Applicable Procedures so require, an Opinion of Counsel in form reasonably acceptable to the Issuers and the Registrar to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

If any such transfer is effected pursuant to subparagraph (A) above at a time when an Unrestricted Global Note has not yet been issued, the Issuers shall issue and, upon receipt of an Authentication Order in accordance with Section 2.02 hereof, the Trustee shall authenticate one or more Unrestricted Global Notes in an aggregate principal amount equal to the aggregate principal amount of beneficial interests transferred pursuant to subparagraph (A) above.

Beneficial interests in an Unrestricted Global Note cannot be exchanged for, or transferred to Persons who take delivery thereof in the form of, a beneficial interest in a Restricted Global Note.

(c) Transfer or Exchange of Beneficial Interests for Definitive Notes.

(1) Beneficial Interests in Restricted Global Notes to Restricted Definitive Notes. If any holder of a beneficial interest in a Restricted Global Note proposes to exchange such beneficial interest for a Restricted Definitive Note or to transfer such beneficial interest to a Person who takes delivery thereof in the form of a Restricted Definitive Note, then, upon receipt by the Registrar of the following documentation:

(A) if the holder of such beneficial interest in a Restricted Global Note proposes to exchange such beneficial interest for a Restricted Definitive Note, a certificate from such holder in the form of Exhibit C hereto, including the certifications in item (2)(a) thereof;

(B) if such beneficial interest is being transferred to a QIB in accordance with Rule 144A, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (1) thereof;

(C) if such beneficial interest is being transferred to a Non-U.S. Person in an offshore transaction in accordance with Rule 903 or Rule 904, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (2) thereof;

(D) if such beneficial interest is being transferred pursuant to an exemption from the registration requirements of the Securities Act in accordance with Rule 144 or any other exemption from the Securities Act, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(a) thereof; or

(E) if such beneficial interest is being transferred to an Issuer or any of its Subsidiaries, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(b) thereof,

the Trustee shall cause the aggregate principal amount of the applicable Global Note to be reduced accordingly pursuant to Section 2.06(g) hereof, and the Issuers shall execute and the Trustee shall authenticate and deliver to the Person designated in the instructions a Definitive Note in the appropriate principal amount. Any Definitive Note issued in exchange for a beneficial interest in a Restricted Global Note pursuant to this Section 2.06(c) shall be registered in such name or names and in such authorized denomination or denominations as the holder of such beneficial interest shall instruct the Registrar through instructions from the Depositary and the Participant or Indirect Participant. The Trustee shall deliver such Definitive Notes to the Persons in whose names such Notes are so registered. Any Definitive Note issued in exchange for a beneficial interest in a Restricted Global Note pursuant to this Section 2.06(c)(1) shall bear the Private Placement Legend and shall be subject to all restrictions on transfer contained therein.

(2) Beneficial Interests in Restricted Global Notes to Unrestricted Definitive Notes. A holder of a beneficial interest in a Restricted Global Note may exchange such beneficial interest for an Unrestricted Definitive Note or may transfer such beneficial interest to a Person who takes delivery thereof in the form of an Unrestricted Definitive Note only if:

(A) the Registrar receives the following:

(i) if the holder of such beneficial interest in a Restricted Global Note proposes to exchange such beneficial interest for an Unrestricted Definitive Note, a certificate from such holder in the form of Exhibit C hereto, including the certifications in item (1)(b) thereof; or

(ii) if the holder of such beneficial interest in a Restricted Global Note proposes to transfer such beneficial interest to a Person who shall take delivery thereof in the form of an Unrestricted Definitive Note, a certificate from such holder in the form of Exhibit B hereto, including the certifications in item (4) thereof;

and, in each such case set forth in this subparagraph (A), if the Issuers or the Registrar so requests or if the Applicable Procedures so require, an Opinion of Counsel in form reasonably acceptable to the Issuers and the Registrar to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

(3) Beneficial Interests in Unrestricted Global Notes to Unrestricted Definitive Notes. If any holder of a beneficial interest in an Unrestricted Global Note proposes to exchange such beneficial interest for a Definitive Note or to transfer such beneficial interest to a Person who takes delivery thereof in the form of a Definitive Note, then, upon satisfaction of the conditions set forth in Section 2.06(b)(2) hereof, the Trustee will cause the aggregate principal amount of the applicable Global Note to be reduced accordingly pursuant to Section 2.06(g) hereof, and the Issuers will execute and the Trustee will authenticate and deliver to the Person designated in the instructions a Definitive Note in the appropriate principal amount. Any Definitive Note issued in exchange for a beneficial interest pursuant to this Section 2.06(c)(3) will be registered in such name or names and in such authorized denomination or denominations as the holder of such beneficial interest requests through instructions to the Registrar from or through the Depositary and the Participant or Indirect Participant. The Trustee will deliver such Definitive Notes to the Persons in whose names such Notes are so registered. Any Definitive Note issued in exchange for a beneficial interest pursuant to this Section 2.06(c)(3) will not bear the Private Placement Legend.

(d) Transfer and Exchange of Definitive Notes for Beneficial Interests.

(1) Restricted Definitive Notes to Beneficial Interests in Restricted Global Notes. If any Holder of a Restricted Definitive Note proposes to exchange such Note for a beneficial interest in a Restricted Global Note or to transfer such Restricted Definitive Notes to a Person who takes delivery thereof in the form of a beneficial interest in a Restricted Global Note, then, upon receipt by the Registrar of the following documentation:

(A) if the Holder of such Restricted Definitive Note proposes to exchange such Note for a beneficial interest in a Restricted Global Note, a certificate from such Holder in the form of Exhibit C hereto, including the certifications in item (2)(b) thereof;

(B) if such Restricted Definitive Note is being transferred to a QIB in accordance with Rule 144A, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (1) thereof;

(C) if such Restricted Definitive Note is being transferred to a Non-U.S. Person in an offshore transaction in accordance with Rule 903 or Rule 904, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (2) thereof;

(D) if such Restricted Definitive Note is being transferred pursuant to an exemption from the registration requirements of the Securities Act in accordance with Rule 144 or any other exemption from the Securities Act, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(a) thereof; or

(E) if such Restricted Definitive Note is being transferred to an Issuer or any of its Subsidiaries, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(b) thereof,

the Trustee will cancel the Restricted Definitive Note, increase or cause to be increased the aggregate principal amount of, in the case of clause (A) above, the appropriate Restricted Global Note, in the case of clause (B) above, the 144A Global Note or in the case of clause (C) above, the Regulation S Global Note.

(2) Restricted Definitive Notes to Beneficial Interests in Unrestricted Global Notes. A Holder of a Restricted Definitive Note may exchange such Note for a beneficial interest in an Unrestricted Global Note or transfer such Restricted Definitive Note to a Person who takes delivery thereof in the form of a beneficial interest in an Unrestricted Global Note only if:

(A) the Registrar receives the following:

(i) if the Holder of such Definitive Notes proposes to exchange such Notes for a beneficial interest in the Unrestricted Global Note, a certificate from such Holder in the form of Exhibit C hereto, including the certifications in item (1)(c) thereof; or

(ii) if the Holder of such Definitive Notes proposes to transfer such Notes to a Person who shall take delivery thereof in the form of a beneficial interest in the Unrestricted Global Note, a certificate from such Holder in the form of Exhibit B hereto, including the certifications in item (4) thereof;

and, in each such case set forth in this subparagraph (A), if the Issuers or the Registrar so requests or if the Applicable Procedures so require, an Opinion of Counsel in form reasonably acceptable to the Issuers and the Registrar to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

Upon satisfaction of the conditions of any of the subparagraphs in this Section 2.06(d)(2), the Trustee will cancel the Definitive Notes and increase or cause to be increased the aggregate principal amount of the Unrestricted Global Note.

(3) Unrestricted Definitive Notes to Beneficial Interests in Unrestricted Global Notes. A Holder of an Unrestricted Definitive Note may exchange such Note for a beneficial interest in an Unrestricted Global Note or transfer such Definitive Notes to a Person who takes delivery thereof in the form of a beneficial interest in an Unrestricted Global Note at any time. Upon receipt of a request for such an exchange or transfer, the Trustee will cancel the applicable Unrestricted Definitive Note and increase or cause to be increased the aggregate principal amount of one of the Unrestricted Global Notes.

If any such exchange or transfer from a Definitive Note to a beneficial interest is effected pursuant to subparagraphs (2)(A) or (3) above at a time when an Unrestricted Global Note has not yet been issued, the Issuers will issue and, upon receipt of an Authentication Order in accordance with Section 2.02 hereof, the Trustee will authenticate one or more Unrestricted Global Notes in an aggregate principal amount equal to the principal amount of Definitive Notes so transferred.

(e) Transfer and Exchange of Definitive Notes for Definitive Notes. Upon request by a Holder of Definitive Notes and such Holder's compliance with the provisions of this Section 2.06(e), the Registrar will register the transfer or exchange of Definitive Notes. Prior to such registration of transfer or exchange, the requesting Holder must present or surrender to the Registrar the Definitive Notes duly endorsed or accompanied by a written instruction of transfer in form satisfactory to the Registrar duly executed by such Holder or by its attorney, duly authorized in writing. In addition, the requesting Holder must provide any additional certifications, documents and information, as applicable, required pursuant to the following provisions of this Section 2.06(e).

(1) Restricted Definitive Notes to Restricted Definitive Notes. Any Restricted Definitive Note may be transferred to and registered in the name of Persons who take delivery thereof in the form of a Restricted Definitive Note if the Registrar receives the following:

(A) if the transfer will be made pursuant to Rule 144A, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications in item (1) thereof;

(B) if the transfer will be made pursuant to Rule 903 or Rule 904, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications in item (2) thereof; and

(C) if the transfer will be made pursuant to any other exemption from the registration requirements of the Securities Act, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications, certificates and Opinion of Counsel required by item (3) thereof, if applicable.

(2) Restricted Definitive Notes to Unrestricted Definitive Notes. Any Restricted Definitive Note may be exchanged by the Holder thereof for an Unrestricted Definitive Note or transferred to a Person or Persons who take delivery thereof in the form of an Unrestricted Definitive Note if:

(A) the Registrar receives the following:

(i) if the Holder of such Restricted Definitive Notes proposes to exchange such Notes for an Unrestricted Definitive Note, a certificate from such Holder in the form of Exhibit C hereto, including the certifications in item (1)(d) thereof; or

(ii) if the Holder of such Restricted Definitive Notes proposes to transfer such Notes to a Person who shall take delivery thereof in the form of an Unrestricted Definitive Note, a certificate from such Holder in the form of Exhibit B hereto, including the certifications in item (4) thereof;

and, in each such case set forth in this subparagraph (A), if the Issuers or the Registrar so requests, an Opinion of Counsel in form reasonably acceptable to the Issuers and the Registrar to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

(3) Unrestricted Definitive Notes to Unrestricted Definitive Notes. A Holder of Unrestricted Definitive Notes may transfer such Notes to a Person who takes delivery thereof in the form of an Unrestricted Definitive Note. Upon receipt of a request to register such a transfer, the Registrar shall register the Unrestricted Definitive Notes pursuant to the instructions from the Holder thereof.

(f) Legends. The following legends will appear on the face of all Global Notes and Definitive Notes issued under this Indenture unless specifically stated otherwise in the applicable provisions of this Indenture.

(1) Private Placement Legend. Each Global Note and each Definitive Note (and all Notes issued in exchange therefor or substitution thereof) shall bear the legend in substantially the following form:

"THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION. NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, SUCH REGISTRATION. THE HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, AGREES ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR ACCOUNT FOR WHICH IT HAS PURCHASED SECURITIES, TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, PRIOR TO THE DATE (THE "RESALE RESTRICTION TERMINATION DATE") THAT IS [**IN THE CASE OF RULE 144A NOTES**: ONE YEAR AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF, THE ORIGINAL ISSUE DATE OF THE ISSUANCE OF ANY ADDITIONAL NOTES AND THE LAST DATE ON WHICH THE ISSUERS OR ANY AFFILIATE OF THE ISSUERS WERE THE OWNER OF THIS SECURITY (OR ANY PREDECESSOR OF SUCH SECURITY),] [**IN THE CASE OF REGULATION S NOTES**: 40 DAYS AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF, THE ORIGINAL ISSUE DATE OF THE ISSUANCE OF ANY ADDITIONAL NOTES AND THE DATE ON WHICH THIS SECURITY (OR ANY PREDECESSOR OF SUCH SECURITY) WAS FIRST OFFERED TO PERSONS OTHER THAN DISTRIBUTORS (AS DEFINED IN RULE 902 OF REGULATION S) IN RELIANCE ON REGULATION S], ONLY (A) TO THE COMPANY OR ANY SUBSIDIARY THEREOF, (B) PURSUANT TO A REGISTRATION STATEMENT THAT HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT, (C) FOR SO LONG AS THE SECURITIES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A UNDER THE SECURITIES ACT ("RULE 144A"), TO A PERSON IT REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN RULE 144A THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (D) PURSUANT TO OFFERS AND SALES TO NON-U.S. PERSONS THAT OCCUR OUTSIDE THE UNITED STATES WITHIN THE MEANING OF REGULATION S UNDER THE SECURITIES ACT, (E) TO AN INSTITUTIONAL "ACCREDITED INVESTOR" WITHIN THE MEANING OF RULE 501(a)(1), (2), (3) OR (7) UNDER THE SECURITIES ACT THAT IS NOT A QUALIFIED INSTITUTIONAL BUYER AND THAT IS PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ANOTHER INSTITUTIONAL ACCREDITED INVESTOR, IN EACH CASE IN A MINIMUM PRINCIPAL AMOUNT OF SECURITIES OR (F) PURSUANT TO ANOTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT TO THE COMPANY'S AND THE TRUSTEE'S RIGHT PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSES (D), (E) OR (F) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/ OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM. THIS LEGEND WILL BE REMOVED UPON THE REQUEST OF THE HOLDER AFTER THE RESALE RESTRICTION TERMINATION DATE. [**IN THE CASE OF REGULATION S NOTES**: BY ITS ACQUISITION HEREOF, THE HOLDER HEREOF REPRESENTS THAT IT IS NOT A U.S. PERSON NOR IS IT PURCHASING FOR THE ACCOUNT OF A U.S. PERSON AND IS ACQUIRING THIS SECURITY IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT.]"

(2) Global Note Legend. Each Global Note will bear a legend in substantially the following form:

"THIS GLOBAL NOTE IS HELD BY THE DEPOSITARY (AS DEFINED IN THE INDENTURE GOVERNING THIS NOTE) OR ITS NOMINEE IN CUSTODY FOR THE BENEFIT OF THE BENEFICIAL OWNERS HEREOF, AND IS NOT TRANSFERABLE TO ANY PERSON UNDER ANY CIRCUMSTANCES EXCEPT THAT (1) THE TRUSTEE MAY MAKE SUCH NOTATIONS HEREON AS MAY BE REQUIRED PURSUANT TO SECTION 2.06 OF THE INDENTURE, (2) THIS GLOBAL NOTE MAY BE EXCHANGED IN WHOLE BUT NOT IN PART PURSUANT TO SECTION 2.06(a) OF THE INDENTURE, (3) THIS GLOBAL NOTE MAY BE DELIVERED TO THE TRUSTEE FOR CANCELLATION PURSUANT TO SECTION 2.11 OF THE INDENTURE AND (4) THIS GLOBAL NOTE MAY BE TRANSFERRED TO A SUCCESSOR DEPOSITARY WITH THE PRIOR WRITTEN CONSENT OF THE ISSUERS.

UNLESS AND UNTIL IT IS EXCHANGED IN WHOLE OR IN PART FOR NOTES IN DEFINITIVE FORM, THIS NOTE MAY NOT BE TRANSFERRED EXCEPT AS A WHOLE BY THE DEPOSITARY TO A NOMINEE OF THE DEPOSITARY OR BY A NOMINEE OF THE DEPOSITARY TO THE DEPOSITARY OR ANOTHER NOMINEE OF THE DEPOSITARY OR BY THE DEPOSITARY OR ANY SUCH NOMINEE TO A SUCCESSOR DEPOSITARY OR A NOMINEE OF SUCH SUCCESSOR DEPOSITARY. UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY (55 WATER STREET, NEW YORK, NEW YORK) ("DTC"), TO THE ISSUERS OR THEIR AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR SUCH OTHER NAME AS MAY BE REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR SUCH OTHER ENTITY AS MAY BE REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN."

(3) ERISA Legend. Each Global Note will bear a legend in substantially the following form:

"BY ITS ACQUISITION OF THIS SECURITY (OR ANY INTEREST HEREIN), THE HOLDER THEREOF WILL BE DEEMED TO HAVE REPRESENTED AND WARRANTED THAT EITHER (1) NO PORTION OF THE ASSETS USED BY SUCH HOLDER TO ACQUIRE OR HOLD THIS SECURITY CONSTITUTES THE ASSETS OF (A) AN "EMPLOYEE BENEFIT PLAN" WITHIN THE MEANING OF SECTION 3(3) OF THE U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA") THAT IS SUBJECT TO TITLE I OF ERISA, (B) A PLAN, INDIVIDUAL RETIREMENT ACCOUNT OR OTHER ARRANGEMENT THAT IS SUBJECT TO SECTION 4975 OF THE U.S. INTERNAL REVENUE CODE OR 1986, AS AMENDED (THE "CODE") OR PROVISIONS UNDER ANY OTHER APPLICABLE FEDERAL, STATE, LOCAL, NON-U.S. OR OTHER LAWS OR REGULATIONS THAT ARE SIMILAR TO SUCH PROVISIONS OF ERISA OR THE CODE ("SIMILAR LAWS"), OR (C) OF AN ENTITY WHOSE UNDERLYING ASSETS ARE CONSIDERED TO INCLUDE "PLAN ASSETS" OF ANY OF THE FOREGOING DESCRIBED IN CLAUSES (A) AND (B), OR (2) THE ACQUISITION AND HOLDING OF THIS SECURITY (OR ANY INTEREST HEREIN) WILL NOT CONSTITUTE A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE OR A SIMILAR VIOLATION UNDER ANY APPLICABLE SIMILAR LAWS."

(g) Cancellation and/or Adjustment of Global Notes. At such time as all beneficial interests in a particular Global Note have been exchanged for Definitive Notes or a particular Global Note has been redeemed, repurchased or canceled in whole and not in part, each such Global Note will be returned to or retained and canceled by the Trustee in accordance with Section 2.11 hereof. At any time prior to such cancellation, if any beneficial interest in a Global Note is exchanged for or transferred to a Person who will take delivery thereof in the form of a beneficial interest in another Global Note or for Definitive Notes, the principal amount of Notes represented by such Global Note will be reduced accordingly and an endorsement will be made on such Global Note by the Trustee or by the Depositary at the direction of the Trustee to reflect such reduction; and if the beneficial interest is being exchanged for or transferred to a Person who will take delivery thereof in the form of a beneficial interest in another Global Note, such other Global Note will be increased accordingly and an endorsement will be made on such Global Note by the Trustee or by the Depositary at the direction of the Trustee to reflect such increase.

(h) General Provisions Relating to Transfers and Exchanges.

(1) To permit registrations of transfers and exchanges, the Issuers will execute and the Trustee will authenticate Global Notes and Definitive Notes upon receipt of an Authentication Order in accordance with Section 2.02 hereof or at the Registrar's request.

(2) No service charge will be made to a Holder of a beneficial interest in a Global Note or to a Holder of a Definitive Note for any registration of transfer or exchange, but the Issuers may require payment of a sum sufficient to cover any transfer tax or similar governmental charge payable in connection therewith (other than any such transfer taxes or similar governmental charge payable upon exchange or transfer pursuant to Sections 2.10, 3.06, 3.10, 3.11, 4.08, 4.12 and 9.04 hereof).

(3) The Registrar will not be required to register the transfer of or exchange of any Note selected for redemption in whole or in part, except the unredeemed portion of any Note being redeemed in part.

(4) All Global Notes and Definitive Notes issued upon any registration of transfer or exchange of Global Notes or Definitive Notes will be the valid obligations of the Issuers and the Guarantors, evidencing the same debt, and entitled to the same benefits under this Indenture, as the Global Notes or Definitive Notes surrendered upon such registration of transfer or exchange.

(5) Neither the Registrar nor the Issuers will be required:

(A) to issue, to register the transfer of or to exchange any Notes during a period beginning at the opening of business 15 days before the day of any selection of Notes for redemption under Section 3.02 hereof and ending at the close of business on the day of selection;

(B) to register the transfer of or to exchange any Note selected for redemption in whole or in part, except the unredeemed portion of any Note being redeemed in part; or

(C) to register the transfer of or to exchange a Note between a record date and the next succeeding interest payment date.

(6) Prior to due presentment for the registration of a transfer of any Note, the Trustee, any Agent and the Issuers may deem and treat the Person in whose name any Note is registered as the absolute owner of such Note for the purpose of receiving payment of principal of and interest on such Notes and for all other purposes, and none of the Trustee, any Agent or the Issuers shall be affected by notice to the contrary.

(7) The Trustee will authenticate Global Notes and Definitive Notes in accordance with the provisions of Section 2.02 hereof.

(8) All certifications, certificates and Opinions of Counsel required to be submitted to the Registrar pursuant to this Section 2.06 to effect a registration of transfer or exchange may be submitted by facsimile.

(9) Neither the Trustee nor the Registrar shall have any obligation or duty to monitor, determine or inquire as to compliance with any restrictions on transfer imposed under this Indenture or under applicable law with respect to any transfer of any interest in any Note (including any transfers between or among DTC participants, members or beneficial owners in any Global Note) other than to require delivery of such certificates and other documentation or evidence as are expressly required by, and to do so if and when expressly required by, the terms of this Indenture, and to examine the same to determine substantial compliance as to form with the express requirements hereof.

Section 2.07. Replacement Notes.

If any mutilated Note is surrendered to the Trustee or the Issuers and the Trustee receives evidence to its satisfaction of the destruction, loss or theft of any Note, the Issuers will issue and the Trustee, upon receipt of an Authentication Order, will authenticate a replacement Note if the Trustee's requirements are met. If required by the Trustee or the Issuers, an indemnity bond must be supplied by the Holder that is sufficient in the judgment of the Trustee and the Issuers to protect the Issuers, the Trustee, any Agent and any authenticating agent from any loss that any of them may suffer if a Note is replaced. The Issuers may charge for their expenses in replacing a Note, including reasonable fees and expenses of the Trustee.

Every replacement Note is an obligation of the Issuers and will be entitled to all of the benefits of this Indenture equally and proportionately with all other Notes duly issued hereunder.

Section 2.08. Outstanding Notes.

The Notes outstanding at any time are all the Notes authenticated by the Trustee except for those canceled by it, those delivered to it for cancellation, those reductions in the interest in a Global Note effected by the Trustee in accordance with the provisions hereof, and those described in this Section 2.08 as not outstanding. Except as set forth in Section 2.09 hereof, a Note does not cease to be outstanding because an Issuer or an Affiliate of an Issuer holds the Note; however, Notes held by an Issuer or a Subsidiary of an Issuer shall not be deemed to be outstanding for purposes of Section 3.07 hereof.

If a Note is replaced pursuant to Section 2.07 hereof, it ceases to be outstanding unless the Trustee receives proof satisfactory to it that the replaced Note is held by a protected purchaser.

If the principal amount of any Note is considered paid under Section 4.01 hereof, it ceases to be outstanding and interest on it ceases to accrue.

If the Paying Agent (other than an Issuer, a Subsidiary or an Affiliate of any thereof) holds, on a Redemption Date or maturity date, money sufficient to pay Notes payable on that date, then on and after that date such Notes will be deemed to be no longer outstanding and will cease to accrue interest.

Section 2.09. Treasury Notes.

In determining whether the Holders of the required principal amount of Notes have concurred in any direction, waiver or consent, Notes owned by any Issuer, any Guarantor or by any Affiliate of any Issuer or any Guarantor, will be considered as though not outstanding, except that for the purposes of determining whether the Trustee will be protected in relying on any such direction, waiver or consent, only Notes that the Trustee knows are so owned will be so disregarded.

Section 2.10. Temporary Notes.

Until certificates representing Notes are ready for delivery, the Issuers may prepare and the Trustee, upon receipt of an Authentication Order, will authenticate temporary Notes. Temporary Notes will be substantially in the form of certificated Notes but may have variations that the Issuers consider appropriate for temporary Notes and as may be reasonably acceptable to the Trustee. Without unreasonable delay, the Issuers will prepare and the Trustee will authenticate definitive Notes in exchange for temporary Notes.

Holders of temporary Notes will be entitled to all of the benefits of this Indenture.

Section 2.11. Cancellation.

The Issuers at any time may deliver Notes to the Trustee for cancellation. The Registrar and Paying Agent will forward to the Trustee any Notes surrendered to them for registration of transfer, exchange or payment. The Trustee and no one else will cancel all Notes surrendered for registration of transfer, exchange, payment, replacement or cancellation and will destroy canceled Notes (subject to the record retention requirement of the Exchange Act). Upon request, the Trustee will provide certification of the cancellation of all cancelled Notes to the Issuers. The Issuers may not issue new Notes to replace Notes that it has paid or that have been delivered to the Trustee for cancellation.

Section 2.12. Defaulted Interest.

If the Issuers default in a payment of interest on the Notes, they will pay the defaulted interest in any lawful manner plus, to the extent lawful, interest payable on the defaulted interest, to the Persons who are Holders of Notes on a subsequent special record date, in each case at the rate provided in the Notes and in Section 4.01 hereof. The Issuers will notify the Trustee in writing of the amount of defaulted interest proposed to be paid on each Note and the date of the proposed payment. The Issuers will fix or cause to be fixed each such special record date and payment date; provided that no such special record date may be less than 10 days prior to the related payment date for such defaulted interest. At least 15 days before the special record date, the Issuers (or, upon the written request of the Issuers, the Trustee in the name and at the expense of the Issuers) will mail or cause to be mailed to Holders of Notes a notice that states the special record date, the related payment date and the amount of such interest to be paid.

Section 2.13. CUSIP Numbers.

The Issuers in issuing the Notes may use "CUSIP" numbers (if then generally in use), and, if so, the Trustee shall use "CUSIP" numbers in any notice issued under this Indenture, including but not limited to notices of redemption, as a convenience to Holders; provided that any such notice may state that no representation is made as to the correctness of such numbers either as printed on the Notes or as contained in any notice of redemption or other notice and that reliance may be placed only on the other elements of identification printed on the Notes, and any such redemption or effect of other such notice shall not be affected by any defect in or omission of such numbers. The Issuers will promptly notify the Trustee in writing of any change in the "CUSIP" numbers.

Section 2.14. Issuance of Additional Notes.

After the date of this Indenture, the Issuers shall be entitled to issue Additional Notes under this Indenture.

With respect to any Additional Notes, the Chilean Issuer shall set forth in a resolution of the Board of Directors and an Officer's Certificate, a copy of each which shall be delivered to the Trustee, the following information:

(1) the aggregate principal amount of such Additional Notes to be authenticated and delivered pursuant to this Indenture; and

(2) the issue price, the issue date and the CUSIP number of such Additional Notes; provided, however, that no Additional Notes may be issued at a price that would cause such Additional Notes to have "original issue discount" within the meaning of Section 1273 of the Internal Revenue Code of 1986, as amended.

Section 2.15. Global Securities.

None of the Trustee, any Agent or the Collateral Trustee shall have any responsibility for any actions taken or not taken by the Depositary. Neither the Trustee nor the Registrar shall have any responsibility or obligation to any beneficial owner of a Global Note, a member of, or a participant in, DTC or other Person with respect to the accuracy of the records of DTC or its nominee or of any participant or member thereof, with respect to any ownership interest in the Notes or with respect to the delivery to any participant, member, beneficial owner or other Person (other than DTC) of any notice (including any notice of redemption or purchase) or the payment of any amount or delivery of any Notes (or other security or property) under or with respect to such Notes. All notices and communications to be given to the Holders and all payments to be made to Holders in respect of the Notes shall be given or made only to or upon the order of the registered Holders (which shall be DTC or its nominee in the case of a Global Note). The rights of beneficial owners in any Global Note shall be exercised only through DTC subject to the applicable rules and procedures of DTC. The Trustee may rely and shall be fully protected in relying upon information furnished by DTC with respect to its members, participants and any beneficial owners.

ARTICLE 3

REDEMPTION AND PREPAYMENT

Section 3.01. Notice of Redemption by the Issuers.

Subject to Section 3.10 hereof, if the Issuers elect to redeem Notes pursuant to the optional redemption provisions of Section 3.07 hereof, the Issuers must furnish to the Trustee, at least 10 days but not more than 60 days before a Redemption Date, an Officer's Certificate setting forth:

(1) the clause of this Indenture pursuant to which the redemption shall occur;

(2) the Redemption Date;

(3) the principal amount of Notes to be redeemed;

(4) the redemption price; provided, that if the redemption price is not known at the time such notice is to be given, the actual redemption price, calculated as described in the terms of the Notes to be redeemed, will be set forth in an Officer's Certificate of the Issuers delivered to the Trustee no later than two Business Days prior to the Redemption Date; and

(5) if applicable, any conditions to such redemption.

Any optional redemption referenced in such Officer's Certificate may be cancelled by the Issuers at any time prior to notice of redemption being sent to any Holder and thereafter shall be null and void.

Section 3.02. Selection of Notes to Be Redeemed or Purchased.

If less than all of the Notes are to be redeemed or purchased in an offer to purchase at any time, and such Notes are not Global Notes, the Trustee will select Notes for redemption or purchase on a *pro rata* basis (or, in the case of Global Notes, the Trustee will select Notes for redemption based on DTC's method that most nearly approximates a *pro rata* selection), by lot or such other method as the Trustee deems appropriate and fair (or such other method as DTC may require), unless otherwise required by law or applicable stock exchange or depositary requirements.

In the event of partial redemption or purchase by lot, the particular Notes to be redeemed or purchased will be selected, unless otherwise provided herein, not less than 10 nor more than 60 days prior to the redemption or purchase date by the Trustee from the outstanding Notes not previously called for redemption or purchase.

The Trustee will promptly notify the Issuers in writing of the Notes selected for redemption or purchase and, in the case of any Note selected for partial redemption or purchase, the principal amount thereof to be redeemed or purchased. Notes and portions of Notes selected will be in minimum denominations of $2,000 or integral multiples of $1,000 in excess thereof, except that if all of the Notes of a Holder are to be redeemed or purchased, the entire outstanding amount of Notes held by such Holder, even if not $2,000 or a multiple of $1,000 in excess thereof, shall be redeemed or purchased. Except as provided in the preceding sentence, provisions of this Indenture that apply to Notes called for redemption or purchase also apply to portions of Notes called for redemption or purchase.

Section 3.03. Notice of Redemption.

Subject to the provisions of Sections 3.10 and 3.11 hereof, at least 10 days but not more than 60 days before a Redemption Date, the Issuers will deliver a notice of redemption to each Holder whose Notes are to be redeemed (with a copy to the Trustee) at its registered address, except that redemption notices may be delivered more than 60 days prior to a Redemption Date if the notice is issued in connection with a defeasance of the Notes or a satisfaction and discharge of this Indenture pursuant to Articles 8 or 11 hereof.

The notice will identify the Notes to be redeemed and will state:

(1) the Redemption Date;

(2) the redemption price;

(3) if any Note is being redeemed in part, the portion of the principal amount of such Note to be redeemed and that, after the Redemption Date upon surrender of such Note, a new Note or Notes in principal amount equal to the unredeemed portion will be issued upon cancellation of the original Note;

(4) the name and address of the Paying Agent;

(5) that Notes called for redemption must be surrendered to the Paying Agent to collect the redemption price;

(6) that, unless the Issuers default in making such redemption payment, interest on Notes called for redemption ceases to accrue on and after the Redemption Date;

(7) the paragraph of the Notes and/or Section of this Indenture pursuant to which the Notes called for redemption are being redeemed;

(8) if applicable, any condition to such redemption; and

(9) that no representation is made as to the correctness or accuracy of the CUSIP number, if any, listed in such notice or printed on the Notes.

At the Issuers' request, the Trustee will give the notice of redemption in the Issuers' name and at its expense; provided, however, that the Issuers have delivered to the Trustee, at least three Business Days (or if any Notes to be redeemed are in definitive form, five Business Days) prior to the date on which the Issuers instruct the Trustee to give the notice (or such shorter period as the Trustee may agree), an Officer's Certificate requesting that the Trustee give such notice and setting forth the information to be stated in such notice as provided in the preceding paragraph.

Section 3.04. Conditional Notices of Redemption.

Notice of any redemption of the Notes may, at the Issuers' discretion, be given prior to the completion of a transaction (including an Equity Offering, an incurrence of Indebtedness, a Change of Control or other transaction), and any redemption notice may, at the Issuers' discretion, be subject to one or more conditions precedent, including, but not limited to, completion of a related transaction. If such redemption or purchase is so subject to satisfaction of one or more conditions precedent such notice shall describe each such condition and, if applicable, shall state that, in the Issuers' discretion, the Redemption Date may be delayed until such time (including more than 60 days after the date the notice of redemption was mailed or delivered, including by electronic transmission) as any or all such conditions shall be satisfied, or such redemption or purchase may not occur and such notice may be rescinded in the event that any or all such conditions shall not have been satisfied by the Redemption Date, or by the Redemption Date as so delayed. In addition, the Issuers may provide in such notice that payment of the redemption price and performance of the Issuers' obligations with respect to such redemption may be performed by another Person.

Section 3.05. Deposit of Redemption or Purchase Price.

On or prior to 11:00 a.m. Eastern Time on the redemption or purchase date, the Issuers will deposit with the Trustee or with the Paying Agent money sufficient to pay the redemption or purchase price of and accrued interest and Special Interest, if any, on all Notes to be redeemed or purchased on that date. The Trustee or the Paying Agent will promptly return to the Issuers any money deposited with the Trustee or the Paying Agent by the Issuers in excess of the amounts necessary to pay the redemption or purchase price of, and accrued interest and Special Interest, if any, on, all Notes to be redeemed or purchased.

If the Issuers comply with the provisions of the preceding paragraph, on and after the redemption or purchase date, interest will cease to accrue on the Notes or the portions of Notes called for redemption or purchase. If a Note is redeemed or purchased on or after an interest record date but on or prior to the related interest payment date, then any accrued and unpaid interest shall be paid to the Person in whose name such Note was registered at the close of business on such record date in accordance with the Applicable Procedures of DTC. If any Note called for redemption or purchase is not so paid upon surrender for redemption or purchase because of the failure of the Issuers to comply with the preceding paragraph, interest shall be paid on the unpaid principal, from the redemption or purchase date until such principal is paid, and to the extent lawful on any interest not paid on such unpaid principal, in each case at the rate provided in the Notes and in Section 4.01 hereof.

Section 3.06. Notes Redeemed or Purchased in Part.

Upon surrender of a Note that is redeemed or purchased in part, the Issuers will issue and, upon receipt of an Authentication Order, the Trustee will authenticate for the Holder at the expense of the Issuers a new Note equal in principal amount to the unredeemed or unpurchased portion of the Note surrendered.

Section 3.07. Optional Redemption.

(a) At any time prior to October 15, 2025 (the "First Call Date"), the Issuers may redeem the Notes in whole or in part, at their option, upon notice in accordance with Section 3.03 hereof, at a redemption price (expressed as a percentage of the principal amount of the Notes to be redeemed) equal to 100.0% plus the Applicable Premium as of, and accrued and unpaid interest, if any, to, but excluding, the date of redemption (the "Redemption Date"), subject to the rights of Holders on the relevant record date to receive interest due on the relevant interest payment date.

(b) At any time and from time to time prior to the First Call Date, the Issuers may, on one or more occasions, upon notice in accordance with Section 3.03 hereof, redeem up to 40.0% of the original aggregate principal amount of Notes issued under this Indenture on the Issue Date (together with any Additional Notes) at a redemption price (expressed as a percentage of the principal amount of the Notes to be redeemed) equal to 113.375%, plus accrued interest and Additional Amounts, if any, to, but excluding, the Redemption Date, with the net after-tax cash proceeds received by the Chilean Issuer of one or more Equity Offerings of the Chilean Issuer; provided that not less than 50.0% of the aggregate principal amount of the then-outstanding Notes issued under this Indenture remains outstanding immediately after the occurrence of each such redemption (including Additional Notes but excluding Notes held by the Issuers or any of their Restricted Subsidiaries), unless all such Notes are redeemed substantially concurrently; provided, further, that each such redemption occurs not later than 180 days after the date of closing of the related Equity Offering. The Trustee shall select the Notes to be purchased in the manner described under Sections 3.01 through 3.06.

(c) Except pursuant to clauses (a) and (b) of this Section 3.07, Section 3.08 or pursuant to Section 3.10, the Notes will not be redeemable at the Issuers' option prior to the First Call Date.

(d) At any time and from time to time on or after the First Call Date, the Issuers may redeem the Notes, in whole or in part, upon notice in accordance with Section 3.03 hereof, at the redemption prices (expressed as percentages of principal amount of the Notes to be redeemed) set forth in the table below, plus accrued interest and Additional Amounts thereon, if any, to, but excluding the applicable Redemption Date, if redeemed during the periods indicated in the table below:

Period	Percentage
October 15, 2025 through October 14, 2026	110.031%
October 15, 2026 through October 14, 2027	106.688%
October 15, 2027 through April 14, 2029	103.344%
April 15, 2029 and thereafter	100.000%

(e) Notwithstanding the foregoing, in connection with any tender offer for the Notes, including a Change of Control Offer or an Asset Disposition Offer, if Holders of not less than 90% in aggregate principal amount of the outstanding Notes validly tender and do not validly withdraw such Notes in such tender offer and the Issuers, or any third party making such tender offer in lieu of the Issuers, purchase all of the Notes validly tendered and not validly withdrawn by such Holders, the Issuers or such third party shall have the right upon notice in accordance with Section 3.03 hereof, given not more than 30 days following such purchase date, to redeem all Notes that remain outstanding following such purchase at a redemption price equal to the price offered to each other Holder (excluding any early tender or incentive fee) in such tender offer plus, to the extent not included in the tender offer payment, accrued and unpaid interest (including Special Interest, if any), and Additional Amounts thereon, if any, to, but excluding, the date of such redemption.

(f) Any redemption pursuant to this Section 3.07 is subject to the right of the Holder of record on the record date to receive interest due on an interest payment date that is on or before the applicable Redemption Date.

(g) Any redemption pursuant to this Section 3.07 shall be made pursuant to the provisions of Sections 3.01 through 3.06 hereof.

Section 3.08. Tax Redemption.

(a) If as a result of any change in or amendment to the laws (or any rules or regulations thereunder) of a Taxing Jurisdiction, or any amendment to or change in an official interpretation, administration or application of such laws, rules or regulations, or any treaties or related agreements to which the Taxing Jurisdiction is a party (including a holding by a court of competent jurisdiction), which change or amendment becomes effective or, in the case of a change in official position, is announced on or after the Issue Date (or, if the Taxing Jurisdiction became a Taxing Jurisdiction on a later date, such later date), (i) the Issuers or any successors to the Issuers have or will become obligated to pay Additional Amounts or (ii) the Guarantors or any successors to the Guarantors have or will become obligated to pay Additional Amounts, in each case, in excess of the Additional Amounts, if any, that would have been payable on the date that the relevant Taxing Jurisdiction became a Taxing Jurisdiction, the Issuers or any successors to the Issuers may, at their option, redeem all, but not less than all, of the Notes, at a redemption price equal to 100.0% of their principal amount, together with accrued and unpaid interest to, but excluding, the date fixed for redemption, upon notice in accordance with Section 3.03 hereof. No notice of such redemption may be given earlier than 60 days prior to the earliest date on which the Issuers, the Guarantors or successors to the foregoing would, but for such redemption, become obligated to pay any such Additional Amounts were payment then due. For the avoidance of doubt, the Issuers or any successors to the Issuers shall not have the right to so redeem the Notes unless (a) they are or will become obligated to pay such Additional Amounts or (b) the Guarantors or any successors to the Guarantors are or will become obligated to pay such Additional Amounts. Notwithstanding the foregoing, the Issuers or any such successors shall not have the right to so redeem the Notes unless they have taken reasonable measures (including without limitation, using reasonable measures to cause payment on the Notes to be made through a Paying Agent in a different jurisdiction or by the Issuers, their successors or another Subsidiary of the Issuers) to avoid the obligation to pay such Additional Amounts. For the avoidance of doubt, reasonable measures do not include changing the jurisdiction of incorporation of the Issuers or any successor of the Issuers.

(b) In the event that the Issuers or any successors to the Issuers elect to so redeem the Notes, they will deliver to the Trustee: (1) an Officer's Certificate, stating that the Issuers or any successors to the Issuers are entitled to redeem the Notes pursuant to this Section 3.08 and setting forth a statement of facts showing that the condition or conditions precedent to the right of the Issuers or any successors to the Issuers to so redeem have occurred or been satisfied; and (2) an Opinion of Counsel to the effect that (i) the Issuers or any successors to the Issuers have or will become obligated to pay Additional Amounts or the Guarantors or any successors to the Guarantors are or will become obligated to pay Additional Amounts and that such obligation cannot be avoided by taking reasonable measures to avoid such obligation (including, without limitation, by causing payment on the Notes to be made through a Paying Agent in a different jurisdiction or by a Subsidiary of the Issuers), (ii) such obligation is the result of a change in or amendment to the laws (or any rules or regulations thereunder) of a Taxing Jurisdiction, as described above, and (iii) that all governmental requirements necessary for the Issuers or any successors to the Issuers to effect the redemption have been complied with.

Section 3.09. Mandatory Redemption.

The Issuers are not required to make mandatory redemption or sinking fund payments with respect to the Notes, except pursuant to Section 3.10; provided, however, that under certain circumstances, the Issuers may be required to offer to purchase Notes under Sections 4.08 and 4.12.

Section 3.10. Special Mandatory Redemption.

(a) In the event that the Exit Conversion Date does not occur on or prior to December 1, 2023 (the "Special Termination Date"), the Issuers will redeem the Notes (the "Special Mandatory Redemption") at a price (the "Special Mandatory Redemption Price") equal to 100.0% of the principal amount of the Notes, plus accrued and unpaid interest on the Notes, if any, from the Issue Date to, but excluding, the Special Mandatory Redemption Date, subject to the right of Holders of record on the relevant record date to receive interest and Additional Amounts, if any, due on the relevant interest payment date.

(b) Subject to Section 3.10(c), notice of the Special Mandatory Redemption will be delivered by the Issuers no later than one Business Day following the Special Termination Date, to the Trustee and Holders of Notes substantially in the form attached as Exhibit E hereto (the "Special Mandatory Redemption Notice"), which will provide that the Notes shall be redeemed on a date that is no later than the third Business Day after such notice is given by the Issuers (the "Special Mandatory Redemption Date") in accordance with the applicable procedures of DTC.

(c) On or prior to the Special Mandatory Redemption Date, the Issuers shall pay to the Paying Agent for payment to each Holder of Notes the applicable Special Mandatory Redemption Price for such Holder's Notes, plus accrued interest and Additional Amounts, if any, to, but excluding, the Special Mandatory Redemption Date.

(d) Other than as specifically provided in this Section 3.10, any redemption pursuant to this Section 3.11 shall be made pursuant to the provisions of Sections 3.01 through 3.06 hereof.

Section 3.11. Offer to Purchase by Application of Excess Proceeds.

In the event that, pursuant to Section 4.08 hereof, the Chilean Issuer is required to commence an Asset Disposition Offer, it will follow the procedures specified below.

The Asset Disposition Offer shall be made to all Holders of Notes and all holders of Other Offer Notes; provided that the percentage of such Excess Proceeds allocated and offered to the Notes in such Asset Disposition Offer is at least equal to the percentage of the aggregate principal amount of all Priority Lien Debt represented at such time by the Notes. The Asset Disposition Offer will remain open for a period of at least 20 Business Days following its commencement and not more than 30 Business Days, except to the extent that a longer period is required by applicable law (the "Offer Period"). No later than five (5) Business Days after the termination of the Offer Period (the "Purchase Date"), the Chilean Issuer will apply all Excess Proceeds (the "Offer Amount") to the purchase of Notes and Other Offer Notes (on a pro rata basis, if applicable) or, if less than the Offer Amount has been tendered, all Notes and other Indebtedness tendered in response to the Asset Disposition Offer. Payment for any Notes so purchased will be made in the same manner as interest payments are made.

If the Purchase Date is on or after an interest record date and on or before the related interest payment date, any accrued and unpaid interest and Special Interest, if any, will be paid to the Person in whose name a Note is registered at the close of business on such record date, and no additional interest will be payable to Holders of Notes who tender Notes pursuant to the Asset Disposition Offer.

Upon the commencement of an Asset Disposition Offer, the Chilean Issuer will deliver a notice to the Trustee and each of the Holders of Notes. The notice will contain all instructions and materials necessary to enable such Holders to tender Notes pursuant to the Asset Disposition Offer. The notice, which will govern the terms of the Asset Disposition Offer, will specify:

(1) that the Asset Disposition Offer is being made pursuant to this Section 3.11 and Section 4.08 hereof and the length of time the Asset Disposition Offer will remain open;

(2) the Offer Amount, the purchase price and the Purchase Date;

(3) that any Note not tendered or accepted for payment will continue to accrue interest and Special Interest, if any;

(4) that, unless the Chilean Issuer defaults in making such payment, any Note accepted for payment pursuant to the Asset Disposition Offer will cease to accrue interest and Special Interest, if any, after the Purchase Date;

(5) that Holders of Notes electing to have a Note purchased pursuant to an Asset Disposition Offer may elect to have Notes purchased in integral multiples of $1,000 only;

(6) that Holders of Notes electing to have Notes purchased pursuant to any Asset Disposition Offer will be required to surrender the Note, with the form entitled "Option of Holder to Elect Purchase" on the reverse of the Note completed, or transfer by book-entry transfer, to the Chilean Issuer, a Depositary, if appointed by the Chilean Issuer, or a Paying Agent at the address specified in the notice at least three days before the Purchase Date;

(7) that Holders of Notes will be entitled to withdraw their election if the Chilean Issuer, the Depositary or the Paying Agent, as the case may be, receives, not later than the expiration of the Offer Period, a telegram, telex, facsimile transmission or letter setting forth the name of the Holder, the principal amount of the Note the Holder delivered for purchase and a statement that such Holder is withdrawing his election to have such Note purchased;

(8) that, if the aggregate principal amount of Notes and other Priority Lien Debt surrendered by holders thereof exceeds the Offer Amount, the Chilean Issuer will select the Notes and other Priority Lien Debt to be purchased on a pro rata basis based on the principal amount of Notes and such other Priority Lien Debt surrendered (with such adjustments as may be deemed appropriate by the Chilean Issuer so that only Notes in minimum denominations of $2,000, and integral multiples of $1,000 in excess thereof, will be purchased); and

(9) that Holders of Notes whose Notes were purchased only in part will be issued new Notes equal in principal amount to the unpurchased portion of the Notes surrendered (or transferred by book-entry transfer).

On or before the Purchase Date, the Issuers will, to the extent lawful, accept for payment, on a pro rata basis to the extent necessary, the Offer Amount of Notes or portions thereof tendered pursuant to the Asset Disposition Offer, or if less than the Offer Amount has been tendered, all Notes tendered, and will deliver or cause to be delivered to the Trustee the Notes properly accepted together with an Officer's Certificate stating that such Notes or portions thereof were accepted for payment by the Chilean Issuer in accordance with the terms of this Section 3.11. The Chilean Issuer, the Depositary or the Paying Agent, as the case may be, will promptly (but in any case not later than five (5) days after the Purchase Date) mail or deliver to each tendering Holder an amount equal to the purchase price of the Notes tendered by such Holder and accepted by the Chilean Issuer for purchase, and the Chilean Issuer will promptly issue a new Note, and the Trustee, upon written request from the Issuers, will authenticate and mail or deliver (or cause to be transferred by book entry) such new Note to such Holder, in a principal amount equal to any unpurchased portion of the Note surrendered. Any Note not so accepted shall be promptly mailed or delivered by the Chilean Issuer to the Holder thereof. The Chilean Issuer will publicly announce the results of the Asset Disposition Offer on the Purchase Date.

Other than as specifically provided in this Section 3.11, any purchase pursuant to this Section 3.11 shall be made pursuant to the provisions of Sections 3.01 through 3.06 hereof.

Section 3.12. Offer to Purchase Upon the Exit Condition Event.

(a) In the event that the Exit Conversion Date does not occur on or prior to January 10, 2023 (the failure of the Exit Conversion Date to occur on or prior to such date, the "Exit Condition Event"), each Holder of the Initial Notes will have the right to require the Initial Purchasers to make an offer (the "Exit Condition Event Offer") to each Holder to purchase all, but not less than all, of such Holder's Initial Notes at a purchase price in cash equal to the Issue Price of the Initial Notes to be purchased plus accrued interest (including Special Interest, if any) and Additional Amounts thereon, if any, on the Initial Notes to be purchased to, but excluding, the date of purchase, subject to the rights of Holders of the Initial Notes on the relevant record date to receive interest due on the relevant interest payment date (the "Exit Condition Event Payment"); provided that it shall be a condition to the consummation of the Exit Condition Event Offer that the Exit Conversion Date shall not have occurred on or prior to the date of expiration of the Exit Condition Event Offer. If the Exit Conversion Date shall occur after January 10, 2023 and on or before the date of expiration of the Exit Condition Event Offer, then the Exit Condition Event Offer shall be automatically terminated, the Initial Purchasers shall not be obligated to purchase any Initial Notes in the Exit Condition Event Offer and any Initial Notes tendered in the Exit Condition Event Offer on or prior to such termination date shall be returned to the Holders thereof.

(b) Within ten (10) Business Days following January 10, 2023, solely if the Exit Condition Event has occurred, the Initial Purchasers will deliver a notice to each Holder of the Initial Notes, with a copy to the Trustee and the Issuers, which notice will govern the terms of the Exit Condition Event Offer and state:

(1) that the Exit Condition Event Offer is being made by the Initial Purchasers pursuant to this Section 3.12 and that all Initial Notes tendered will be accepted for payment;

(2) the purchase date, which shall be no earlier than 30 days and no later than 60 days from the date such notice is sent, other than as may be required by law (the "Exit Condition Event Payment Date");

(3) that any Initial Note not tendered will continue to accrue interest;

(4) that, unless the Initial Purchasers default in the payment of the Exit Condition Event Payment, no Holder of Initial Notes accepted for payment pursuant to the Exit Condition Event Offer shall have the right to receive any interest for the period on and after the Exit Condition Event Payment Date, and any interest on such Initial Notes so accepted accruing on and after the Exit Condition Event Payment Date shall be solely for the benefit of the Initial Purchasers;

(5) that Holders of Initial Notes electing to have any Initial Notes purchased pursuant to the Exit Condition Event Offer will be required to surrender the Initial Notes, with the form entitled "Option of Holder to Elect Purchase upon the Exit Condition Event Offer" on the reverse of the Initial Note completed, or transfer by book-entry transfer, to the depositary and information agent (the "Depositary and Information Agent") appointed by the Initial Purchasers and named in the notice at the address specified in the notice prior to the close of business on the third Business Day preceding the Exit Condition Event Payment Date; and

(6) that Holders of Initial Notes will be entitled to withdraw their election if the Depositary and Information Agent receives, not later than the close of business on the second Business Day preceding the Exit Condition Event Payment Date, a telex, facsimile transmission or letter setting forth the name of the Holder, the principal amount of Initial Notes delivered for purchase, and a statement that such Holder is withdrawing his election to have the Initial Notes purchased.

(c) On the Exit Condition Event Payment Date with respect to the Initial Notes, the Initial Purchasers will, to the extent lawful:

(1) accept for payment all Initial Notes properly tendered pursuant to the Exit Condition Event Offer; and

(2) deposit with the Depositary and Information Agent an amount equal to the Exit Condition Event Payment in respect of all Initial Notes properly tendered.

The Depositary and Information Agent will promptly deliver (but in any case not later than five days after the Exit Condition Event Payment Date) to each Holder of Initial Notes properly tendered the Exit Condition Event Payment for such Initial Notes. The Initial Purchasers will publicly announce the results of the Exit Condition Event Offer on or as soon as practicable after the Exit Condition Event Payment Date.

(d) The Initial Purchasers will not be required to make the Exit Condition Event Offer with respect to the Initial Notes if a third party makes such an offer in the manner, at the times and otherwise in compliance with the requirements for such an offer made by the Initial Purchasers and such third party purchases all Initial Notes properly tendered and not withdrawn under its offer.

(e) If Holders of not less than 90% in aggregate principal amount of the outstanding Initial Notes validly tender and do not withdraw the Initial Notes in the Exit Condition Event Offer and the Initial Purchasers (or any third party making the Exit Condition Event Offer) purchase all of such Initial Notes validly tendered and not withdrawn by such Holders, the Initial Purchasers will have the right, upon not less than 10 nor more than 60 days' prior notice, given not more than 30 days following such purchase pursuant to the Exit Condition Event Offer described in this Section 3.12, to purchase all Initial Notes that remain outstanding following the consummation of the Exit Condition Event Offer at a purchase price in cash equal to the Issue Price of the principal amount thereon, plus accrued interest (including Special Interest, if any) and Additional Amounts thereon, if any, to, but excluding, the date of purchase (subject to the right of holders of record on the relevant record date to receive interest on the relevant interest payment date).

(f) The Initial Purchasers will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with the purchase of the Initial Notes as a result of the Exit Condition Event. To the extent that the provisions of any such securities laws or regulations conflict with the Exit Condition Event Offer provisions set forth in this Section 3.12, the Initial Purchasers will comply with those securities laws and regulations and will not be deemed to have breached their obligations under this Section 3.12 by virtue of any such conflict.

(g) Except as set forth in this Section 3.12, the Initial Purchasers will not be required to purchase any Notes. Neither the Chilean Issuer nor any of its Subsidiaries will have any obligation to purchase any Notes in the Exit Condition Event Offer, nor any liability to the Holders of the Notes in connection with such offer. For the avoidance of doubt, any Initial Notes purchased by the Initial Purchasers in an Exit Condition Event Offer or pursuant to Section 3.12(e) shall remain outstanding and such purchase not operate to cancel such Initial Notes.

(h) The provisions of this Section 3.12 may not be amended without the consent of the Initial Purchasers.

ARTICLE 4

COVENANTS

I. From the Issue Date until the Exit Conversion Date, the covenants applicable to the Chilean Issuer and its Restricted Subsidiaries shall be (a) those negative covenants set forth on Annex A hereto and (b) the covenants set forth below in this Article 4 except Sections 4.06, 4.07, 4.08, 4.09, 4.10, 4.19, 4.21, 4.22 and 4.23.

The Exit Conversion Date shall occur on the date that the Trustee receives an Officer's Certificate from the Chilean Issuer, pursuant to Section 13.03 hereof, and upon which the Trustee and the Collateral Trustee shall be entitled to rely absolutely without further investigation, certifying that the Exit Conditions have been satisfied.

II. After the occurrence of the Exit Conversion Date, the covenants applicable to the Chilean Issuer and its Restricted Subsidiaries shall be as set forth below in this Article 4, and the covenants set forth on Annex A shall no longer be applicable to the Notes.

Section 4.01. Payment of Notes.

The Issuers will pay or cause to be paid the principal of, premium, if any, and interest and Special Interest, if any, on, the Notes on the dates and in the manner provided in the Notes. Principal, premium, if any, and interest and Special Interest, if any, will be considered paid on the date due if the Paying Agent, if other than an Issuer or a Subsidiary thereof, holds as of 11:00 a.m. Eastern Time on the due date money deposited by the Issuers in immediately available funds and designated for and sufficient to pay all principal, premium, if any, and interest then due.

All references in this Indenture to "interest" shall be deemed to include Special Interest, if applicable.

Section 4.02. Maintenance of Office or Agency.

The Issuers will maintain in the contiguous United States, an office or agency (which may be an office of the Trustee or an affiliate of the Trustee, Registrar or co-registrar) where Notes may be surrendered for registration of transfer or for exchange and where notices and demands to or upon the Issuers in respect of the Notes and this Indenture may be served. The Issuers will give prompt written notice to the Trustee of the location, and any change in the location, of such office or agency. If at any time the Issuers fail to maintain any such required office or agency or fails to furnish the Trustee with the address thereof, such presentations, surrenders, notices and demands may be made or served at the Corporate Trust Office of the Trustee; provided that no office of the Trustee shall be an office or agency of the Issuers for the purpose of service of legal process on any Issuer or any Guarantor, which service shall be made to the Process Agent in accordance with Section 13.07.

The Issuers may also from time to time designate one or more other offices or agencies where the Notes may be presented or surrendered for any or all such purposes and may from time to time rescind such designations; provided, however, that no such designation or rescission will in any manner relieve the Issuers of their obligation to maintain an office or agency in the contiguous United States for such purposes. The Issuers will give prompt written notice to the Trustee of any such designation or rescission and of any change in the location of any such other office or agency.

The Issuers hereby designate the Corporate Trust Office of the Trustee as one such office or agency of the Issuers in accordance with Section 2.03 hereof.

Section 4.03. Reports.

(a) The Chilean Issuer will deliver to the Trustee within 30 days after the Chilean Issuer files them with the SEC, copies of its annual report and the information, documents and other reports (or copies of such portions of any of the foregoing as the SEC may by rules and regulations prescribe) that the Chilean Issuer is required to file with the SEC pursuant to Sections 13 and 15(d) of the Exchange Act. Reports, information and documents filed by the Chilean Issuer with the SEC via the EDGAR system will be deemed to have been furnished to the Trustee as of the time such documents are filed via EDGAR.

(b) At any time the Chilean Issuer is not subject to Section 13 or 15(d) of the Exchange Act, the Chilean Issuer will, so long as any of the Notes will, at such time, constitute "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act, promptly provide to the Trustee and will, upon written request, provide to any Holder, beneficial owner or prospective purchaser of such Notes the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act to facilitate the resale of such Notes pursuant to Rule 144A under the Securities Act. The Chilean Issuer will take such further action as any Holder or beneficial owner of such Notes may reasonably request to the extent from time to time required to enable such Holder or beneficial owner to sell such Notes in accordance with Rule 144A under the Securities Act, as such rule may be amended from time to time.

(c) Within 10 Business Days after any Appraisal is required to be delivered pursuant to Section 4.15 hereof the Chilean Issuer will furnish to the Trustee a summary of each such Appraisal containing only information summarizing the results of such Appraisal (all of which will be made publicly available) and will post, or shall cause to have posted the complete Appraisal on a private, restricted website to which Holders of Notes, prospective investors, broker-dealers and securities analysts are given access, subject to such individuals agreeing to confidentiality obligations reasonably acceptable to the Chilean Issuer for securities law purposes.

(d) Delivery of reports, information and documents to the Trustee is for informational purposes only and its receipt of such reports shall not constitute actual or constructive notice of any information contained therein or determinable from information contained therein, including the Chilean Issuer's compliance with any of the covenants under this Indenture or the Notes (as to which the Trustee is entitled to rely exclusively on Officer's Certificates). The Trustee will not be obligated to monitor or confirm, on a continuing basis or otherwise, the Chilean Issuer's compliance with the covenants or with respect to matters disclosed in any reports or other documents filed with the SEC or EDGAR or any website under this Indenture, or participate in any conference calls.

Section 4.04. Compliance Certificate.

(a) The Issuers shall deliver to the Trustee, within 120 days after the end of each fiscal year, an Officer's Certificate stating that a review of the activities of the Issuers and their Subsidiaries during the preceding fiscal year has been made under the supervision of the signing Officers with a view to determining whether the Issuers have kept, observed, performed and fulfilled its obligations under this Indenture, and further stating, as to each such Officer signing such certificate, that to the best of his or her knowledge the Issuers have kept, observed, performed and fulfilled each and every covenant contained in this Indenture and is not in default in the performance or observance of any of the terms, provisions and conditions of this Indenture (or, if a Default or Event of Default has occurred, describing all such Defaults or Events of Default of which he or she may have knowledge and what action the Issuers are taking or proposes to take with respect thereto) and that to the best of his or her knowledge no event has occurred and remains in existence by reason of which payments on account of the principal of or interest, if any, on the Notes is prohibited or if such event has occurred, a description of the event and what action the Issuers are taking or proposes to take with respect thereto.

(b) So long as any of the Notes are outstanding, the Chilean Issuer will deliver to the Trustee, forthwith upon any Officer becoming aware of any Default or Event of Default, an Officer's Certificate specifying such Default or Event of Default and what action the Chilean Issuer is taking or proposes to take with respect thereto.

Section 4.05. Stay, Extension and Usury Laws.

Each Issuer and each of the Guarantors covenants (to the extent that it may lawfully do so) that it will not at any time insist upon, plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay, extension or usury law wherever enacted, now or at any time hereafter in force, that may affect the covenants or the performance of this Indenture; and each Issuer and each of the Guarantors (to the extent that it may lawfully do so) hereby expressly waives all benefit or advantage of any such law, and covenants that it will not, by resort to any such law, hinder, delay or impede the execution of any power herein granted to the Trustee, but will suffer and permit the execution of every such power as though no such law has been enacted.

Section 4.06. Restricted Payments.

(a) The Chilean Issuer will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly:

(i) declare or pay any dividend or make any other payment or distribution on account of the Chilean Issuer's or any of its Restricted Subsidiaries' Equity Interests (including, without limitation, any payment in connection with any merger or consolidation involving the Chilean Issuer or any of its Restricted Subsidiaries) or to the direct or indirect holders of the Chilean Issuer's or any of its Restricted Subsidiaries' Equity Interests in their capacity as such (other than (A) dividends, distributions or payments payable in Qualifying Equity Interests or in the case of preferred stock of the Chilean Issuer (to the extent applicable), an increase in the liquidation value thereof and (B) dividends, distributions or payments payable to the Chilean Issuer or a Restricted Subsidiary of the Chilean Issuer);

(ii) purchase, redeem or otherwise acquire or retire for value any Equity Interests of the Chilean Issuer;

(iii) make any payment on or with respect to, or purchase, redeem, defease or otherwise acquire or retire for value (collectively for purposes of this clause (iii), a "purchase") any Indebtedness of any Issuer or Guarantor that is subordinated to the 2029 Notes Obligations in right of payment or distributions from Collateral (but excluding any intercompany Indebtedness between or among the Chilean Issuer and any of its Restricted Subsidiaries), except (A) any scheduled payment of interest, (B) any repayment, repurchase, defeasance or other extinguishment of principal within two years of the Stated Maturity thereof, (C) in connection with any Permitted Refinancing Indebtedness in respect of such Indebtedness or (iv) conversion of such Indebtedness into common Equity Interests of the Chilean Issuer; or

(iv) make any Restricted Investment,

(all such payments and other actions set forth in these clauses (i) through (iv) above being collectively referred to as "Restricted Payments"), unless, at the time of and after giving effect to such Restricted Payment:

(1) no Default or Event of Default has occurred and is continuing as of such time or would result therefrom;

(2) Consolidated Liquidity on a Pro Forma Basis is at least [*]; and

(3) such Restricted Payment, together with the aggregate amount of all other Restricted Payments made by the Chilean Issuer and its Restricted Subsidiaries since the Issue Date (excluding Restricted Payments permitted by clauses (2) through (17) of Section 4.06(b) hereof), is less than the sum, without duplication, of:

[*]

(b) The provisions of Section 4.06(a) hereof will not prohibit:

(1) the payment of any dividend or distribution or the consummation of any irrevocable redemption within 60 days after the date of declaration of the dividend or distribution or giving of the redemption notice, as the case may be, if at the date of declaration or notice, the dividend or redemption payment would have complied with the provisions of this Indenture;

(2) the making of any Restricted Payment in exchange for, or out of or with the net cash proceeds of the substantially concurrent sale (other than to a Subsidiary of the Chilean Issuer) of, Qualifying Equity Interests or from the substantially concurrent contribution of common equity capital to the Chilean Issuer; provided that the amount of any such net cash proceeds that are utilized for any such Restricted Payment will not be considered to be net proceeds of Qualifying Equity Interests for purposes of clause (a)(3)(C) of Section 4.06 and will not be considered to be Excluded Contributions;

(3) the payment of any dividend (or, in the case of any partnership or limited liability company, any similar distribution), distribution or payment by a Restricted Subsidiary of the Chilean Issuer to the holders of its Equity Interests on a pro rata basis (or in the case of the payment of any such Restricted Payment to an Issuer or a Guarantor, on at least a pro rata basis to such Issuer or Guarantor);

(4) the repurchase, redemption, defeasance or other acquisition or retirement for value of Indebtedness of any Issuer or any Guarantor that is contractually subordinated to the Notes or to the Note Guarantees with the net cash proceeds from an incurrence of Permitted Refinancing Indebtedness;

(5) the repurchase, redemption, acquisition or retirement for value of any Equity Interests of the Chilean Issuer or any Restricted Subsidiary of the Chilean Issuer held by any current or former officer, director, consultant or employee (or their estates or beneficiaries of their estates) of the Chilean Issuer or any of its Restricted Subsidiaries pursuant to any management equity plan or equity subscription agreement, stock option agreement, shareholders' agreement or similar agreement; provided that the aggregate price paid for all such repurchased, redeemed, acquired or retired Equity Interests may not exceed [*] in any twelve-month period (except to the extent such repurchase, redemption, acquisition or retirement is in connection with the acquisition of a Permitted Business or merger, consolidation or amalgamation otherwise permitted by this Indenture and in such case the aggregate price paid by the Chilean Issuer and its Restricted Subsidiaries may not exceed [*] in connection with such acquisition of a Permitted Business or merger, consolidation or amalgamation); provided, further, that the Chilean Issuer or any of its Restricted Subsidiaries may carry over and make in subsequent twelve-month periods, in addition to the amounts permitted for such twelve-month period, up to [*] of unutilized capacity under this clause (5) attributable to the immediately preceding twelve-month period;

(6) the repurchase of Equity Interests or other securities deemed to occur upon (A) the exercise of stock options, warrants or other securities convertible or exchangeable into Equity Interests or any other securities, to the extent such Equity Interests or other securities represent a portion of the exercise price of those stock options, warrants or other securities convertible or exchangeable into Equity Interests or any other securities or (B) the withholding of a portion of Equity Interests issued to employees and other participants under an equity compensation program of the Chilean Issuer or its Subsidiaries to cover withholding tax obligations of such persons in respect of such issuance;

(7) so long as no Default or Event of Default has occurred and is continuing, the declaration and payment of regularly scheduled or accrued dividends, distributions or payments to holders of any class or series of Disqualified Stock or subordinated Indebtedness of the Chilean Issuer or any preferred stock of any Restricted Subsidiary of the Chilean Issuer either outstanding on the Issue Date or issued on or after the Issue Date in accordance with Section 4.07;

(8) payments of cash, dividends, distributions, advances, common stock or other Restricted Payments by the Chilean Issuer or any of its Restricted Subsidiaries to allow the payment of cash in lieu of the issuance of fractional shares upon (A) the exercise of options or warrants, (B) the conversion or exchange of Capital Stock of any such Person or (C) the conversion or exchange of Indebtedness or hybrid securities into Capital Stock of any such Person;

(9) any Restricted Payment made pursuant to the Reorganization Plan (including the repayment of the Junior DIP Facility on the Exit Conversion Date);

(10) in the event of a Change of Control, and if no Default shall have occurred and be continuing, the payment, purchase, redemption, defeasance or other acquisition or retirement of any subordinated Indebtedness of any Issuer or any Guarantor, in each case, at a purchase price not greater than 101% of the principal amount of such subordinated Indebtedness, plus any accrued and unpaid interest (including Special Interest, if any) thereon;

(11) Restricted Payments made with Excluded Contributions;

(12) [Reserved];

(13) the distribution, as a dividend or otherwise, of cash in an amount, as of any calendar year, not to exceed 30% of the annual net profits of the preceding calendar year (assuming there are no carry forward losses from previous years) to the extent necessary (and not in excess of the amount necessary) to satisfy Chilean minimum dividend requirements (as such requirements may be amended from time to time) (any dividends pursuant to this clause (13), "Minimum Chilean Dividends");

(14) the distribution or dividend of assets or Capital Stock of any Person in connection with any full or partial "spin-off" of a Subsidiary or similar transactions having an aggregate Fair Market Value not to exceed [*] since the Issue Date; provided that the assets distributed or dividended do not include, directly or indirectly, any property or asset that constitutes Significant Assets;

(15) so long as no Default or Event of Default has occurred and is continuing or would result therefrom, other Restricted Payments in an aggregate amount (such aggregate amount to be calculated from the Issue Date) not to exceed the greater of [*] as of the date of such Restricted Payment;

(16) so long as no Event of Default has occurred and is continuing or would result therefrom, any Restricted Investment by the Chilean Issuer and/or any Restricted Subsidiary of the Chilean Issuer; and

(17) the payment of any amounts in respect of any restricted stock units or other instruments or rights whose value is based in whole or in part on the value of any Equity Interests issued to any directors, officers or employees of the Chilean Issuer or any Restricted Subsidiary of the Chilean Issuer.

(c) Notwithstanding anything to the contrary in Sections 4.06(a) or 4.06(b), (A) prior to the Second Exit Conversion Anniversary Date, neither the Chilean Issuer nor any of its Restricted Subsidiaries will make (1) any Restricted Payment pursuant to clause (1) of the definition thereof paid in cash or that involves the distribution, directly or indirectly, of Significant Assets or the distribution, directly or indirectly, of Equity Interests of any Person substantially all of whose assets are cash or Cash Equivalents or (2) any Restricted Payment pursuant to clause (2) of the definition thereof; provided that this Section 4.06(c) shall not restrict (x) the cash payment of any Minimum Chilean Dividends or (y) any Restricted Payments made pursuant to clauses (3), (7), (8) (in respect of aggregate cash payments of up to [*] in connection with an exchange to effect a reverse stock split of the Chilean Issuer's shares) or (9) of Section 4.06(b), (B) no Investment may be made in any Unrestricted Subsidiary if, after giving effect thereto, the aggregate assets and properties of all Unrestricted Subsidiaries would exceed [*] and (C) no Restricted Payments may be made from the Net Proceeds of any incurrence of Indebtedness (other than the cash payment of Minimum Chilean Dividends).

In the case of any Restricted Payment that is not cash, the amount of such non-cash Restricted Payment will be the Fair Market Value on the date of the Restricted Payment of the asset(s) or securities proposed to be transferred or issued by the Chilean Issuer or such Restricted Subsidiary of the Chilean Issuer, as the case may be, pursuant to the Restricted Payment.

For purposes of determining compliance with this Section 4.06, if a Restricted Payment (or portion thereof) meets the criteria of more than one of the categories of Restricted Payments described in clauses (1) through (17) of Section 4.06(b), or is entitled to be made pursuant to Section 4.06(a), or pursuant to any category set forth in the definition of Permitted Investments or other defined term used in this Section 4.06, the Chilean Issuer will be entitled to classify on the date of its payment or later reclassify such Restricted Payment (or portion thereof) in any manner that complies with this Section 4.06.

For the avoidance of doubt, the payment on or with respect to, or purchase, redemption, defeasance or other acquisition or retirement for value of any Indebtedness of the Chilean Issuer or any Restricted Subsidiary of the Chilean Issuer that is not contractually subordinated to the 2029 Notes Obligations shall not constitute a Restricted Payment and therefore will not be subject to any of the restrictions described in this Section 4.06.

Section 4.07. Indebtedness.

(a) The Chilean Issuer will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, create, incur, assume or guaranty or otherwise become or remain directly or indirectly liable with respect to any Indebtedness for borrowed money (including in the form of Disqualified Stock), except for:

(1) Priority Lien Debt of an Issuer or Guarantor and any Guarantees of an Issuer or a Guarantor in respect thereof; provided that any Priority Lien Debt shall (i) not be secured other than as permitted by clause (1) of the definition of Permitted Liens and (ii) not be subject to or benefit from any Guarantee by any Person that does not also Guarantee the 2029 Notes Obligations; provided, further, that any Priority Lien Debt (other than any Priority Lien Debt incurred in the form of revolving Indebtedness pursuant to clause (b) of the definition thereof, which may be senior or superpriority in right of payment from the Collateral to the 2029 Notes Obligations) shall be pari passu in right of payment with the Obligations;

(2) Junior Lien Indebtedness of the Issuers and the Guarantors and any Guarantees of an Issuer or a Guarantor in respect thereof; provided that either (i) such Junior Lien Indebtedness is Permitted Refinancing Indebtedness in respect of Priority Lien Debt, (ii) after giving Pro Forma Effect to the issuance or incurrence of any such Junior Lien Indebtedness, the Total Asset Coverage Ratio is at least equal to [*] or (iii) such Junior Lien Indebtedness is Permitted Refinancing Indebtedness in respect of any Indebtedness incurred pursuant to clause (i) or (ii) of this Section 4.07(a)(2) (or any successive Permitted Refinancing Indebtedness); provided, further, that any Junior Lien Indebtedness shall not be secured other than as permitted by clause (2) of the definition of Permitted Liens; provided, further, that in the event such Indebtedness being Guaranteed is subordinated in right of payment to the 2029 Notes Obligations, then the related Guarantee shall be subordinated in right of payment to the Notes or the Note Guarantees, as the case may be;

(3) unsecured Indebtedness of the Issuers or Guarantors that is Permitted Refinancing Indebtedness in respect of either Priority Lien Debt or Junior Lien Indebtedness (or any successive Permitted Refinancing Indebtedness) and any Guarantees of the Issuers or Guarantors in respect of any of the foregoing; provided that (i) such Indebtedness shall not be subject to or benefit from any Guarantee by any Person that does not also Guarantee the 2029 Notes Obligations, (ii) such Indebtedness shall be pari passu in right of payment with the 2029 Notes Obligations or subordinated in right of payment with the 2029 Notes Obligations, with any such subordinated obligations on terms reasonably satisfactory to the Controlling Representative and (iii) in the event such Indebtedness being Guaranteed is subordinated in right of payment to the 2029 Notes Obligations, then the related Guarantee shall be subordinated in right of payment to the Notes or the Note Guarantees, as the case may be;

(4) unsecured Indebtedness of the Chilean Issuer; provided that such Indebtedness (i) is subordinated in right of payment to the 2029 Notes Obligations, any other Priority Lien Debt and any Junior Lien Indebtedness on terms reasonably satisfactory to the Controlling Representative, (ii) matures no earlier than the date on which the Notes mature, (iii) has a Weighted Average Life to Maturity no shorter than the Weighted Average Life to Maturity of the Notes and (iv) is not subject to any Guarantee by any Subsidiary or Affiliate of the Chilean Issuer;

(5) unsecured Indebtedness of the Chilean Issuer and its Restricted Subsidiaries in an aggregate principal amount not to exceed [*] at any time outstanding; provided that (i) up to [*] of such unsecured Indebtedness may be used to incur Indebtedness for borrowed money and (ii) up to [*] of such unsecured Indebtedness may be used for working capital purposes; provided, further, that the outstanding amount of Indebtedness incurred pursuant to this Section 4.07(a)(5), together with Indebtedness outstanding pursuant to Section 4.07(a)(9), does not exceed [*];

(6) letters of credit, bank guarantees, bankers' assurances or acceptances, surety bonds, insurance bonds and similar instruments entered into in the ordinary course of business;

(7) Hedging Obligations in respect of Hedging Agreements that are not for speculative purposes;

(8) Indebtedness of the Chilean Issuer or any Restricted Subsidiary incurred to finance the acquisition, construction or improvement of any fixed or capital assets, including sale and leaseback transactions, Capital Lease Obligations and any Indebtedness assumed in connection with the acquisition of any such assets or secured by a Lien on any such assets prior to the acquisition thereof, and extensions, renewals and replacements of any such Indebtedness that do not increase the outstanding principal amount thereof; provided that (i) such Indebtedness is incurred in connection with such sale and leaseback prior to or within 180 days after such acquisition or the completion of such construction or improvement and (ii) the aggregate principal amount of Indebtedness permitted by this Section 4.07(a)(8) shall not exceed the greater of (x) [*];

(9) Indebtedness incurred by Receivables Subsidiaries pursuant to Qualified Receivables Transactions; provided that the outstanding amount of Indebtedness incurred pursuant to this Section 4.07(a)(9), together with Indebtedness outstanding pursuant to Section 4.07(a)(5) does not exceed [*];

(10) Indebtedness incurred in connection with any Aircraft Financing (including, without limitation, the RCF Loan Agreement and the Spare Engine Loan Agreement);

(11) Indebtedness of the Chilean Issuer and its Restricted Subsidiaries with respect to infrastructure projects consistent with past practice; provided that (i) the Indebtedness incurred pursuant to this Section 4.07(a)(11) shall not exceed the value of the collateral pledged in connection therewith and (ii) no Significant Assets shall be pledged to secure any such Indebtedness;

(12) Indebtedness issued in connection with the Reorganization Plan and Permitted Refinancing Indebtedness in respect thereof, including the Junior DIP Facility; provided that the Junior DIP Facility shall be repaid in full on the Exit Conversion Date;

(13) unsecured Guarantees of (i) Indebtedness for borrowed money permitted by this Section 4.07 and (ii) other Indebtedness not constituting Indebtedness for borrowed money; provided that such Guarantee of such Indebtedness is not prohibited by the provisions of this Indenture; provided, further, that in the event such Indebtedness being guaranteed is subordinated to the 2029 Notes Obligations, then the related Guarantee shall be subordinated in right of payment to the Notes or the Note Guarantee, as the case may be;

(14) intercompany Indebtedness among the Chilean Issuer and its Restricted Subsidiaries; provided that (i) any such Indebtedness owing by an Issuer or a Guarantor shall be subordinated to the Obligations pursuant to an Intercompany Note or otherwise on terms reasonably satisfactory to the Controlling Representative and (ii) any such Indebtedness (A) owing to an Issuer or a Guarantor by another Issuer or a Guarantor or (B) owing to an Issuer or Guarantor by a Restricted Subsidiary that is not an Issuer or Guarantor if such Indebtedness under this clause (B) owing by such Restricted Subsidiary that is not an Issuer or a Guarantor is [*] or more in the aggregate shall be evidenced by an Intercompany Note pursuant to the provisions contained therein and (iii) any such Indebtedness owing to an Issuer or a Guarantor shall be pledged as Collateral pursuant to the Pledge and Security Agreement; and

(15) Indebtedness incurred by the Chilean Issuer or any Restricted Subsidiary which, as of the Issue Date, (i) relates to any allowed claim in the Chapter 11 Cases, and/or (ii) relates to any timely filed claim in the Chapter 11 Cases that is not yet allowed or disallowed; provided that the Chilean Issuer and/or such Restricted Subsidiary is resolving such claim in accordance with the Reorganization Plan, the Revised Claims Procedures Order and/or any other order of the Bankruptcy Court.

(b) For the avoidance of doubt, a permitted refinancing in respect of Indebtedness incurred pursuant to a Dollar-denominated basket shall not increase capacity to incur Indebtedness under such Dollar-denominated basket, and such Dollar-denominated basket shall be deemed to continue to be utilized by the amount of the original Indebtedness incurred unless and until the Indebtedness incurred to effect such permitted refinancing is no longer outstanding.

Section 4.08. Disposition of Significant Assets.

(a) Neither the Chilean Issuer nor any Restricted Subsidiary shall sell or otherwise Dispose of any Significant Assets (including, without limitation, by way of any Sale of an Issuer or a Guarantor), except that such sale or other Disposition shall be permitted in the case of (i) a Permitted Disposition or (ii) any other sale or Disposition; provided that, in the case of this clause (ii):

(i) no Event of Default shall have occurred and be continuing or would result therefrom;

(ii) the Asset Coverage Test is satisfied on a Pro Forma Basis after giving effect to such sale or other Disposition (including any concurrent pledge of Additional Collateral);

(iii) prior to effecting such Disposition, the Chilean Issuer shall have delivered an Officer's Certificate to the Trustee and the Collateral Trustee calculating the Asset Coverage Ratio on a Pro Forma Basis after giving effect to such sale or other Disposition (including any pledge of Additional Collateral and/or redemption or repayment of Priority Lien Debt or Senior Priority Refinancing Indebtedness (in each case, in the case of revolving debt together with a permanent reduction in the commitments thereunder), if any);

(iv) such sale or other Disposition, if to any other Person, is an arms' length Disposition to a third party that is not an Affiliate of the Chilean Issuer or any of its Subsidiaries; and

(v) to the extent that any Issuer receives any Net Proceeds from such sale or other Disposition, such Net Proceeds shall be applied as provided in this Section 4.08;

provided that nothing contained in this Section 4.08 is intended to excuse performance by the Issuers or any Guarantor of any requirement of any Security Document that would be applicable to a Disposition permitted under this Indenture. A Disposition of Collateral referred to in clause (4), (7) or (8) of the definition of "Permitted Disposition" shall not result in the automatic release of such Collateral from the security interest of the applicable Security Document, and the Collateral subject to such Disposition shall continue to constitute Collateral for all purposes of the 2029 Notes Documents (without prejudice to the rights of the Issuers to release any such Collateral pursuant to Section 4.16(g)).

(b) Within 365 days after the receipt of any Net Proceeds from (1) a Disposition of Significant Assets (other than a Disposition constituting (x) to the extent the Net Proceeds are received prior to the Exit Conversion Date, a Permitted DIP Disposition and (y) to the extent the Net Proceeds are received on after the Exit Conversion Date, a Permitted Disposition), (2) on and after the Exit Conversion Date, a Disposition of Collateral referred to in clause (9) of the definition of "Permitted Disposition" (other than a Disposition of a minority stake in the equity of [*]) or (3) a Recovery Event in respect of Significant Assets, in each case, the Chilean Issuer shall apply the Prepayment Percentage of such Net Proceeds:

(1) to invest in or replace, purchase or acquire Significant Assets (or, in the case of Net Proceeds from a Disposition of Collateral or Recovery Event in respect of Collateral, new or additional Collateral), other than an investment in, purchase or acquisition of Significant Assets by a Non-Guarantor Acquired Airline within 365 days after the sale or other Disposition, or Recovery Event, that generated the Net Proceeds; provided that the Chilean Issuer will be deemed to have complied with this provision if and to the extent that, within 365 days after the sale or other Disposition, or Recovery Event, that generated the Net Proceeds, the Chilean Issuer or any of its Restricted Subsidiaries has entered into and not abandoned or rejected a binding agreement to acquire, purchase or invest in the assets that would constitute Significant Assets (or Collateral, as applicable) in compliance with the provision described in this clause (1), and that acquisition, purchase or investment is thereafter completed within 180 days after the end of such 365-day period); or

(2) to (i) repay the Revolving Credit Facility (provided that the commitments thereunder are permanently reduced), the Term Loan Facility or any other Priority Lien Debt (and to permanently reduce commitments with respect thereto) to the extent such other Indebtedness and the Liens securing the same are permitted under the terms of this Indenture and the documentation governing such other Indebtedness requires such a prepayment or repurchase thereof with such Net Proceeds or (ii) make an offer to purchase and/or repay, prepay or redeem the Notes, either (i) as provided under Article 3, (ii) through open-market purchases (to the extent such purchases are at or above 100% of the principal amount thereof) or (iii) by making an offer (in accordance with the procedures set forth in Section 4.08(c) for Asset Disposition Offers) to all Holders to purchase their Notes at or above 100% of the principal amount thereof, plus accrued and unpaid interest (including Special Interest, if any), and Additional Amounts thereon, if any, to, but excluding, the date of repurchase.

(c) Any Net Proceeds from a Disposition or Recovery Event that are not applied or invested as provided in Section 4.08(b), together with any Net Proceeds that are earlier designated as "Excess Proceeds" by the Chilean Issuer, will constitute "Excess Proceeds." Within five Business Days of the date on which the aggregate amount of Excess Proceeds exceeds $100.0 million (or earlier if the Chilean Issuer so elects), the Chilean Issuer will make an offer to purchase and/or repay, prepay or redeem, as applicable, to all Holders of Notes and all holders of other Priority Lien Debt containing provisions similar to those set forth in this Indenture with respect to offers to purchase ("Other Offer Notes") and prepay any other Priority Lien Debt requiring repayment or prepayment (collectively, whether through an offer or a required prepayment, an "Asset Disposition Offer"); provided that the percentage of such Excess Proceeds allocated and offered to the Notes in such Asset Disposition Offer is at least equal to the percentage of the aggregate principal amount of all Priority Lien Debt represented at such time by the Notes. The offer price in any Asset Disposition Offer will be equal to 100% of the principal amount, plus accrued interest and Additional Amounts (including Special Interest, if any) to, but excluding, the date of purchase, prepayment or redemption, subject to the rights of Holders of the Notes on the relevant record date to receive interest due on the relevant interest payment date, and will be payable in cash. If any Excess Proceeds remain after consummation of an Asset Disposition Offer, the Chilean Issuer may use those Excess Proceeds for any purpose not otherwise prohibited by this Indenture, including to make a similar offer with respect to Junior Lien Indebtedness. If the aggregate principal amount of Notes and Other Offer Notes tendered in such Asset Disposition Offer exceeds the amount of Excess Proceeds allocated to the Notes or Other Offer Notes in such Asset Disposition Offer, the Issuers will select the Notes and Other Offer Notes to be purchased or repaid pro rata based on the aggregate principal amounts so tendered (with such adjustments as may be deemed appropriate by the Chilean Issuer so that only Notes in minimum denominations of $2,000, or an integral multiple of $1,000 in excess thereof, will be purchased). Upon completion of each Asset Disposition Offer, the amount of Excess Proceeds will be reset at zero.

The Chilean Issuer will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent such laws and regulations are applicable in connection with the repurchase of Notes as a result of an Asset Disposition Offer. To the extent that the provisions of any such securities laws or regulations conflict with the provisions of Section 3.11 hereof or this Section 4.08, the Chilean Issuer will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under Section 3.11 hereof or this Section 4.08 by virtue of any such conflict.

(d) Notwithstanding any other provisions of Section 4.08(b), to the extent any or all of the Net Proceeds of any Disposition by a Restricted Subsidiary or the Net Proceeds of a Recovery Event received by a Restricted Subsidiary are prohibited or delayed by any contractual restriction permitted by this Indenture or any applicable local law (including financial assistance, corporate benefit restrictions on upstreaming of cash intra group and the fiduciary and statutory duties of the directors of such Restricted Subsidiary) from being repatriated or passed on to or used for the benefit of the Issuers or if the Chilean Issuer has determined in good faith that repatriation of any such amount to the Issuers would have material adverse tax consequences (including a material acceleration of the point in time when such earnings would otherwise be taxed) with respect to such amount, the portion of such Net Proceeds so affected will not be required to be applied to prepay the Priority Lien Debt at the times provided in Section 4.08(b) but may be retained by the applicable Restricted Subsidiary so long, but only so long, as the applicable contractual restriction or local law will not permit repatriation or the passing on to or otherwise using for the benefit of the Issuers, or the Chilean Issuer believes in good faith that such material adverse tax consequence would result, and once such repatriation of any of such affected Net Proceeds is permitted under the applicable contractual agreement or local law or the Chilean Issuer determines in good faith such repatriation would no longer have such material adverse tax consequences, such repatriation will be promptly effected and such repatriated Net Proceeds will be promptly (and in any event not later than five Business Days after such repatriation) applied (net of additional Taxes payable or reasonably estimated to be payable as a result thereof) to the prepayment of the Priority Lien Debt pursuant to Section 4.08(b) (provided that no such prepayment of the Priority Lien Debt pursuant to Section 4.08(b) shall be required in the case of any such Net Proceeds the repatriation of which the Chilean Issuer believes in good faith would result in material adverse tax consequences, if on or before the date on which such Net Proceeds so retained would otherwise have been required to be applied to reinvestments or prepayments (after giving effect to the reinvestment period therefor), the Chilean Issuer applies an amount equal to the amount of such Net Proceeds to such reinvestments or prepayments as if such Net Proceeds had been received by the Chilean Issuer rather than such Restricted Subsidiary, less the amount of additional Taxes that would have been payable or reserved against if such Net Proceeds had been repatriated).

Section 4.09. Liens.

The Chilean Issuer will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, create, incur, assume or suffer to exist any Lien of any kind on any property or asset that constitutes Significant Assets, except Permitted Liens.

Section 4.10. Transactions with Affiliates.

(a) The Chilean Issuer will not, and will not permit any of its Restricted Subsidiaries to, make any payment to or sell, lease, transfer or otherwise Dispose of any of its properties or assets to, or purchase any property or assets from, or enter into or make or amend any transaction, contract, agreement, understanding, loan, advance or guarantee with, or for the benefit of, any Affiliate of the Chilean Issuer (each an "Affiliate Transaction") involving aggregate payments or consideration in excess of [*], unless:

(1) the Affiliate Transaction is on terms that are not materially less favorable to the Chilean Issuer or the relevant Restricted Subsidiary (taking into account all effects the Chilean Issuer or such Restricted Subsidiary expects to result from such transaction, whether tangible or intangible) than those that would have been obtained in a comparable transaction by the Chilean Issuer or such Restricted Subsidiary with an unrelated Person; and

(2) the Chilean Issuer delivers to the Trustee:

(A) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of [*], but less than or equal to [*], an Officer's Certificate certifying that such Affiliate Transaction complies with clause (1) of this Section 4.10(a); and

(B) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of [*], a board resolution stating the Board of Directors has approved such Affiliate Transaction and determined that it complies with clause (1) of this Section 4.10(a).

(b) The following items will not be deemed to be Affiliate Transactions and, therefore, will not be subject to the provisions of Section 4.10(a):

(1) any employment agreement, confidentiality agreement, non-competition agreement, incentive plan, employee stock option agreement, long-term incentive plan, profit sharing plan, employee benefit plan, officer or director indemnification agreement or any similar arrangement entered into by the Chilean Issuer or any of its Restricted Subsidiaries in the ordinary course of business and payments pursuant thereto;

(2) transactions between or among the Chilean Issuer and/or its Restricted Subsidiaries (including without limitation in connection with any full or partial "spin-off" or similar transactions);

(3) transactions with a Person (other than an Unrestricted Subsidiary of the Chilean Issuer) that is an Affiliate of the Chilean Issuer solely because the Chilean Issuer owns, directly or through a Restricted Subsidiary, an Equity Interest in, or controls, such Person;

(4) payment of fees, compensation, reimbursements of expenses (pursuant to indemnity arrangements or otherwise) and reasonable and customary indemnities provided to or on behalf of officers, directors, employees or consultants of the Chilean Issuer or any of its Restricted Subsidiaries;

(5) any issuance of Qualifying Equity Interests to Affiliates of the Chilean Issuer or any increase in the liquidation preference of preferred stock of the Chilean Issuer (if any);

(6) transactions with customers, clients, suppliers or purchasers or sellers of goods or services in the ordinary course of business or transactions with joint ventures, alliances, alliance members or Unrestricted Subsidiaries entered into in the ordinary course of business;

(7) Permitted Investments and Restricted Payments that do not violate Section 4.06;

(8) loans or advances to employees in the ordinary course of business not to exceed [*] in the aggregate at any one time outstanding;

(9) transactions pursuant to agreements or arrangements in effect on the Issue Date or any amendment, modification or supplement thereto or replacement thereof and any payments made or performance under any agreement as in effect on the Issue Date or any amendment, replacement, extension or renewal thereof (so long as such agreement as so amended, replaced, extended or renewed is not materially less advantageous, taken as a whole, to the holders than the original agreement as in effect on the Issue Date);

(10) transactions between or among the Chilean Issuer and/or its Restricted Subsidiaries or transactions between a Receivables Subsidiary and any Person in which the Receivables Subsidiary has an Investment;

(11) any transaction effected as part of a Qualified Receivables Transaction;

(12) any purchase by the Chilean Issuer's Affiliates of Indebtedness of the Chilean Issuer or any of its Restricted Subsidiaries, the majority of which Indebtedness is offered to Persons who are not Affiliates of the Chilean Issuer;

(13) shared services, joint purchasing, systems integration, fleet management and other transactions in the ordinary course of business that are customary for joint business agreements in the airline industry;

(14) transactions between the Chilean Issuer or any of its Restricted Subsidiaries and any employee labor union or other employee group of the Chilean Issuer or such Restricted Subsidiary; provided such transactions are not otherwise prohibited by this Indenture; and

(15) transactions with captive insurance companies of the Chilean Issuer or any of its Restricted Subsidiaries.

Section 4.11. Corporate Existence.

Subject to Section 4.08 and Article 5 hereof, each Issuer and each of the Guarantors shall do or cause to be done all things reasonably necessary to preserve and keep in full force and effect:

(a) (i) with respect to the Issuers, their corporate existence in accordance with the respective organizational documents (as the same may be amended from time to time) of such Issuer, and (ii) with respect to each Guarantor, its corporate existence, and the corporate, partnership or other existence of each of its Restricted Subsidiaries, in each case, in accordance with the respective organizational documents (as the same may be amended from time to time) of such Person, except where, with respect to clause (ii), the failure to do so would not reasonably be expected to result in a Material Adverse Effect; and

(b) their rights (charter and statutory) and material franchises of each Issuer and each Guarantor and its Restricted Subsidiaries; provided, however, that the Issuers and the Guarantors shall not be required to preserve any such right or franchise, or the corporate, partnership or other existence, of it or any of its Restricted Subsidiaries if the Board of Directors of the Chilean Issuer shall determine that the preservation thereof is no longer desirable in the conduct of the business of Chilean Issuer and its Subsidiaries, taken as a whole, and that the loss thereof would not, individually or in the aggregate, have a Material Adverse Effect.

For the avoidance of doubt, this Section 4.11 shall not prohibit any actions permitted by Article 5 hereof.

Section 4.12. Offer to Repurchase Upon Change of Control.

(a) Upon the occurrence of a Change of Control in respect of the Notes, unless the Issuers have otherwise exercised their right to redeem the Notes pursuant to the terms of this Indenture, each Holder of Notes will have the right to require the Issuers to make an offer (a "Change of Control Offer") to each Holder to repurchase all or any part (equal to minimum denominations of $2,000 or an integral multiple of $1,000 in excess thereof) of that Holder's Notes at a purchase price in cash equal to 101% of the aggregate principal amount of the Notes to be repurchased plus accrued interest (including Special Interest, if any) and Additional Amounts thereon, if any, on the Notes to be repurchased to, but excluding, the date of purchase, subject to the rights of Holders of Notes on the relevant record date to receive interest due on the relevant interest payment date (the "Change of Control Payment"). Within 30 days following the date upon which any Change of Control has occurred in respect of the Notes, unless the Issuers have otherwise exercised their right to redeem the Notes pursuant to the terms of this Indenture, the Issuers will deliver a notice to each Holder of Notes (with a copy to the Trustee) describing the transaction or transactions that constitute the Change of Control and stating:

(1) that the Change of Control Offer is being made pursuant to this Section 4.12 and that all Notes tendered will be accepted for payment;

(2) the purchase price and the purchase date, which shall be no earlier than 10 days and no later than 60 days from the date such notice is sent (the "Change of Control Payment Date");

(3) that any Note not tendered will continue to accrue interest;

(4) that, unless the Issuers default in the payment of the Change of Control Payment, all Notes accepted for payment pursuant to the Change of Control Offer will cease to accrue interest on and after the Change of Control Payment Date;

(5) that Holders of Notes electing to have any Notes purchased pursuant to a Change of Control Offer will be required to surrender the Notes, with the form entitled "Option of Holder to Elect Purchase" on the reverse of the Note, or transfer by book-entry transfer, to the Paying Agent at the address specified in the notice prior to the close of business on the third Business Day preceding the Change of Control Payment Date;

(6) that Holders of Notes will be entitled to withdraw their election if the Paying Agent receives, not later than the close of business on the second Business Day preceding the Change of Control Payment Date, a telex, facsimile transmission or letter setting forth the name of the Holder, the principal amount of Notes delivered for purchase, and a statement that such Holder is withdrawing his election to have the Notes purchased; and

(7) that Holders of Notes whose Notes are being purchased only in part will be issued new Notes equal in principal amount to the unpurchased portion of the Notes surrendered, which unpurchased portion must be equal to minimum denominations of $2,000 in principal amount or an integral multiple of $1,000;

provided that the Issuers may, at their option, deliver such notice prior to any Change of Control but after the public announcement of the Change of Control; provided, further, that such notice, if sent prior to the date of consummation of the Change of Control, will state that the Change of Control Offer is conditioned on the Change of Control occurring on or prior to the Change of Control Payment Date.

(b) On the Change of Control Payment Date with respect to the Notes, the Issuers will, to the extent lawful:

(1) accept for payment all Notes or portions of Notes properly tendered pursuant to the Change of Control Offer;

(2) deposit with the Paying Agent an amount equal to the Change of Control Payment in respect of all Notes or portions of Notes properly tendered; and

(3) deliver or cause to be delivered to the Trustee the Notes properly accepted together with an Officer's Certificate stating the aggregate principal amount of Notes or portions of Notes being purchased by the Issuers.

The Paying Agent will promptly deliver (but in any case not later than five days after the Change of Control Payment Date) to each Holder of Notes properly tendered the Change of Control Payment for such Notes, and the Trustee will promptly authenticate and mail (or cause to be transferred by book entry) to each Holder a new Note equal in principal amount to any unpurchased portion of the Notes surrendered, if any. The Issuers will publicly announce the results of the Change of Control Offer on or as soon as practicable after the Change of Control Payment Date.

(c) The Issuers will not be required to make a Change of Control Offer with respect to the Notes if a third party makes such an offer in the manner, at the times and otherwise in compliance with the requirements for such an offer made by the Issuers and such third party purchases all Notes properly tendered and not withdrawn under its offer.

(d) If Holders of not less than 90% in aggregate principal amount of the outstanding Notes validly tender and do not withdraw the Notes in a Change of Control Offer and the Issuers, or any third party making a Change of Control Offer in lieu of the Issuers, purchase all of such Notes validly tendered and not withdrawn by such Holders, the Issuers will have the right, upon not less than 10 nor more than 60 days' prior notice, given not more than 30 days following such purchase pursuant to the Change of Control Offer described above, to redeem all Notes that remain outstanding following such purchase at a redemption price in cash equal to 101% of the principal amount thereof, plus accrued interest (including Special Interest, if any) and Additional Amounts thereon, if any, to, but excluding, the Redemption Date (subject to the right of holders of record on the relevant record date to receive interest on the relevant interest payment date) pursuant to Sections 3.01 through 3.06 hereof.

(e) The Issuers will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with the repurchase of the Notes as a result of a Change of Control. To the extent that the provisions of any such securities laws or regulations conflict with the Change of Control Offer provisions set forth in this Section 4.12, the Issuers will comply with those securities laws and regulations and will not be deemed to have breached the Issuers' obligations under this Section 4.12 by virtue of any such conflict.

Section 4.13. Additional Guarantors; Collateral.

(a) Prior to the Exit Conversion Date, subject to approval by the Bankruptcy Court and any requisite approval in any of the Non-U.S. Cases, the Chilean Issuer will, within forty-five (45) days following filing a material Subsidiary's chapter 11 petition, cause such material Subsidiary that becomes a debtor under the Chapter 11 Cases after the Issue Date to execute a supplemental indenture and joinder or supplement to the Security Documents and related schedules and exhibits thereto, in each case as necessary to cause such material Subsidiary to become a Guarantor under this Indenture and a party to each of the applicable Security Documents and in form reasonably satisfactory to the Trustee and the Collateral Trustee.

(b) On and after the Exit Conversion Date, (x) if any Restricted Subsidiary of the Chilean Issuer Guarantees any Priority Credit Agreement or any other Indebtedness of the Issuers or the Guarantors incurred under Sections 4.07(a)(1), 4.07(a)(2) or 4.07(a)(3) or (y) if no such Indebtedness is then outstanding, subject to the Guaranty and Security Principles if any Restricted Subsidiary of the Chilean Issuer (other than an Excluded Subsidiary) pledges or grants liens in the Collateral or acquires or holds any Significant Asset, then the Chilean Issuer will (i) promptly (and in any event within forty-five (45) calendar days following of such acquisition, termination, release or other applicable event, or such later date as the Controlling Representative may agree in its sole discretion) cause such Restricted Subsidiary to become a Guarantor by executing and delivering to the Trustee a supplemental indenture substantially in the form of Exhibit D hereto and to become a party to each applicable Security Document by executing and delivering to the Trustee and the Collateral Trustee a supplement to the applicable Security Documents pursuant to which certain of such Restricted Subsidiary's Significant Assets will be pledged as Collateral pursuant to the terms of such Security Documents and the Guaranty and Security Principles in favor of the Collateral Trustee or the applicable Local Collateral Agent, (ii) promptly (and in any event within forty-five (45) calendar days following of such acquisition, termination, release or other applicable event) execute and deliver (or cause such Restricted Subsidiary to execute and deliver) to the Collateral Trustee or a Local Collateral Agent, as applicable, such documents and take such actions to create, grant, establish, preserve and perfect the Priority Lien in favor of the Collateral Trustee or a Local Collateral Agent, as applicable, for the benefit of the Secured Parties on such assets of the Chilean Issuer or such Restricted Subsidiary, as applicable, to secure the 2029 Notes Obligations to the extent required under the applicable Security Documents or reasonably requested by the Collateral Trustee or the Local Collateral Agent (acting at the direction of the Controlling Representative), as applicable, and to ensure that such Collateral shall be subject to no other Liens other than Permitted Liens, in each case subject to the Guaranty and Security Principles, and (iii) if reasonably requested by the Collateral Trustee (acting at the direction of the Controlling Representative), deliver to the Collateral Trustee, for the benefit of the Secured Parties, a written Opinion of Counsel (which counsel shall be reasonably satisfactory to the Collateral Trustee) to the Chilean Issuer or such Restricted Subsidiary, as applicable, with respect to the matters described in clauses (i) and (ii) of this Section 4.13(b), in each case within forty-five (45) calendar days after the addition of such Collateral or Significant Assets and in form and substance reasonably satisfactory to the Collateral Trustee (acting at the direction of the Controlling Representative).

(c) In addition, if any Restricted Subsidiary of the Chilean Issuer that has not provided a Note Guarantee elects to pledge any Additional Collateral, then the Chilean Issuer will promptly cause such Subsidiary to execute and deliver to the Trustee a supplemental indenture substantially in the form of Exhibit D hereto pursuant to which such Subsidiary will provide a Note Guarantee and to execute and deliver to the Trustee and the Collateral Trustee a supplement to the applicable Security Documents pursuant to which such Restricted Subsidiary's Significant Assets, including such Additional Collateral, will be pledged as Collateral in favor of the Collateral Trustee or the applicable Local Collateral Agent, and to take the steps set forth in clauses (ii) and (iii) of Section 4.13(b).

(d) Notwithstanding anything to the contrary, Chilean Issuer may from time to time, upon written notice to the Trustee, (i) elect to cause any Restricted Subsidiary that would otherwise be an Excluded Subsidiary to become a Guarantor (a "Designated Guarantor") but shall have no obligation to do so (and for clarity, there is no obligation to cause any Restricted Subsidiary that would otherwise be an Excluded Subsidiary to become a Designated Guarantor because another Designated Guarantor is formed or acquired in the same jurisdiction), subject to the satisfaction of the requirements of Section 4.13(b) by such Designated Guarantor and (ii) elect to cause any Designated Guarantor to be an Excluded Subsidiary; provided that such Designated Guarantor is either an Excluded Aircraft Subsidiary or does not own any Significant Assets at such time of election (other than pursuant to the thresholds set forth in clause (g) of the definition of "Excluded Subsidiary").

Section 4.14. Designation of Restricted and Unrestricted Subsidiaries.

The Board of Directors may designate any Restricted Subsidiary of the Chilean Issuer to be an Unrestricted Subsidiary if that designation would not cause a Default or Event of Default and no Default or Event of Default exists at the time of such designation; provided that if a Restricted Subsidiary is designated as an Unrestricted Subsidiary, the aggregate Fair Market Value of all outstanding Investments owned by the Chilean Issuer and its Restricted Subsidiaries in the Subsidiary designated as an Unrestricted Subsidiary will be deemed to be an Investment made as of the time of the designation, which Investment is permitted at that time under Section 4.06 and if the Restricted Subsidiary otherwise meets the conditions set forth in the definition of an "Unrestricted Subsidiary."

Any designation of a Subsidiary of the Chilean Issuer as an Unrestricted Subsidiary will be evidenced to the Trustee by delivering to the Trustee a certified copy of a resolution of the Board of Directors giving effect to such designation and an Officer's Certificate certifying that such designation complied with the preceding conditions. The Board of Directors may at any time designate any Unrestricted Subsidiary to be a Restricted Subsidiary; provided that (1) no Default or Event of Default would be in existence following such designation, (2) after giving effect to such designation, the Asset Coverage Ratio shall be greater than or equal to [*] and (3) all Liens of such Unrestricted Subsidiary outstanding immediately following such designation would, if incurred at such time, have been permitted to be incurred for all purposes of this Indenture.

Section 4.15. Delivery of Appraisals. The Chilean Issuer shall:

(1) within (i) thirty (30) Business Days of December 31, 2022 and (ii) thereafter (commencing with March 31, 2024), within thirty (30) Business Days of March 31st of each calendar year;

(2) on or prior to the date upon which any Additional Collateral is pledged to the Collateral Trustee or a Local Collateral Agent, as applicable, or assets are transferred to an Issuer or a Guarantor in order to constitute Coverage Assets, but only with respect to such Additional Collateral or new Coverage Assets; and

(3) promptly (but in any event within 45 days) following a request by the Trustee or the Collateral Trustee if an Event of Default has occurred and is continuing;

deliver to the Trustee and the Collateral Trustee one or more Appraisals establishing the Appraised Value of the Coverage Assets; provided, however, that, in the case of clause (2) above, only an Appraisal with respect to the Additional Collateral or new Coverage Assets shall be required to be delivered. The Chilean Issuer may from time to time cause subsequent Appraisals to be delivered to the Trustee and the Collateral Trustee if it believes that any affected Coverage Asset has a higher Appraised Value than that reflected in the most recent Appraisals delivered pursuant to this Section 4.15.

In addition to clauses (1) through (3) above, the Chilean Issuer will deliver to the Trustee and the Collateral Trustee (and make available to Holders of Notes, prospective investors, broker-dealers and securities analysts as set forth in Section 4.03(c)) a copy of any Appraisal that is delivered to any other Priority Lien Representative or other holder of Priority Lien Obligations, but has not been or is not being delivered to the Trustee in accordance with such clauses (1) through (3) above, within 10 Business Days of the date on which such Appraisal was given to such other Priority Lien Representative or holder of Priority Lien Obligations.

Notwithstanding the foregoing, the Chilean Issuer may make available the Appraisal information required to be delivered under Section 4.03(c) and this Section 4.15 by posting such Appraisal information on a website (which may be nonpublic and may be maintained by the Chilean Issuer or a third party) to which access will be given to the Holders of Notes, prospective investors, broker-dealers and securities analysts that certify their status as such to the reasonable satisfaction of the Chilean Issuer.

Section 4.16. Asset Coverage Ratio.

(a) On the tenth (10th) Business Day after a Reference Date, the Chilean Issuer will deliver to the Trustee and the Collateral Trustee an Officer's Certificate demonstrating with reasonable detail the calculation of the Asset Coverage Ratio as of the applicable Reference Date.

If:

(1) the Chilean Issuer fails to deliver the Officer's Certificate required by Section 4.16(a) within the time period specified in Section 4.16(a), or

(2) such Officer's Certificate demonstrates that the Asset Coverage Ratio was less than [*] as of the applicable Reference Date (a "Coverage Shortfall"),

then additional interest shall accrue on all outstanding Notes ("Special Interest") in an amount equal to 2.0% per annum of the principal amount of such Notes commencing on such Reference Date, payable on each applicable interest payment date thereafter; provided that such Special Interest shall cease to apply upon either (x) the Chilean Issuer delivering to the Trustee an Officer's Certificate demonstrating, with reasonably detailed calculations, that the Chilean Issuer's Asset Coverage Ratio was no less than [*], or (y) the Chilean Issuer curing such Coverage Shortfall pursuant to Section 4.16(b).

(b) In the event of a Coverage Shortfall, within 45 days after the applicable Reference Date (such 45-day period, the "Cure Period"), the Chilean Issuer may:

(1) pledge additional assets as Additional Collateral under the Security Documents to secure Priority Lien Obligations and Junior Lien Obligations and such Additional Collateral will be included in the calculation of Appraised Value as of such Reference Date; and/or

(2) redeem, repay, prepay, repurchase or otherwise retire Priority Lien Debt, including by redeeming Notes pursuant to any available optional redemption provisions of this Indenture and such redeemed, repaid, prepaid, repurchased or otherwise retired Priority Lien Debt will not be included in the calculation of Appraised Value as of such Reference Date.

(c) If, after giving effect to such actions described in Section 4.16(b) during the Cure Period, the Asset Coverage Ratio would have been greater than [*] as of such Reference Date, as set forth in an Officer's Certificate delivered to the Trustee and the Collateral Trustee no later than the last day of the Cure Period demonstrating such calculations in reasonable detail, then no Special Interest will be payable with respect to such Coverage Shortfall.

(d) Special Interest payable pursuant to the provisions of this Section 4.16 will be calculated and paid in the same manner as regular interest is calculated and paid under this Indenture, and all references to payments of "interest" will be deemed to include Special Interest, if applicable. Prior to the record date immediately preceding any interest payment date on which Special Interest is due, the Issuers shall deliver written notice to the Trustee and the Holders of the Notes stating that the Issuers are required to pay Special Interest, and setting forth the accrual dates and amount of Special Interest due and payable on Notes on such next interest payment date.

(e) Notwithstanding anything herein to the contrary, for clarity, the Chilean Issuer's failure to maintain an Asset Coverage Ratio in excess of [*] will not be deemed to constitute a Default or Event of Default for purposes of clause (4) under Section 6.01 hereof.

(f) Notwithstanding anything to the contrary contained herein, if the Asset Coverage Test is not satisfied solely as a result of damage to or loss of any Collateral covered by insurance (pursuant to which the Collateral Trustee is named as loss payee and with respect to which payments are to be delivered directly to the Collateral Trustee or the Trustee) for which the insurer thereof has been notified of the relevant claim and has not challenged such coverage, any calculation of the Asset Coverage Ratio (and Total Asset Coverage Ratio) made pursuant to this Indenture shall deem the relevant Issuer or Guarantor to have received Net Proceeds (and to have taken all steps necessary to have pledged such Net Proceeds as Additional Collateral) in an amount equal to the expected coverage amount (as determined by the Chilean Issuer in good faith and updated from time to time to reflect any agreements reached with the applicable insurer) and net of any amounts required to be paid out of such proceeds until the earliest of (i) the date any such Net Proceeds are actually first received by the Collateral Trustee or the Trustee, (ii) the date that is 270 days after such damage and (iii) the date on which any such insurer denies such claim; provided, further, that, prior to giving effect to this clause (f), the Appraised Value of the Coverage Assets shall be no less than 100% of the aggregate principal amount of all Priority Lien Debt at such time. If the Trustee or Collateral Trustee should receive any Net Proceeds directly from the insurer in respect of a Recovery Event, the Trustee or the Collateral Trustee, as applicable, shall promptly cause such proceeds to be paid to the applicable Issuer or Guarantor, or to be applied, as applicable, in accordance with Section 4.08 (or, prior to the Exit Conversion Date, Section 4.01 of Annex B).

(g) At the Chilean Issuer's request, the Lien on any asset or type or category of asset (including after-acquired assets of that type or category) that (i) has been Disposed in accordance with this Indenture to a Person other than an Issuer or a Guarantor, (ii) is or has become Excluded Assets or (iii) constitutes Additional Collateral, will, in each case, be promptly released; provided that in each case, that the following conditions are satisfied or waived: (A) no Event of Default shall have occurred and be continuing, (B) either (x) after giving effect to such release, the Appraised Value of the Coverage Assets shall satisfy the Asset Coverage Test on a Pro Forma Basis or (y) the Chilean Issuer shall designate additional assets as Additional Collateral and comply with Section 4.13 and/or prepay or redeem or cause to be prepaid or redeemed Priority Lien Debt (as selected by the Chilean Issuer in its sole discretion), such that, following such actions and such release, the Asset Coverage Test shall be satisfied on a Pro Forma Basis, and (C) the Chilean Issuer shall deliver to the Trustee an Officer's Certificate demonstrating Pro Forma Compliance with the Asset Coverage Test after giving effect to such release (including after giving effect to any action taken pursuant to the foregoing clause (B)(y)). Each of the Trustee and the Collateral Trustee agrees to promptly provide any documents or releases reasonably requested by, and at the sole cost and expense of, the Chilean Issuer to evidence any such release. For the avoidance of doubt, (aa) nothing contained in the foregoing shall prohibit any substitution of any item of Additional Collateral if such substitution and related release of the Additional Collateral being replaced are permitted or required under the applicable Security Document, and such permitted or required release of such replaced Additional Collateral pursuant to such Security Document shall not be subject to (and shall be deemed to satisfy) the release conditions in the first sentence of this clause 4.16(g) and (bb) if an Issuer or a Guarantor releases (in accordance with this clause 4.16(g)) any Additional Collateral that has suffered (or corresponding to an asset that suffered) a Recovery Event, the applicable Issuer or Guarantor shall be deemed to have complied with any provisions in the corresponding Security Documents requiring that such Issuer or Guarantor take specific actions in respect of such Recovery Event.

Section 4.17. Air Carrier Status.

Each Air Carrier Entity will use commercially reasonable efforts to maintain at all times its status and rights to operate as an "air carrier" in Chile, Brazil, Peru or Colombia, as applicable, and all other jurisdictions in which it operates air routes from time to time, except to the extent the failure to maintain such rights would not reasonably be expected to result in a Material Adverse Effect. Each Air Carrier Entity will possess and maintain at all times, all necessary certificates, exemptions, licenses, designations, authorizations and consents required by the FAA, the DOT or any applicable Non-U.S. Aviation Authority or Airport Authority or any other Governmental Authority that are material to the operation of the Pledged Routes and Material Pledged Slots operated by it, and to the conduct of its business and operations as currently conducted, in each case, to the extent necessary for such Air Carrier Entity's operation of flights, except where a failure to so possess or maintain would not reasonably be expected to have a Material Adverse Effect. Each Air Carrier Entity will also:

(a) utilize its Material Pledged Slots in a manner consistent with applicable regulations, rules and contracts in order to preserve its right to hold and use its Material Pledged Slots, taking into account any waivers or other relief granted to it by the FAA, the DOT, any Non-U.S. Aviation Authority or any Airport Authority, except to the extent that any failure to utilize would not reasonably be expected to result in a Material Adverse Effect;

(b) cause to be done all things commercially reasonably necessary to preserve and keep in full force and effect its rights in and to use its Material Pledged Slots, including, without limitation, if applicable, satisfying any applicable Use or Lose Rule, except to the extent that any failure to do so would not reasonably be expected to result in a Material Adverse Effect;

(c) use commercially reasonable efforts to utilize its Pledged Routes in a manner consistent with Title 49, the applicable rules and regulations of the FAA, the DOT, any applicable Non-U.S. Aviation Authorities, and any applicable treaty in order to preserve its rights to operate the scheduled services, except to the extent that any failure would not reasonably be expected to result in a Material Adverse Effect; and

(d) cause to be done all things commercially reasonably necessary to preserve and keep in full force and effect its authority to operate the scheduled services, except to the extent that any failure would not reasonably be expected to result in a Material Adverse Effect.

Section 4.18. Regulatory Matters; Utilization; Collateral Requirements.

So long as any of the Notes remain outstanding, each of the Issuers and the Guarantors will promptly take all such steps as may be commercially reasonably necessary to maintain, renew and obtain, or obtain the use of, Material Pledged Slots and Material Pledged Routes as needed for its continued and future operations using such Material Pledged Slots or Material Pledged Routes, and pay any applicable filing fees and other expenses related to the submission of applications, renewal requests and other filings as may be reasonably necessary to have access to its Material Pledged Slots and Material Pledged Routes, except to the extent that any failure to do so would not reasonably be expected to result in a Material Adverse Effect.

Section 4.19. Use of Proceeds.

The Issuers and the Guarantors will not use, and will not permit any of their respective Subsidiaries, officers, directors, employees or agents to use, the proceeds of any Notes (i) in violation of any Anti-Corruption Laws or Anti-Money Laundering Laws or (ii) (A) to fund, finance or facilitate any activities or business of or with any Person that, at the time of such funding, financing or facilitation, is the subject or target of Sanctions, (B) to fund, finance or facilitate any activities of or business in any Sanctioned Country, in each case of (A) and (B) except to the extent permitted under Sanctions, or (C) in any other manner that would result in a violation of Sanctions by any Person in connection with this Indenture (including any Person participating or acting in connection with the Notes hereunder, whether as underwriter, advisor, investor, lender, hedge provider, facility or security agent or otherwise).

Section 4.20. Payment of Additional Amounts.

(a) All payments (including any premium paid upon redemption of the Notes) by or on behalf of the Issuers or a successor in respect of the Notes or the Guarantors or a successor in respect of any Note Guarantees will be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments, or other governmental charges of whatever nature imposed or levied by or on behalf of Chile, the Bahamas, Brazil, the Cayman Islands, Colombia, Ecuador, Peru or the United States or any authority therein or thereof or any other jurisdiction in which the Issuers or the Guarantors (or in each case, their successors) are organized or doing business or from or through which payments are made in respect of the Notes, or any political subdivision or taxing authority thereof or therein (any of the aforementioned being a "Taxing Jurisdiction"), unless the Issuers or the Guarantors (or their respective successors) are compelled by law to deduct or withhold such taxes, duties, assessments, or governmental charges. In such event, the Issuers or the Guarantors (or their respective successors) will make such deduction or withholding, make payment of the amount so withheld to the appropriate Governmental Authority and pay such additional amounts as may be necessary to ensure that the net amounts received by registered Holders of the Notes after such withholding or deduction shall equal the respective amounts of principal and interest (or other amounts stated to be payable under the Notes) that would have been received in respect of the Notes in the absence of such withholding or deduction ("Additional Amounts"). Notwithstanding the foregoing, no such Additional Amounts shall be payable:

(1) to, or to a third party on behalf of, a Holder who is liable for such taxes, duties, assessments or governmental charges in respect of such Note by reason of the existence of any present or former connection between such Holder (or between a fiduciary, settlor, beneficiary, member or shareholder of such Holder, if such Holder is an estate, a trust, a partnership, or a corporation) and the relevant Taxing Jurisdiction, including, without limitation, such Holder (or such fiduciary, settlor, beneficiary, member or shareholder) being or having been a citizen or resident thereof or being or having been engaged in a trade or business or present therein or having, or having had, a permanent establishment therein, other than the mere holding of the Note or enforcement of rights under this Indenture and the receipt of payments with respect to the Note;

(2) in respect of Notes surrendered or presented for payment (if surrender or presentment is required) more than 30 days after the Relevant Date except to the extent that payments under such Note would have been subject to withholdings and the Holder of such Note would have been entitled to such Additional Amounts, on surrender of such Note for payment on the last day of such period of 30 days;

(3) to, or to a third party on behalf of, a Holder who is liable for such taxes, duties, assessments or other governmental charges by reason of such Holder's failure to comply, with any certification, identification, documentation or other reporting requirement concerning the nationality, residence, identity or connection with the relevant Taxing Jurisdiction of such Holder, if (x) compliance is required by law or an applicable income treaty as a precondition to, exemption from, or reduction in the rate of, the tax, duty, assessment or other governmental charge and (y) the Issuers have given the Holders at least 30 days' notice that Holders will be required to provide such certification, identification, documentation or other requirement;

(4) in respect of any estate, inheritance, gift, sales, transfer, capital gains, excise or personal property or similar tax, duty, assessment or governmental charge, other than as provided in Section 4.20(i);

(5) in respect of any tax, duty, assessment or other governmental charge which is payable other than by deduction or withholding from payments of principal of (including premium) or interest on the Note;

(6) in respect of any tax imposed on overall net income or any branch profits tax; or

(7) in respect of any combination of the above.

(b) Notwithstanding anything to the contrary in this Section 4.20, none of the Issuers, the Guarantors, their respective successors, the Paying Agent or any other person shall be required to pay any Additional Amounts with respect to any payment in respect of any taxes imposed under Sections 1471 through 1474 of the Code, or any successor law or regulation implementing or complying with, or introduced in order to conform to, such sections, or imposed pursuant to any intergovernmental agreement or any agreement entered into pursuant to section 1471(b)(1) of the Code.

(c) No Additional Amounts shall be paid with respect to any payment on a Note to a Holder who is a fiduciary, a partnership, a limited liability company or other than the sole beneficial owner of that payment to the extent that payment would be required by the relevant Taxing Jurisdiction to be included in the income, for tax purposes, of a beneficiary or settlor with respect to the fiduciary, a member of that partnership, an interest holder in a limited liability company or a beneficial owner who would not have been entitled to the Additional Amounts had that beneficiary, settlor, member or beneficial owner been the Holder.

(d) Payments on the Notes are subject in all cases to any tax, fiscal or other law or regulation or administrative or judicial interpretation.

(e) In the event that Additional Amounts actually paid with respect to the Notes are based on rates of deduction or withholding of withholding taxes in excess of the appropriate rate applicable to the Holder of such Notes, and, as a result thereof such Holder is entitled to make claim for a refund or credit of such excess from the authority imposing such withholding tax, then such Holder shall, by accepting such Notes, be deemed to have assigned and transferred all right, title, and interest to any such claim for a refund or credit of such excess to the Issuers.

(f) Any reference in this Indenture or the Notes to principal, interest or any other amount payable in respect of the Notes by the Issuers or the Note Guarantees by the Guarantors (or their successors) will be deemed also to refer to any Additional Amount, unless the context requires otherwise, that may be payable with respect to that amount under the obligations referred to in this Section.

(g) Each of the Issuers and the Guarantors covenants that if any of the Issuers or the Guarantors, as applicable, is required under applicable law to make any deduction or withholding on payments of principal of or interest on the Notes for or on account of any tax, duty, assessment or other governmental charge, at least 10 days prior to the first payment date on the Notes and at least 10 days prior to each payment date thereafter where such withholding is required, the Issuer or the Guarantor, as applicable, shall furnish the Trustee and the Paying Agent with an Officer's Certificate (but only if there has been any change with respect to the matters set forth in any previously delivered Officer's Certificate) instructing the Trustee and the Paying Agent as to whether such payment of principal of or interest on the Notes shall be made without deduction or withholding for or on account of any tax, duty, assessment or other governmental charge, or, if any such deduction or withholding shall be required by the Taxing Jurisdiction, then such certificate shall: (i) specify the amount required to be deducted or withheld on such payment to the relevant recipient; (ii) certify that the Issuer or the Guarantor, as applicable, shall pay such deduction or withholding amount to the appropriate taxing authority and (iii) certify that the Issuer or the Guarantor, as applicable, shall pay or cause to be paid to the Trustee or the Paying Agent such Additional Amounts as are required by this Section 4.20.

(h) Each of the Issuers and the Guarantors (or their respective successors) will pay any Taxes required to be deducted or withheld pursuant to applicable law and will furnish to the Holders (with a copy to the Trustee), within 60 days after the date such payment is due, either certified copies of Tax receipts evidencing such payment, or, if such receipts are not obtainable, other evidence of such payments reasonably satisfactory to the Holders.

(i) The Issuers or the Guarantors, as applicable, will pay when due any present or future stamp, transfer, court or documentary Taxes or any other excise or property Taxes, charges or similar levies and any penalties, additions to Tax or interest due with respect thereto imposed by Chile, Florida, the Bahamas, Brazil, the Cayman Islands, Colombia, Ecuador or Peru (or, in each case, any political subdivision or Governmental Authority thereof or therein having power to tax) with respect to the initial execution, delivery or registration of the Notes or any other document or instrument relating thereto.

(j) Each of the Issuers and the Guarantors agrees to indemnify the Trustee and the Paying Agent for, and to hold each harmless against, any loss, liability or expense reasonably incurred without bad faith on its part arising out of or in connection with actions taken or omitted by it in reliance on any Officer's Certificate furnished pursuant to this Section 4.20 or any failure to furnish such a certificate.

(k) The obligations of the Issuers and the Guarantors pursuant to this Section 4.20 shall survive termination or discharge of this Indenture, payment of the Notes and/or resignation or removal of the Trustee or the Paying Agent.

Section 4.21. Business Activities; Frequent Flyer Program.

The Chilean Issuer will not, and will not permit any of its Restricted Subsidiaries to (a) engage in any business other than Permitted Businesses, except to such extent as would not be material to the Chilean Issuer and its Restricted Subsidiaries, taken as a whole, or (b) create or acquire any new Frequent Flyer Program unless (i) the related Frequent Flyer Program Assets are owned by an Issuer or a Guarantor, and (ii) to the extent any such Frequent Flyer Program Assets consist of Pledged Receivables and would not have automatically been pledged and subject to a perfected first priority Lien pursuant to the Security Documents in existence as of the Issue Date, execute and deliver to the Collateral Trustee or the applicable Local Collateral Agent, as applicable (subject to the Guaranty and Security Principles) joinders or collateral supplements to the applicable Security Documents or new Security Documents to create or purport to create and perfect a first priority Lien (subject to Permitted Liens) in such assets in favor of the Collateral Trustee or applicable Local Collateral Agent, as applicable, for the benefit of the Secured Parties within 120 days of such creation or acquisition (or such later date as the Controlling Representative may agree in its sole discretion); provided that clause (b) shall not restrict the acquisition of any Non-Guarantor Acquired Airline so long as the Chilean Issuer and its Restricted Subsidiaries continue to operate any existing Frequent Flyer Programs consistent with past practice.

Section 4.22. Negative Pledge Clauses.

The Chilean Issuer will not, and will not permit any of its Restricted Subsidiaries to, enter into or become effective any agreement that prohibits or limits the ability of the Chilean Issuer or any Restricted Subsidiary to create, incur, assume or suffer to exist any Lien upon any of its Significant Assets, now owned or hereafter acquired, to secure its obligations under the 2029 Notes Documents to which it is a party other than (a) any Priority Lien Debt (so long as any prohibition or restriction in any documentation governing any Priority Lien Debt is not more restrictive in any material respect than this Indenture), including the Term Loan Credit Agreement, the Revolving Credit Agreement, this Indenture, the 2027 Notes Indenture, the 2027 Bridge Loan Credit Agreement and the 2029 Bridge Loan Credit Agreement (and any documentation governing any Permitted Refinancing Indebtedness in respect of the foregoing (and any successive Permitted Refinancing Indebtedness in respect thereof), so long as any such prohibition or restriction in such documentation is not more restrictive in any material respect than the documentation in respect of the Indebtedness being refinanced), (b) the Collateral Trust Agreement and the Local Collateral Agency Agreements, (c) customary prohibitions and restrictions contained in any agreements governing any debt incurred pursuant to clause (8) of Section 4.07(a) or Aircraft Financing (including, without limitation, the RCF Loan Agreement and the Spare Engine Loan Agreement); provided that any such prohibitions and restrictions only apply to the assets financed thereby or the property subject to such lease or arrangement or any interests or agreements related thereto, (d) any such prohibition or limitation in any co-branding agreement, partnering agreement, airline-to-airline frequent flyer program agreement or similar agreement, in each case relating to a Frequent Flyer Program; provided that (i) prior to entering into any new such agreement or arrangement, the Chilean Issuer shall use commercially reasonable efforts to have any such agreement not include any such prohibition or limitation and (ii) any such prohibition or limitation shall apply only with respect to the applicable agreement and the proceeds thereof, (e) in respect of any contract arising in the ordinary course relating to the cargo business of the Chilean Issuer and its Restricted Subsidiaries, any prohibition or limitation in any such contract, and any amendments or modifications thereto so long as such amendment or modification does not expand the scope of any such prohibition or limitation in any material respect; provided that (x) any such prohibition or limitation applies only with respect to the applicable agreement and the proceeds thereof and (y) in respect of any such receivables that would otherwise constitute Collateral, the Chilean Issuer shall use commercially reasonable efforts to have any such contract not include any such prohibition or limitation, (f) any agreement in effect at the time any Person becomes a Restricted Subsidiary of the Chilean Issuer; provided that such agreement was not entered into in contemplation of such Person becoming a Restricted Subsidiary of the Chilean Issuer, (g) customary prohibitions and limitations contained in agreements relating to the sale of a Restricted Subsidiary (or the assets of the Chilean Issuer or a Restricted Subsidiary) pending such sale; provided that such prohibitions and limitations apply only to the Restricted Subsidiary that is to be sold (or the assets to be sold) and such sale is permitted (or not restricted) hereunder (h) prohibitions and limitations under agreements evidencing or governing or otherwise relating to Indebtedness not restricted hereby of Restricted Subsidiaries that are not the Issuers or the Guarantors; provided that such prohibitions and limitations are only with respect to assets of such Restricted Subsidiaries, (i) any prohibition or limitation imposed by applicable law, regulation or order, or the terms of any license, authorization, concession or permit issued or granted by a Governmental Authority and (j) any customary prohibitions or limitations arising or agreed to in the ordinary course of business, arising under leases, licenses or other similar contractual arrangements and not relating to any Indebtedness, and that do not (i) restrict assets other than those subject to such leases, licenses or other arrangements or (ii) taken as a whole, materially diminish the value of the Collateral, in each case, as determined by Chilean Issuer in good faith.

Section 4.23. Restricted Distribution Clauses.

The Chilean Issuer will not, and will not permit any of its Restricted Subsidiaries to, enter into or become effective any consensual encumbrance or restriction on the ability of any Restricted Subsidiary of the Chilean Issuer to pay dividends or distributions or to dividend the proceeds of any Disposition of Significant Assets to the Chilean Issuer or another Restricted Subsidiary, except for such encumbrances or restrictions existing under or by reason of (a) any restrictions with respect to a Restricted Subsidiary imposed pursuant to an agreement that has been entered into in connection with the Disposition of all or substantially of the Equity Interests or assets of such Restricted Subsidiary so long as such Disposition is not restricted hereby, (b) any agreement in effect at the time any Person becomes a Restricted Subsidiary of the Chilean Issuer; provided that such agreement was not entered into in contemplation of such Person becoming a Restricted Subsidiary of the Chilean Issuer, (c) provisions with respect to the Disposition or distribution of assets or property in joint venture agreements, asset sale agreements, agreements in respect of sales of Equity Interests and other similar agreements entered into in connection with transactions not prohibited by this Indenture; provided that such encumbrance or restriction shall only be effective against the assets or property that are the subject to such agreements, (d) any instrument governing Indebtedness or Equity Interests of a Person acquired by the Chilean Issuer or any of its Restricted Subsidiaries as in effect on the date of such acquisition, which encumbrance or restriction is not applicable to any Person or the property or assets of any Person, other than the Person, or the properties or assets of such Person, so acquired, (e) customary encumbrances or restrictions contained in Aircraft Financings (including, without limitation, the RCF Loan Agreement and the Spare Engine Loan Agreement) or debt incurred pursuant to clause (8) of Section 4.07(a) to the extent such encumbrances and restrictions apply only to the property subject to such lease or arrangement and (f) any customary prohibitions or limitations arising or agreed to in the ordinary course of business, arising under leases, licenses or other similar contractual arrangements and not relating to any Indebtedness, and that do not (i) restrict assets other than those subject to such lease, license or other arrangements, (ii) taken as a whole, materially diminish the value of the Collateral or (iii) taken as a whole, materially affect the ability of Chilean Issuer or any Restricted Subsidiary to make future principal or interest payments on outstanding Indebtedness of Chilean Issuer or any Restricted Subsidiary, in each case, as determined by the Chilean Issuer in good faith.

Section 4.24. Significant Assets Ownership.

Subject to the provisions described (including the actions permitted) under Section 4.08 and Article 5, each Issuer and Guarantor will continue to maintain its interest in and right to use all property and assets in its reasonable judgment necessary for the conduct of its business, taken as a whole. Each of the Issuers and the Guarantors shall use, operate and maintain the Significant Assets in the same manner and with the same care as shall be the case with similar assets owned by such Issuer or Guarantor without discrimination.

Section 4.25. Insurance.

The Issuers and Guarantors shall:

(a) keep all Significant Assets that constitute tangible property insured at all times against such risks, including risks insured against by extended coverage, as is prudent and customary in each case with companies of the same or similar size in the same or similar businesses and predominately operating in the same jurisdictions as the Issuers and Guarantors;

(b) prior to the Exit Conversion Date, comply with the insurance provisions of Schedule 4.25(b)(1) (in the case of the Pledged Spare Parts) and Schedule 4.25(b)(2) hereof (in the case of the Pledged Engines);

(c) maintain such other insurance or self-insurance as may be required by law; and

(d) with respect to any Significant Assets (including, for the avoidance of doubt, each Subsidiary of the Chilean Issuer whose Equity Interests have been pledged as Collateral), by the time specified in Schedule 4.5 to the Pledge and Security Agreement, (i) ensure that general property insurance and general liability insurance policies are endorsed to the Collateral Trustee's reasonable satisfaction for the benefit of the Collateral Trustee (including, without limitation, by naming the Collateral Trustee as certificate holder, mortgagee and loss payee or additional insured) and (ii) ensure that such endorsements shall state that such insurance policies shall not be cancelled or materially adversely changed without at least thirty (30) days' prior written notice thereof, except in the case of a cancellation or material adverse change resulting from war, which shall require at least seven (7) days' prior written notice thereof, by the respective insurer to the Collateral Trustee.

(e) With respect to the Mortgaged Collateral that is located in the Unites States which is in an area identified by the Federal Emergency Management Agency (or any successor agency thereto) as a "special flood hazard area" with respect to which flood insurance has been made available under the Flood Insurance Laws, the applicable Issuer or Guarantor (a) shall obtain and maintain with financially sound and reputable insurance companies flood insurance in such amounts and otherwise sufficient to comply with all applicable rules and regulations promulgated under the Flood Insurance Laws and (b) shall deliver to the Trustee evidence of such compliance, including, without limitation, evidence of annual renewals of such flood insurance.

ARTICLE 5

SUCCESSORS

I. From the Issue Date until the Exit Conversion Date, Section 4.5 of Annex B shall apply to the Chilean Issuer and its Restricted Subsidiaries, and this Article 5 shall not be applicable to the Chilean Issuer and its Restricted Subsidiaries.

II. After the occurrence of the Exit Conversion Date, the covenants applicable to the Chilean Issuer and its Restricted Subsidiaries shall be as set forth below in this Article 5, and Section 4.5 of Annex B shall no longer be applicable to the Chilean Issuer and its Restricted Subsidiaries.

Section 5.01. Merger, Consolidation, or Sale of Assets.

(a) None of the Chilean Issuer or any of its Restricted Subsidiaries (whichever is applicable, the "Subject Company") shall directly or indirectly, (i) consolidate or merge with or into another Person (whether or not such Subject Company is the surviving Person) or (ii) Dispose of all or substantially all of the properties or assets of the Subject Company and its Restricted Subsidiaries, taken as a whole, in one or more related transactions, to another Person; provided that:

(1) this Section 5.01(a) shall not restrict the foregoing actions by the Chilean Issuer or the U.S. Co-Issuer if:

(A) either (x) the Chilean Issuer or the U.S. Co-Issuer, as applicable (or, in the case of a consolidation or merger between the Chilean Issuer and the U.S. Co-Issuer, the Chilean Issuer) is the surviving Person or (y) the Person formed by or surviving any such consolidation or merger (if other than the Chilean Issuer or the U.S. Co-Issuer) or to which such Disposition has been made is an entity organized or existing under the laws of a Specified Jurisdiction, and, if such entity is not a corporation, a co-obligor of the Notes is a corporation organized or existing under any such laws;

(B) the Person formed by or surviving any such consolidation or merger (if other than the Chilean Issuer or the U.S. Co-Issuer) or the Person to which such Disposition has been made assumes all the obligations of the Subject Company under the 2029 Notes Documents by operation of law (if the surviving Person is the Chilean Issuer or the U.S. Co-Issuer) or pursuant to Section 4.13 or otherwise pursuant to a supplemental indenture and such amendments or supplements to the Security Documents as are necessary to effect such assumption;

(C) immediately after such transaction, no Default or Event of Default exists;

(D) with respect to any merger or consolidation by the Chilean Issuer or the U.S. Co-Issuer with any other Issuer or Guarantor or any Disposition by the Chilean Issuer or the U.S. Co-Issuer, after giving effect thereto, the interests of the holders in respect of the Collateral are not adversely affected; and

(E) the Subject Company shall have delivered to the Trustee an Officer's Certificate stating that such consolidation, merger or Disposition complies with the applicable provisions of this Indenture;

(2) any Restricted Subsidiary of the Chilean Issuer that is not an Issuer or a Guarantor may consolidate or merge with or into an Issuer or a Guarantor or Dispose of all or substantially all of its properties to an Issuer or a Guarantor so long as, with respect to any consolidation or merger either (A) such Issuer or Guarantor is the surviving Person or (B) (1) the Person formed or surviving any such consolidation (if other than such Issuer or Guarantor) is an entity organized or existing under the laws of a Specified Jurisdiction and (2) the Person formed by or surviving any such consolidation or merger assumes all the obligations of such Issuer or Guarantor under the 2029 Notes Documents by operation of law or pursuant to Section 4.13 or otherwise pursuant to agreements reasonably satisfactory to the Trustee and the Collateral Trustee;

(3) any Guarantor may consolidate or merge with or into either Issuer or any Guarantor or Dispose of all or substantially all of its properties to either Issuer or another Guarantor so long as (x) after giving effect thereto, the interests of the holders in respect of the Collateral are not adversely affected and (y) in the case of any Disposition, the transferee is the Chilean Issuer or a Guarantor and the transferee is either (1) in the same jurisdiction as the transferor, (2) a Specified Jurisdiction or (3) another jurisdiction reasonably satisfactory to the Controlling Representative;

(4) any Restricted Subsidiary that is not an Issuer or a Guarantor may consolidate or merge with or into any other Restricted Subsidiary that is not an Issuer or a Guarantor or Dispose of all or substantially all of its properties to a Restricted Subsidiary that is not an Issuer or a Guarantor; provided that (x) with respect to any consolidation or merger between a Restricted Subsidiary whose Equity Interests constitute Collateral and a Restricted Subsidiary whose Equity Interests do not constitute Collateral, the Restricted Subsidiary whose Equity Interests constitute Collateral shall be the surviving Person and (y) no Subsidiary whose Equity Interests constitute Collateral may Dispose of all or substantially all of its properties to a Restricted Subsidiary whose Equity Interests do not constitute Collateral, unless, in each case, under (x) and (y), (1) such Equity Interests of the applicable Restricted Subsidiary (the "Subject Entity") that do not constitute Collateral as of the date of such consolidation or merger are promptly pledged as Collateral on or following the consummation of such consolidation or merger and (2) the Subject Entity is organized in a Security Jurisdiction (as defined in the Guaranty and Security Principles) or a different jurisdiction reasonably satisfactory to the Controlling Representative;

(5) any Permitted Investment may be structured as a merger or consolidation (provided that (x) if an Issuer is a party to such merger or consolidation, such Issuer shall be the surviving Person thereof, (y) if an Issuer or a Guarantor is a party to such merger or consolidation, such Issuer or Guarantor shall be the surviving Person thereof and (z) if a Restricted Subsidiary that is not an Issuer or a Guarantor is a party to such merger or consolidation, such Restricted Subsidiary shall be the surviving Person thereof);

(6) any merger, consolidation, dissolution or liquidation, in each case, not involving an Issuer, may be effected for the purposes of effecting a Disposition permitted by this Indenture; and

(7) the dissolution of any Restricted Subsidiary (that is not an Issuer or Guarantor) with no or *de minimis* assets is permitted.

Section 5.02. Successor Corporation Substituted.

Upon any consolidation or merger, or any sale, assignment, transfer, lease, conveyance or other disposition of all or substantially all of the properties or assets of any Subject Company in a transaction that is subject to, and that complies with the provisions of clauses (1) and (2) of Section 5.01(a), the successor Person formed by such consolidation or into or with which such Subject Company is merged or to which such sale, assignment, transfer, lease, conveyance or other disposition is made shall succeed to, and be substituted for (so that from and after the date of such consolidation, merger, sale, assignment, transfer, lease, conveyance or other disposition, the provisions of this Indenture and the other 2029 Notes Documents referring to such Subject Company shall refer instead to the successor Person and not to such Subject Company), and may exercise every right and power of such Subject Company under this Indenture and the other 2029 Notes Documents with the same effect as if such successor Person had been named as such Subject Company herein and therein; provided, however, that the predecessor Subject Company (in the case of Chilean Issuer or the U.S. Co-Issuer), if applicable, shall not be relieved from the obligation to pay the principal of, and interest, if any, on the Notes except in the case of a sale of all of such Subject Company's assets in a transaction that is subject to, and that complies with the provisions of clause (1) of Section 5.01(a).

ARTICLE 6

DEFAULTS AND REMEDIES

Section 6.01. Events of Default.

Each of the following (and, from and after the Issue Date until the Exit Conversion Date, each of the additional events set forth in Annex C) is an "Event of Default" with respect to the Notes:

(1) default in the payment of any installment of interest (including Special Interest, if any) on the Notes for 30 days after becoming due and payable;

(2) default in the payment of principal of or premium, if any, on the Notes when they become due and payable at their Stated Maturity, upon redemption, by declaration or otherwise;

(3) failure by any Issuer or any Guarantor to comply with the provisions of Sections 4.12 or 5.01 hereof applicable to the Notes;

(4) failure by any Issuer or any Guarantor to observe or perform any covenant or agreement in the 2029 Notes Documents applicable to the Notes, which continues for a period of 60 days after the notice specified in this Section 6.01;

(5) (a) any Issuer or any Guarantor shall default in the performance of any obligation relating to Material Indebtedness and any applicable grace periods shall have expired and any applicable notice requirements shall have been complied with, and as a result of such default the holder or holders of such Material Indebtedness or any trustee or agent on behalf of such holder or holders shall have caused such Material Indebtedness to become due prior to its scheduled final maturity date or (b) any Issuer or any Guarantor shall default in making any payment in respect of any Material Indebtedness outstanding under one or more agreements of an Issuer or a Guarantor, any applicable grace periods shall have expired and any applicable notice requirements shall have been complied with;

(6) failure by the Issuers or any of their Restricted Subsidiaries to pay judgments by a court or courts of competent jurisdiction aggregating in excess of [*] (determined net of amounts covered by insurance policies issued by creditworthy insurance), which judgments are not paid, discharged, bonded, satisfied or stayed for a period of sixty (60) days;

(7) except as permitted by this Indenture, any Note Guarantee, as it relates to the Notes, is held in any judicial proceeding to be unenforceable or invalid or ceases for any reason to be in full force and effect, or any Guarantor denies or disaffirms in writing its obligations under such Note Guarantee;

(8) (a) any material provision of any 2029 Notes Document applicable to the Notes ceases to be valid and binding obligations of any Issuer or any applicable Guarantor party thereto, or any Issuer or any applicable Guarantor party thereto shall so assert in any pleading filed in any court, (b) any Issuer or any other Person contests in writing the validity or enforceability of any provision of any 2029 Notes Document applicable to the Notes; or an Issuer denies in writing that it has any or further liability or obligation under any 2029 Notes Document applicable to the Notes, or purports in writing to revoke, terminate or rescind the Notes, this Indenture or any Security Document, or (c) the Liens on any material portion of the Collateral intended to be created by the 2029 Notes Documents shall cease to be or shall not be a valid and perfected Lien having the priorities required by this Indenture or by the Collateral Trust Agreement, the DIP Intercreditor Agreement, the Junior Lien Intercreditor Agreement or any other Intercreditor Agreement, as applicable (except as permitted by the terms of this Indenture or such Security Documents);

(9) any Issuer, any Guarantor or any Significant Subsidiary of the Chilean Issuer pursuant to or within the meaning of Bankruptcy Law:

(A) commences a voluntary case,

(B) consents to the entry of an order for relief against it in an involuntary case,

(C) consents to the appointment of a custodian of it or for all or substantially all of its property,

(D) makes a general assignment for the benefit of its creditors, or

(E) generally is not paying its debts as they become due; and

(10) a court of competent jurisdiction enters an order or decree under any Bankruptcy Law that:

(A) is for relief against any Issuer, any Guarantor or any Significant Subsidiary of the Chilean Issuer in an involuntary case;

(B) appoints a custodian of any Issuer, any Guarantor or any Significant Subsidiary of the Chilean Issuer; or

(C) orders the liquidation of any Issuer, any Guarantor or any Significant Subsidiary of the Chilean Issuer;

and the order or decree remains unstayed and in effect for 60 consecutive days;

Notwithstanding the foregoing, any time period set forth above to cure any actual or alleged default or Event of Default may be extended or stayed by a court of competent jurisdiction.

A Default under clause (4) of Section 6.01 above will not constitute an Event of Default with respect to the Notes until the Trustee notifies the Chilean Issuer or the Holders of at least 25% in principal amount of the outstanding Notes notify the Chilean Issuer and the Trustee of the Default (such notice being a "Notice of Default") and the Chilean Issuer (or the U.S. Co-Issuer or the applicable Guarantor, as the case may be) does not cure such Default within 60 days after receipt of such notice. Such notice must specify the Default, demand that it be remedied and state that such notice is a "Notice of Default."

Section 6.02. Acceleration.

In the case of an Event of Default specified in clause (9) or (10) of Section 6.01 hereof, with respect to any Issuer, any Guarantor or any Significant Subsidiary of the Chilean Issuer, the principal of and premium, if any, and accrued and unpaid interest (including Special Interest, if any) on all outstanding Notes will become due and payable immediately without any declaration or further action or notice on the part of the Trustee or any Holder. If any other Event of Default occurs and is continuing with respect to the Notes, the Trustee or the Holders of at least 25% in aggregate principal amount of the then outstanding Notes may, by written notice to the Issuers (and to the Trustee if such notice is given by the Holders), declare all the Notes to be due and payable immediately.

Upon any such declaration, the principal of and premium, if any, and accrued and unpaid interest (including Special Interest, if any) on the Notes shall become due and payable immediately.

Holders of a majority in aggregate principal amount of the then outstanding Notes by written notice to the Trustee may, on behalf of the Holders of all of the Notes, rescind an acceleration and its consequences hereunder, except a continuing Default or Event of Default in the payment of principal of, premium on, if any, or interest (including Special Interest, if any) on, the Notes, if the rescission would not conflict with any judgment or decree and if all Events of Default with respect to the Notes, other than the non-payment of principal or interest which have become due solely by such acceleration, have been cured or waived.

If the Notes are accelerated or otherwise become due prior to their Stated Maturity, in each case as a result of an Event of Default (including, but not limited to, an Event of Default specified in clause (9) or (10) of Section 6.01 (including the acceleration of any portion of the Indebtedness evidenced by the Notes by operation of law)), the amount that shall then be due and payable shall be equal to:

(1) (i) 100% of the principal amount of the Notes then outstanding plus the Applicable Premium in effect on the date of such acceleration or (ii) the applicable redemption price as set forth in Section 3.07(d) in effect on the date of such acceleration, as applicable, plus

(2) accrued and unpaid interest, if any, to, but excluding, the date of such acceleration, in each case as if such acceleration were an optional redemption pursuant to Section 3.07 of the Notes so accelerated.

Without limiting the generality of the foregoing, it is understood and agreed that if the Notes are accelerated or otherwise become due prior to their Stated Maturity, in each case, as a result of an Event of Default (including, but not limited to, an Event of Default specified in clause (9) or (10) of Section 6.01 (including the acceleration of any portion of the Indebtedness evidenced by the Notes by operation of law)), the Applicable Premium or the amount by which the applicable redemption price exceeds the principal amount of the Notes (the "Redemption Price Premium"), as applicable, with respect to an optional redemption of the Notes shall also be due and payable as though the Notes had been optionally redeemed on the date of such acceleration and shall constitute part of the Obligations with respect to the Notes in view of the impracticability and difficulty of ascertaining actual damages and by mutual agreement of the parties as to a reasonable calculation of each Holder's lost profits as a result thereof. If the Applicable Premium or the Redemption Price Premium, as applicable, becomes due and payable, it shall be deemed to be principal of the Notes, and interest shall accrue on the full principal amount of the Notes (including the Applicable Premium or the Redemption Price Premium, as applicable) from and after the applicable triggering event, including in connection with an Event of Default specified in clause (9) or (10) of Section 6.01. Any premium payable pursuant to this Section 6.02 shall be presumed to be liquidated damages sustained by each Holder of Notes as the result of the acceleration of the Notes, and the Issuers agree that it is reasonable under the circumstances currently existing. The premium shall also be payable in the event the Notes or this Indenture are satisfied, released or discharged through foreclosure, whether by judicial proceeding, deed in lieu of foreclosure or by any other means. EACH ISSUER AND EACH GUARANTOR EXPRESSLY WAIVES (TO THE FULLEST EXTENT THEY MAY LAWFULLY DO SO) THE PROVISIONS OF ANY PRESENT OR FUTURE STATUTE OR LAW THAT PROHIBITS OR MAY PROHIBIT THE COLLECTION OF THE FOREGOING PREMIUM IN CONNECTION WITH ANY SUCH ACCELERATION. The Issuers expressly agree (to the fullest extent they may lawfully do so) that: (A) the premium is reasonable and is the product of an arm's length transaction between sophisticated business parties, ably represented by counsel; (B) the premium shall be payable notwithstanding the then prevailing market rates at the time payment is made; (C) there has been a course of conduct between the Holders of Notes and the Issuers giving specific consideration in this transaction for such agreement to pay the premium; and (D) the Issuers and the Guarantors shall be estopped hereafter from claiming differently than as agreed to in this Section 6.02. The Issuers and the Guarantors expressly acknowledge that their agreement to pay the premium to the Holders of Notes as herein described is a material inducement to the Holders of Notes to purchase the Notes.

Section 6.03. Other Remedies.

If an Event of Default with respect to the Notes occurs and is continuing, the Trustee may pursue any available remedy to collect the payment of principal, premium, if any, and interest (including Special Interest, if any) on the Notes or to enforce the performance of any provision of the Notes or this Indenture.

The Trustee may maintain a proceeding even if it does not possess any of the Notes or does not produce any of them in the proceeding. A delay or omission by the Trustee or any Holder in exercising any right or remedy accruing upon an Event of Default with respect to the Notes shall not impair the right or remedy or constitute a waiver of or acquiescence in the Event of Default. All remedies are cumulative to the extent permitted by law.

Section 6.04. Waiver of Past Defaults.

Holders of not less than a majority in aggregate principal amount of the then outstanding Notes by written notice to the Trustee may, on behalf of the Holders of all of the Notes, waive an existing Default or Event of Default and its consequences hereunder, except a continuing Default or Event of Default in the payment of the principal of, premium, if any, or interest (including Special Interest, if any) on, the Notes (including in connection with an offer to purchase); provided, however, that the Holders of a majority in aggregate principal amount of the then outstanding Notes may rescind an acceleration and its consequences pursuant to Section 6.02 hereof. Upon any such waiver, such Default shall cease to exist, and any Event of Default arising therefrom shall be deemed to have been cured for every purpose of this Indenture, but no such waiver shall extend to any subsequent or other Default or impair any right consequent thereon.

Section 6.05. Control by Majority.

Holders of a majority in aggregate principal amount of the then outstanding Notes may direct the time, method and place of conducting any proceeding for exercising any remedy available to the Trustee with respect of the Notes or exercising any trust or power conferred to the Trustee. However, the Trustee may refuse to follow any direction that conflicts with law or this Indenture or the Notes or that the Trustee determines is unduly prejudicial to the rights of other Holders or would involve the Trustee in personal liability (it being understood that the Trustee has no duty to determine if any directed action is prejudicial to any Holder). Prior to taking any such action hereunder, the Trustee shall be entitled to indemnification satisfactory to it against all fees, losses, liabilities and expenses (including attorney's fees and expenses) that may be caused by taking or not taking such action.

Section 6.06. Limitation on Suits.

Except to enforce the right to receive payment of principal, premium, if any, or interest (including Special Interest, if any) when due, no Holder may pursue any remedy with respect to this Indenture or the Notes unless:

(1) an Event of Default has occurred and is continuing with respect to the Notes, and such Holder has given the Trustee prior written notice that an Event of Default with respect to the Notes is continuing;

(2) Holders of at least 25% in aggregate principal amount of the then outstanding Notes make a written request to the Trustee to pursue the remedy;

(3) such Holder or Holders of Notes offer and, if requested, provide to the Trustee security or indemnity satisfactory to the Trustee against any loss, liability or expense;

(4) the Trustee does not comply with the request within 60 days after receipt of the request and the offer or provision of security or indemnity; and

(5) during such 60-day period, Holders of a majority in aggregate principal amount of the then outstanding Notes do not give the Trustee a direction inconsistent with such request.

A Holder of Notes may not use this Indenture to prejudice the rights of another Holder or to obtain a preference or priority over another Holder (it being understood that the Trustee does not have an affirmative duty to ascertain whether or not actions or forbearances by a Holder would prejudice the rights of another Holder or result in a preference of priority over another Holder).

Section 6.07. Rights of Holders of Notes to Receive Payment.

Notwithstanding any other provision of this Indenture, the right of any Holder to receive payment of principal, premium, if any, and interest on the Note (including Special Interest, if any), on or after the respective due dates expressed in the Note (including in connection with an offer to purchase), or to bring suit for the enforcement of any such payment on or after such respective dates, shall not be impaired or affected without the consent of such Holder.

Section 6.08. Collection Suit by Trustee.

If an Event of Default specified in Section 6.01(1) or (2) hereof occurs and is continuing with respect to the Notes, the Trustee is authorized to recover judgment in its own name and as Trustee of an express trust against the Issuers for the whole amount of principal of, premium, if any, and interest (including Special Interest, if any) remaining unpaid on, the Notes and interest (including Special Interest, if any) on overdue principal and, to the extent lawful, interest and such further amount as shall be sufficient to cover the costs and expenses of collection, including the reasonable compensation, expenses, disbursements and advances of the Trustee, the Collateral Trustee, their agents and counsel.

Section 6.09. Trustee May File Proofs of Claim.

The Trustee is authorized to file such proofs of claim and other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for the reasonable compensation, expenses, disbursements and advances of the Trustee, the Collateral Trustee, their agents and counsel) and the Holders of Notes allowed in any judicial proceedings relative to the Issuers (or any other obligor upon the Notes), its creditors or its property and shall be entitled and empowered to collect, receive and distribute any money or other property payable or deliverable on any such claims and any custodian in any such judicial proceeding is hereby authorized by each Holder to make such payments to the Trustee, and in the event that the Trustee shall consent to the making of such payments directly to the Holders of Notes, to pay to the Trustee and Collateral Trustee any amount due to each of them for the reasonable compensation, expenses, disbursements and advances of the Trustee, the Collateral Trustee, their agents and counsel, and any other amounts due the Trustee under Section 7.06 hereof and the Collateral Trustee under Section 12.05 hereof. To the extent that the payment of any such compensation, expenses, disbursements and advances of the Trustee, the Collateral Trustee, their agents and counsel, and any other amounts due the Trustee under Section 7.06 hereof and the Collateral Trustee under Section 12.05 hereof out of the estate in any such proceeding, shall be denied for any reason, payment of the same shall be secured by a Lien on, and shall be paid out of, any and all distributions, dividends, money, securities and other properties that the Holders of Notes may be entitled to receive in such proceeding whether in liquidation or under any plan of reorganization or arrangement or otherwise. Nothing herein contained shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Holder any plan of reorganization, arrangement, adjustment or composition affecting the Notes or the rights of any Holder, or to authorize the Trustee to vote in respect of the claim of any Holder in any such proceeding.

Section 6.10. Priorities.

Subject to the Collateral Trust Agreement and the Intercreditor Agreements, if, in connection with any Event of Default or acceleration of the Notes, the Trustee collects any money pursuant to this Article 6 or, while an Event of Default with respect to the Notes is continuing, any other money or property distributable in respect of the obligations of any Issuer or any Guarantor under this Indenture, it shall pay out the money in the following order:

First: to the Trustee, its agents and attorneys for amounts due under Section 7.06 hereof, including, as applicable, payment of all reasonable compensation, out-of-pocket expenses and liabilities incurred, and all advances made, by the Trustee and the costs and reasonable out-of-pocket expenses of collection;

Second: to Holders of Notes for amounts due and unpaid on the Notes for principal, premium, if any, and interest (including Special Interest, if any), ratably, without preference or priority of any kind, according to the amounts due and payable on the Notes for principal, premium, if any and interest (including Special Interest, if any), respectively; and

Third: to the Issuers, the Guarantors, if applicable, or to such party as a court of competent jurisdiction shall direct.

The Trustee, upon prior notice to the Issuers, may fix a record date and payment date for any payment to Holders of Notes pursuant to this Section 6.10.

Section 6.11. Undertaking for Costs

In any suit for the enforcement of any right or remedy under this Indenture or in any suit against the Trustee for any action taken or omitted by it as a Trustee, a court in its discretion may require the filing by any party litigant in the suit of an undertaking to pay the costs of the suit, and the court in its discretion may assess reasonable costs, including reasonable attorneys' fees, against any party litigant in the suit, having due regard to the merits and good faith of the claims or defenses made by the party litigant. This Section 6.11 does not apply to a suit by the Trustee, a suit by a Holder pursuant to Section 6.07 hereof, or a suit by Holders of more than 10% in aggregate principal amount of the then outstanding Notes.

ARTICLE 7

TRUSTEE

Section 7.01. Duties of Trustee.

(a) If an Event of Default has occurred and is continuing, the Trustee will exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in its exercise, as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs.

(b) Except during the continuance of an Event of Default:

(1) the duties of the Trustee will be determined solely by the express provisions of this Indenture, and the Trustee need perform only those duties that are specifically set forth in this Indenture and no others, and no implied covenants or obligations shall be read into this Indenture against the Trustee; and

(2) in the absence of negligence or willful misconduct on its part, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture.

However, the Trustee will examine the certificates and opinions to determine whether or not they conform to the requirements of this Indenture.

(c) The Trustee may not be relieved from liabilities for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that:

(1) this paragraph does not limit the effect of paragraph (b) of this Section 7.01;

(2) the Trustee will not be liable for any error of judgment made in good faith by a Responsible Officer, unless it is proved that the Trustee was negligent in ascertaining the pertinent facts; and

(3) the Trustee will not be liable with respect to any action it takes or omits to take in good faith in accordance with a direction received by it pursuant to Section 6.05 hereof or in accordance with the direction of a majority in aggregate principal amount of Notes outstanding relating to the exercise of any right or power of the Trustee under this Indenture.

(d) Whether or not therein expressly so provided, every provision of this Indenture that in any way relates to the Trustee is subject to paragraphs (a), (b), (c), and (e) of this Section 7.01.

(e) No provision of this Indenture will require the Trustee to expend or risk its own funds or incur any liability. The Trustee will be under no obligation to exercise any of its rights and powers under this Indenture at the request or direction of any Holders of Notes, unless such Holder has offered, and if requested, provided to the Trustee security and indemnity satisfactory to it against any loss, liability or expense.

(f) The Trustee will not be liable for interest on any money received by it except as the Trustee may agree in writing with the Issuers. Money held in trust by the Trustee need not be segregated from other funds except to the extent required by law.

(g) The Trustee is hereby authorized to execute the Collateral Trust Agreement, the Local Collateral Agency Agreements, any Intercreditor Agreements and any other Security Document to which it may be a party and perform its obligations in accordance with their terms, and whether or not expressly stated therein, the rights, privileges, protections, immunities and benefits given to the Trustee, including, without limitation, its right to be compensated, reimbursed and indemnified, are extended to the Trustee's execution and performance of each such agreement.

(h) At any time that the Trustee is the Controlling Representative, the Trustee shall be entitled to act or refrain from acting in accordance with direction from a majority of aggregate principal amount of the Notes, and shall have no obligation to take any discretionary action or make any determination in the absence of such direction, accompanied by, if requested, indemnity or security satisfactory to the Trustee.

Section 7.02. Rights of Trustee.

(a) The Trustee may conclusively rely upon any document believed by it to be genuine and to have been signed or presented by the proper Person. The Trustee need not investigate any fact or matter stated in the document.

(b) Before the Trustee acts or refrains from acting, it may require an Officer's Certificate or an Opinion of Counsel or both. The Trustee will not be liable for any action it takes or omits to take in good faith in reliance on such Officer's Certificate or Opinion of Counsel. The Trustee may consult with counsel and the advice of such counsel or any Opinion of Counsel will be full and complete authorization and protection from liability in respect of any action taken, suffered or omitted by it hereunder in good faith and in reliance thereon.

(c) The Trustee may act through its attorneys and agents and will not be responsible for the misconduct or negligence of any agent appointed with due care.

(d) The Trustee will not be liable for any action it takes or omits to take in good faith that it believes to be authorized or within the rights or powers conferred upon it by this Indenture.

(e) Unless otherwise specifically provided in this Indenture, any demand, request, direction or notice from the Issuers will be sufficient if signed by an Officer of each Issuer.

(f) Whenever in the administration of this Indenture the Trustee shall deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Trustee (unless other evidence be herein specifically prescribed) may, in the absence of bad faith on its part, conclusively rely upon an Officer's Certificate.

(g) The Trustee will be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request or direction of any of the Holders of Notes unless such Holders of Notes have offered, and if requested, provided to the Trustee indemnity or security satisfactory to the Trustee against the losses, liabilities and expenses that might be incurred by it in compliance with such request or direction.

(h) In no event shall the Trustee be responsible or liable for special, indirect, punitive, incidental or consequential loss or damage of any kind whatsoever (including, but not limited to, loss of profit) irrespective of whether the Trustee has been advised of the likelihood of such loss or damage and regardless of the form of action.

(i) The Trustee shall not be deemed to have notice of any Default or Event of Default unless a Responsible Officer of the Trustee has actual knowledge thereof or unless written notice of any event which is in fact such a Default or Event of Default is received by the Trustee at the Corporate Trust Office of the Trustee, and such notice references the Notes and this Indenture.

(j) The rights, privileges, protections, immunities and benefits given to the Trustee, including, without limitation, its right to be indemnified, are extended to, and shall be enforceable by, the Trustee in each of its capacities hereunder and under the other Note Documents and by the Collateral Trustee.

(k) The Trustee shall not be required to give any bond or surety in respect of the performance of its powers and duties hereunder.

(l) The permissive rights of the Trustee enumerated herein and in the other Note Documents shall not be construed as duties.

Section 7.03. Individual Rights of Trustee.

The Trustee in its individual or any other capacity may become the owner or pledgee of Notes and may become a creditor of, or otherwise deal with the Issuers or any of their respective Affiliates with the same rights it would have if it were not Trustee. However, in the event that the Trustee acquires any conflicting interest it must eliminate such conflict within 90 days, apply to the SEC for permission to continue as trustee or resign. Any Agent and the Collateral Trustee may do the same with like rights and duties. The Trustee is also subject to Section 7.09 hereof.

Section 7.04. Trustee's Disclaimer.

The Trustee will not be responsible for and makes no representation as to the validity or adequacy of this Indenture, the Notes, the Note Guarantees, the Security Documents or the Collateral, it shall not be accountable for the Issuers' use of the proceeds from the Notes or any money paid to the Issuers or upon the Issuers' direction under any provision of this Indenture, it will not be responsible for the use or application of any money received by any Paying Agent other than the Trustee, and it will not be responsible for any statement or recital herein or any statement in the Offering Memorandum, the Notes or any other document in connection with the sale of the Notes or pursuant to this Indenture other than its certificate of authentication.

The Trustee shall not be responsible for the existence, genuineness or value of any of the Collateral or for the validity, perfection, priority or enforceability of the Liens in any of the Collateral, whether impaired by operation of law or by reason of any action or omission to act on its part hereunder, for the validity or sufficiency of the Collateral or any agreement or assignment contained therein. Beyond the exercise of reasonable care in the custody of Collateral in its possession, the Trustee will not have any duty as to any Collateral in its possession or control or in the possession or control of any agent or bailee or any income thereon or as to preservation of rights against prior parties or any other rights pertaining thereto (except as required under applicable law), and neither the Trustee nor the Collateral Trustee will be responsible for filing any financing or continuation statements or recording any documents or instruments in any public office at any time or times or otherwise perfecting or maintaining the perfection of any Liens on the Collateral. The Trustee will be deemed to have exercised reasonable care in the custody of the Collateral in its possession if the Collateral is accorded treatment substantially equal to that which it accords its own property, and the Trustee will not be liable or responsible for any loss or diminution in the value of any of the Collateral by reason of the act or omission of any carrier, forwarding agency or other agent or bailee selected by the Trustee in good faith.

Section 7.05. Notice of Defaults.

If a Default or Event of Default occurs and is continuing and if it is known to the Trustee, the Trustee will mail to Holders of Notes a notice of the Default or Event of Default within the later of 90 days after it occurs and promptly after obtaining knowledge thereof. Except in the case of a Default or Event of Default in payment of principal of, premium, if any, or interest (including Special Interest, if any) on, any Note, the Trustee may withhold the notice if and so long as a committee of its Responsible Officers in good faith determines that withholding the notice is in the interests of the Holders of Notes.

Section 7.06. Compensation and Indemnity.

(a) The Issuers will pay to the Trustee from time to time reasonable compensation for its acceptance of this Indenture and services hereunder. The Trustee's compensation will not be limited by any law on compensation of a trustee of an express trust. The Issuers will reimburse the Trustee promptly upon request for all reasonable disbursements, advances and expenses incurred or made by it in addition to the compensation for its services. Such expenses will include the reasonable compensation, disbursements and expenses of the Trustee's agents and counsel.

(b) The Issuers and the Guarantors, jointly and severally, will indemnify the Trustee against any and all losses, liabilities or expenses incurred by it arising out of or in connection with the acceptance or administration of its duties under this Indenture and the other 2029 Notes Documents, including the costs and expenses of enforcing this Indenture and the other 2029 Notes Documents against any Issuer or any Guarantor (including this Section 7.06) and defending itself against any claim (whether asserted by any Issuer, any Guarantor, any Holder or any other Person) or liability in connection with the exercise or performance of any of its powers or duties hereunder or thereunder, except to the extent any such loss, liability or expense may be attributable to its own negligence or willful misconduct as determined by a final non-appealable order of a court of competent jurisdiction. The Trustee will notify the Issuers promptly of any claim for which it may seek indemnity. Failure by the Trustee to so notify the Issuers will not relieve the Issuers of their obligations hereunder. The Issuers will defend the claim and the Trustee will cooperate in the defense. The Trustee may have separate counsel, and the Issuers will pay the reasonable fees and expenses of such counsel. The Issuers shall not pay for any settlement made without their consent, which consent will not be unreasonably withheld.

(c) The obligations of the Issuers under this Section 7.06 will survive the satisfaction and discharge of this Indenture and the resignation or removal of the Trustee.

(d) To secure the Issuers' payment obligations in this Section 7.06, the Trustee will have a Lien prior to the Notes on all money or property held or collected by the Trustee, except that held in trust to pay principal and interest on particular Notes. Such Lien will survive the satisfaction and discharge of this Indenture and the resignation or removal of the Trustee. The Trustee's rights to receive payment of any amounts due under this Section 7.06 shall not be subordinate to any other liability or Indebtedness of the Issuers.

(e) When the Trustee incurs expenses or renders services after an Event of Default specified in Section 6.01(9) or (10) hereof occurs, the expenses and the compensation for the services (including the fees and expenses of its agents and counsel) are intended to constitute expenses of administration under any Bankruptcy Law.

Section 7.07. Replacement of Trustee.

(a) A resignation or removal of the Trustee and appointment of a successor Trustee will become effective only upon the successor Trustee's acceptance of appointment as provided in this Section 7.07.

(b) The Trustee may resign in writing at any time and be discharged from the trust hereby created by so notifying the Issuers. The Holders of a majority in aggregate principal amount of the then outstanding Notes may remove the Trustee by so notifying the Trustee and the Issuers in writing. The Issuers may remove the Trustee if:

(1) the Trustee fails to comply with Section 7.09 hereof;

(2) the Trustee is adjudged a bankrupt or an insolvent or an order for relief is entered with respect to the Trustee under any Bankruptcy Law;

(3) a custodian or public officer takes charge of the Trustee or its property; or

(4) the Trustee becomes incapable of acting.

(c) If the Trustee resigns or is removed or if a vacancy exists in the office of Trustee for any reason, the Issuers will promptly appoint a successor Trustee. Within one year after the successor Trustee takes office, the Holders of a majority in aggregate principal amount of the then outstanding Notes may appoint a successor Trustee to replace the successor Trustee appointed by the Issuers.

(d) If a successor Trustee does not take office within 60 days after the retiring Trustee resigns or is removed, the retiring Trustee, the Issuers, or the Holders of at least 10% in aggregate principal amount of the then outstanding Notes may petition any court of competent jurisdiction for the appointment of a successor Trustee.

(e) If the Trustee, after written request by any Holder who has been a Holder for at least six months, fails to comply with Section 7.09 hereof, such Holder may petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor Trustee.

(f) A successor Trustee will deliver a written acceptance of its appointment to the retiring Trustee and to the Issuers. Thereupon, the resignation or removal of the retiring Trustee will become effective, and the successor Trustee will have all the rights, powers and duties of the Trustee under this Indenture. The successor Trustee will mail a notice of its succession to Holders of Notes. The retiring Trustee will promptly transfer all property held by it as Trustee to the successor Trustee; provided all sums owing to the Trustee hereunder have been paid and subject to the Lien provided for in Section 7.06 hereof. Notwithstanding replacement of the Trustee pursuant to this Section 7.07, the Issuers' obligations under Section 7.06 hereof will continue for the benefit of the retiring Trustee.

Section 7.08. Successor Trustee by Merger, etc.

If the Trustee consolidates, merges or converts into, or transfers all or substantially all of its corporate trust business to, another corporation, the successor corporation without any further act will be the successor Trustee.

Section 7.09. Eligibility; Disqualification.

There will at all times be a Trustee hereunder that is a corporation organized and doing business under the laws of the United States of America or of any state thereof that is authorized under such laws to exercise corporate trustee power, that is subject to supervision or examination by federal or state authorities and that has a combined capital and surplus of at least $100.0 million as set forth in its most recent published annual report of condition.

ARTICLE 8

LEGAL DEFEASANCE AND COVENANT DEFEASANCE

Section 8.01. Option to Effect Legal Defeasance or Covenant Defeasance.

The Issuers may at any time, at the option of their Board of Directors evidenced by a resolution accompanied by an Officer's Certificate, elect to have either Section 8.02 or 8.03 hereof be applied to all outstanding Notes upon compliance with the conditions set forth below in this Article 8.

Section 8.02. Legal Defeasance and Discharge.

Upon the Issuers' exercise under Section 8.01 hereof of the option applicable to this Section 8.02 with respect to the Notes, each Issuer and each Guarantor will, subject to the satisfaction of the conditions set forth in Section 8.04 hereof, be deemed to have been discharged from its obligations with respect to all outstanding Notes (including the Note Guarantees) on the date the conditions set forth below are satisfied (hereinafter, "Legal Defeasance"). For this purpose, Legal Defeasance means that the Issuers and the Guarantors will be deemed to have paid and discharged the entire Indebtedness represented by the outstanding Notes (including the Note Guarantees), which will thereafter be deemed to be "outstanding" only for the purposes of Section 8.05 hereof and the other Sections of this Indenture referred to in clauses (1) and (2) below, and to have satisfied all its other obligations under such Notes, the Note Guarantees and this Indenture (and the Trustee, on demand of and at the expense of the Issuers, shall execute such instruments reasonably requested by the Issuers acknowledging the same), except for the following provisions which will survive until otherwise terminated or discharged hereunder:

(1) the rights of Holders of outstanding Notes to receive payments in respect of the principal of, or interest (including Special Interest, if any) or premium, if any, on, such Notes when such payments are due from the trust referred to in Section 8.04 hereof;

(2) the Issuers' obligations with respect to such Notes under Article 2 and Section 4.02 hereof;

(3) the rights, powers, trusts, duties and immunities of the Trustee hereunder and the Issuers' and each Guarantor's obligations in connection therewith; and

(4) this Article 8.

Subject to compliance with this Article 8, the Issuers may exercise their option under this Section 8.02 with respect to the Notes notwithstanding the prior exercise of its option under Section 8.03 hereof with respect to the Notes.

Section 8.03. Covenant Defeasance.

Upon the Issuers' exercise under Section 8.01 hereof of the option applicable to this Section 8.03 with respect to the Notes, each Issuer and each Guarantor will, subject to the satisfaction of the conditions set forth in Section 8.04 hereof, be released from each of their obligations under the covenants contained in Sections 4.03, 4.04, 4.06, 4.07, 4.08, 4.09, 4.10, 4.12, 4.13, 4.14, 4.15, 4.16, 4.17, 4.18, 4.19, 4.21, 4.22, 4.23, 4.24 and 4.25 hereof with respect to the outstanding Notes on and after the date the conditions set forth in Section 8.04 hereof are satisfied (hereinafter, "Covenant Defeasance"), and the Notes will thereafter be deemed not "outstanding" for the purposes of any determination of the Asset Coverage Ratio or Total Asset Coverage Ratio, or any direction, waiver, consent or declaration or act of Holders of Notes (and the consequences of any thereof) in connection with such covenants, but will continue to be deemed "outstanding" for all other purposes hereunder (it being understood that the Notes will not be deemed outstanding for accounting purposes). For this purpose, Covenant Defeasance means that, with respect to the outstanding Notes, and Note Guarantees in respect thereof, the Issuers and the Guarantors may omit to comply with and will have no liability in respect of any term, condition or limitation set forth in any such covenant, whether directly or indirectly, by reason of any reference elsewhere herein to any such covenant or by reason of any reference in any such covenant to any other provision herein or in any other document and such omission to comply will not constitute a Default or an Event of Default under Section 6.01 hereof with respect to the Notes, but, except as specified above, the remainder of this Indenture and such Notes and Note Guarantees will be unaffected thereby. In addition, upon the Issuers' exercise under Section 8.01 hereof of the option applicable to this Section 8.03 with respect to the Notes, subject to the satisfaction of the conditions set forth in Section 8.04 hereof, Sections 6.01(3) (with respect to the covenants defeased), 6.01(4) (with respect to the covenants defeased), 6.01(5), 6.01(6), 6.01(7) and 6.01(8) hereof will not constitute Events of Default with respect to the Notes.

Section 8.04. Conditions to Legal or Covenant Defeasance.

In order to exercise either Legal Defeasance or Covenant Defeasance under either Section 8.02 or 8.03 hereof with respect to the Notes:

(1) the Issuers must irrevocably deposit with the Trustee, in trust, for the benefit of the Holders of Notes, cash in U.S. dollars, non-callable Government Securities, or a combination thereof (together with any proceeds or other return thereon while held on deposit, a "Redemption Deposit"), in such amounts as will be sufficient, in the opinion of a nationally recognized investment bank, appraisal firm, or firm of independent public accountants, to pay the principal of, premium, if any, and interest (including Special Interest, if any) on, the outstanding Notes on the stated date for payment thereof or on the applicable Redemption Date, as the case may be, and the Issuers must specify whether the Notes are being defeased to such stated date for payment or to a particular Redemption Date;

(2) in the case of Legal Defeasance, the Issuers must deliver to the Trustee an Opinion of Counsel confirming that (a) the Issuers have received from, or there has been published by, the Internal Revenue Service a ruling or (b) since the date of this Indenture, there has been a change in the applicable federal income tax law, in either case to the effect that, and based thereon such Opinion of Counsel will confirm that, the Holders of Notes will not recognize income, gain or loss for federal income tax purposes as a result of such Legal Defeasance and will be subject to federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Legal Defeasance had not occurred;

(3) in the case of Covenant Defeasance, the Issuers must deliver to the Trustee an Opinion of Counsel reasonably acceptable to the Trustee confirming that the Holders of Notes will not recognize income, gain or loss for federal income tax purposes as a result of such Covenant Defeasance and will be subject to federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Covenant Defeasance had not occurred;

(4) no Default or Event of Default with respect to Notes has occurred and is continuing on the date of such deposit (other than a Default or Event of Default resulting from the borrowing of funds to be applied to such deposit (and any similar concurrent deposit relating to other Indebtedness), and the granting of Liens to secure such borrowings);

(5) such Legal Defeasance or Covenant Defeasance will not result in a breach or violation of, or constitute a default under, any material agreement or instrument (other than this Indenture and the agreements governing any other Indebtedness being defeased, discharged or replaced) to which the Issuers or any of the Guarantors is a party or by which the Issuers or any of the Guarantors is bound;

(6) the Issuers must deliver to the Trustee an Officer's Certificate stating that the deposit was not made by the Issuers with the intent of preferring the Holders of Notes over the other creditors of the Issuers with the intent of defeating, hindering, delaying or defrauding any creditors of the Issuers or others; and

(7) the Issuers must deliver to the Trustee an Officer's Certificate and an Opinion of Counsel, each stating that all conditions precedent relating to the Legal Defeasance or the Covenant Defeasance have been complied with.

Upon a Legal Defeasance or Covenant Defeasance with respect to the Notes, the Collateral Trustee will cease to be a party to the Security Documents on behalf of the Holders of Notes, and the Collateral will no longer secure the Notes (and the Notes shall no longer be Priority Lien Debt). The Collateral will be so released from the Liens securing the Notes (as to which a Legal Defeasance or Covenant Defeasance has occurred) in accordance with applicable requirements in the Collateral Trust Agreement, and each of the Trustee and Collateral Trustee will promptly provide any documents or releases reasonably requested by the Issuers to evidence any such release.

Section 8.05. Deposited Money and Government Securities to be Held in Trust; Other Miscellaneous Provisions.

Subject to Section 8.06 hereof, all money and non-callable Government Securities (including the proceeds thereof) deposited with the Trustee (or other qualifying trustee, collectively for purposes of this Section 8.05, the "Trustee") (as the applicable Redemption Deposit) pursuant to Section 8.04 hereof in respect of the outstanding Notes will be held in trust and applied by the Trustee, in accordance with the provisions of such Notes and this Indenture, to the payment, either directly or through any Paying Agent (including an Issuer acting as Paying Agent) as the Trustee may determine, to the Holders of such Notes of all sums due and to become due thereon in respect of principal, premium, if any, and interest (including Special Interest, if any), but such money need not be segregated from other funds except to the extent required by law.

The Issuers will pay and indemnify the Trustee against any tax, fee or other charge imposed on or assessed against any Redemption Deposit deposited pursuant to Section 8.04 hereof or the principal and interest received in respect thereof other than any such tax, fee or other charge which by law is for the account of the Holders of the outstanding Notes.

Notwithstanding anything in this Article 8 to the contrary, the Trustee will deliver or pay to the Issuers from time to time upon the request of the Issuers all or any applicable portion of Redemption Deposit held by it as provided in Section 8.04 hereof which, in the opinion of a nationally recognized firm of independent public accountants expressed in a written certification thereof delivered to the Trustee (which may be the opinion delivered under Section 8.04(1) hereof), is in excess of the amount thereof that would then be required to be deposited to effect an equivalent Legal Defeasance or Covenant Defeasance in respect of the Notes.

Section 8.06. Repayment to Issuers.

Any money deposited with the Trustee or any Paying Agent, or then held by the Issuers, in trust for the payment of the principal of, premium, if any, or interest on (including Special Interest, if any), any Note and remaining unclaimed for two years after such principal, premium, if any, or interest (including Special Interest, if any) has become due and payable shall be paid to the Issuers on its request or (if then held by the Issuers) will be discharged from such trust; and the Holder of such Note will thereafter be permitted to look only to the Issuers for payment thereof, and all liability of the Trustee or such Paying Agent with respect to such trust money, and all liability of the Issuers as trustee thereof, will thereupon cease; provided, however, that the Trustee or such Paying Agent, before being required to make any such repayment, may at the expense of the Issuers cause to be published once, in the New York Times and The Wall Street Journal (national edition), notice that such money remains unclaimed and that, after a date specified therein, which will not be less than 30 days from the date of such notification or publication, any unclaimed balance of such money then remaining will be repaid to the Issuers.

Section 8.07. Reinstatement.

If the Trustee or Paying Agent is unable to apply a Redemption Deposit in accordance with Section 8.02 or 8.03 hereof with respect to Notes, as the case may be, by reason of any order or judgment of any court or Governmental Authority enjoining, restraining or otherwise prohibiting such application, then the Issuers' and the Guarantor's obligations under the Notes, and this Indenture and the Note Guarantees, will be revived and reinstated as though no deposit had occurred pursuant to Section 8.02 or 8.03 hereof until such time as the Trustee or Paying Agent is permitted to apply all such Redemption Deposit in accordance with Section 8.02 or 8.03 hereof, as the case may be; provided, however, that, if the Issuers make any payment of principal of, premium, if any, or interest (including Special Interest, if any) on, any Note following the reinstatement of its obligations, the Issuers will be subrogated to the rights of the Holders of such Notes to receive such payment from such Redemption Deposit held by the Trustee or Paying Agent.

ARTICLE 9

AMENDMENT, SUPPLEMENT AND WAIVER

Section 9.01. Without Consent of Holders of Notes.

Notwithstanding Section 9.02 and subject to Section 3.12(h) of this Indenture, the Issuers, the Guarantors, the Trustee, Collateral Trustee and the Local Collateral Agents, as applicable, may amend or supplement this Indenture, the Notes, the Note Guarantees and the Security Documents without the consent of any Holder of the Notes:

(1) to surrender any right or power conferred upon the Issuers or the Guarantors, to add to the covenants such further covenants, restrictions, conditions or provisions for the protection of the Holders of the Notes and to make the occurrence, or the occurrence and continuance, of a default in respect of any such additional covenants, restrictions, conditions or provisions a Default or an Event of Default under this Indenture; provided, however, that with respect to any such additional covenant, restriction, condition or provision, such amendment may provide for a period of grace after default, which may be shorter or longer than that allowed in the case of other Defaults, may provide for an immediate enforcement upon such Default, may limit the remedies available to the Trustee upon such Default or may limit the right of Holders of a majority in aggregate principal amount of the Notes to waive such default;

(2) to cure any ambiguity, defect or inconsistency;

(3) to provide for uncertificated Notes in addition to or in place of certificated Notes;

(4) to provide for the assumption of an Issuer's or a Guarantor's obligations to the Holders of the Notes and Note Guarantees in the case of a merger or consolidation or sale of all or substantially all of the such Issuer's or such Guarantor's assets, as applicable;

(5) to make any change that would provide any additional rights or benefits to the Holders of the Notes or that does not adversely affect the legal rights hereunder of any Holder;

(6) to conform the text of any of the Note Documents to any provision of the "Description of notes" section of the Offering Memorandum, to the extent that such provision in that "Description of notes" was intended to be a verbatim recitation of a provision of this Indenture or any of the Security Documents, as determined in good faith by an Officer of the Chilean Issuer and set forth in an Officer's Certificate to that effect;

(7) to enter into additional or supplemental Security Documents or provide for additional Collateral;

(8) to make, complete or confirm any grant of Collateral permitted or required by this Indenture or any of the Security Documents or to release Collateral in accordance with the terms of this Indenture and the Security Documents;

(9) to provide for the issuance of Additional Notes in accordance with the limitations set forth in this Indenture as of the date of this Indenture;

(10) to provide for a successor Trustee, Collateral Trustee or Local Collateral Agent; or

(11) to allow any Guarantor (or Subsidiary of the Issuers so becoming a Guarantor) to execute a supplemental indenture and/or a Note Guarantee with respect to the Notes.

Upon the request of the Chilean Issuer accompanied by a resolution of the Board of Directors authorizing the execution of any such amended or supplemental indenture, and upon receipt by the Trustee of the documents described in Section 7.02 and Section 9.05 hereof, the Trustee and the Collateral Trustee will join with the Issuers and each Guarantor in the execution of any amended or supplemental indenture authorized or permitted by the terms of this Indenture and to make any further appropriate agreements and stipulations that may be therein contained, but neither the Trustee nor the Collateral Trustee will be obligated to enter into such amended or supplemental indenture that affects its own rights, duties or immunities under this Indenture or otherwise.

For the avoidance of doubt, Section 3.12 hereof may not be amended without the consent of the Initial Purchasers.

Section 9.02. With Consent of Holders of Notes.

Except as provided below in this Section 9.02 and Section 3.12(h) hereof, the Issuers, the Guarantors, the Trustee, the Collateral Trustee and the Local Collateral Agents, as applicable, may amend or supplement this Indenture (including, without limitation, Sections 3.11, 4.08 and 4.12 hereof), the Notes and the Note Guarantees in respect thereof and the Security Documents with the consent of the Issuers and the Holders of at least a majority in aggregate principal amount of the then outstanding Notes (including, without limitation, Additional Notes, if any) voting as a single class (including, without limitation, consents obtained in connection with a tender offer or exchange offer for, or purchase of, the Notes), and, subject to Sections 6.04 and 6.07 hereof, any existing Default or Event of Default (other than a Default or Event of Default in the payment of the principal of, premium on, if any, or interest (including Special Interest, if any) on, the Notes, except a payment default resulting from an acceleration that has been rescinded) or compliance with any provision of this Indenture, the Notes or the Note Guarantees in respect thereof may be waived with the consent of the Holders of a majority in aggregate principal amount of the then outstanding Notes (including, without limitation, Additional Notes, if any) voting as a single class (including, without limitation, consents obtained in connection with a tender offer or exchange offer for, or purchase of, the Notes). Section 2.08 hereof shall determine which Notes are considered to be "outstanding" for purposes of this Section 9.02.

Upon the request of the Chilean Issuer accompanied by a resolution of the Board of Directors authorizing the execution of any such amended or supplemental indenture, and upon the filing with the Trustee and the Collateral Trustee of evidence satisfactory to the Trustee of the consent of the applicable Holders of Notes as aforesaid, and upon receipt by the Trustee of the documents described in Section 7.02 and Section 9.05 hereof, each of the Trustee and the Collateral Trustee will join with the Issuers and the Guarantors in the execution of such amended or supplemental indenture unless such amended or supplemental indenture directly affects the Trustee's and/or the Collateral Trustee's own rights, duties or immunities under this Indenture or otherwise, in which case the Trustee and/or the Collateral Trustee may in its discretion, but will not be obligated to, enter into such amended or supplemental Indenture.

It is not necessary for the consent of the Holders of Notes under this Section 9.02 to approve the particular form of any proposed amendment, supplement or waiver, but it is sufficient if such consent approves the substance thereof.

After an amendment, supplement or waiver under this Section 9.02 becomes effective, the Issuers will mail to the Holders of Notes affected thereby a notice briefly describing the amendment, supplement or waiver. Any failure of the Issuers to mail such notice, or any defect therein, will not, however, in any way impair or affect the validity of any such amended or supplemental indenture or waiver. Subject to Sections 6.04 and 6.07 hereof, the Holders of a majority in aggregate principal amount of the Notes then outstanding voting as a single class may waive compliance in a particular instance by the Issuers with any provision of this Indenture, the Notes or the Note Guarantees in respect thereof. However, without the consent of each Holder affected thereby, an amendment, supplement or waiver under this Section 9.02 may not (with respect to any Notes held by a non-consenting Holder):

(1) reduce the principal amount of Notes whose Holders must consent to an amendment, supplement or waiver;

(2) reduce the principal of or change the fixed maturity of any Note or alter or waive any of the provisions with respect to the redemption of the Notes (except as provided above with respect to Sections 3.11, 3.12, 4.08 and 4.12 hereof);

(3) reduce the rate of or change the time for payment of interest, including default interest or Special Interest, on any Note;

(4) waive a Default or Event of Default in the payment of principal of, or premium on, if any, or interest (including the payment of Special Interest, if any, when due) on, the Notes (except a rescission of acceleration of the Notes by the Holders of at least a majority in aggregate principal amount of the then outstanding Notes and a waiver of the payment default that resulted from such acceleration);

(5) make any Note payable in money other than that stated in the Notes;

(6) make any change in the provisions of this Indenture relating to waivers of past Defaults or the rights of Holders of Notes to receive payments of principal of, premium on, if any, or interest (including the payment of Special Interest, if any, when due) on, the Notes;

(7) waive a redemption payment with respect to any Note (other than a payment required by Sections 3.11, 3.12, 4.08 and 4.12 hereof);

(8) make any change to the percentage of principal amount of Notes the Holders of which must consent to an amendment or waiver;

(9) except as provided under Article 8 hereof, or in connection with a consolidation, merger or conveyance, transfer or lease of assets pursuant to this Indenture, release any Guarantor from its obligations under its Note Guarantee (other than as provided in Section 10.05) or make any change in the Note Guarantee that would adversely affect such Holder; or

(10) make any change in the preceding amendment and waiver provisions.

Any amendment to, or waiver of, the provisions of this Indenture or any Security Document that has the effect of releasing all or substantially all of the Collateral from the Liens securing the Notes, of releasing all or substantially all of the Note Guarantees or of altering the relative priority of the Liens in favor of the holders of Priority Lien Debt or subordinating (in payment or lien priority) the Notes in security or contractual right of payment to any senior indebtedness will require the consent of Holders of at least 75% in aggregate principal amount of Notes then outstanding.

For the avoidance of doubt, Section 3.12 hereof may not be amended without the consent of the Initial Purchasers.

Section 9.03. Revocation and Effect of Consents.

Until an amendment, supplement or waiver becomes effective, a consent to it by a Holder of a Note is a continuing consent by the Holder of a Note and every subsequent Holder of a Note or portion of a Note that evidences the same debt as the consenting Holder's Note, even if notation of the consent is not made on any Note. However, any such Holder of a Note or subsequent Holder of a Note may revoke the consent as to its Note if the Trustee receives written notice of revocation before the date the amendment, supplement or waiver becomes effective. An amendment, supplement or waiver becomes effective in accordance with its terms and thereafter binds every Holder.

Section 9.04. Notation on or Exchange of Notes.

The Trustee may place an appropriate notation about an amendment, supplement or waiver on any Note thereafter authenticated. The Issuers in exchange for all Notes may issue and the Trustee shall, upon receipt of an Authentication Order, authenticate new Notes that reflect the amendment, supplement or waiver.

Failure to make the appropriate notation or issue a new Note will not affect the validity and effect of such amendment, supplement or waiver.

Section 9.05. Trustee to Sign Amendments, etc.

Each of the Trustee and the Collateral Trustee will sign any amended or supplemental indenture authorized pursuant to this Article 9 if the amendment or supplement does not adversely affect the rights, duties, liabilities or immunities of the Trustee and the Collateral Trustee. The Issuers may not sign an amended or supplemental indenture until the Board of Directors approve it. In executing any amended or supplemental indenture, each of the Trustee and the Collateral Trustee will be entitled to receive and (subject to Section 7.01 hereof) will be fully protected in relying upon, in addition to the documents required by Section 13.02 hereof, an Officer's Certificate and an Opinion of Counsel stating that the execution of such amended or supplemental indenture is authorized or permitted by this Indenture.

ARTICLE 10

NOTE GUARANTEES

Section 10.01. Guarantee.

(a) Subject to the provisions of this Article 10, each Guarantor hereby unconditionally guarantees to each Holder of a Note authenticated and delivered by the Trustee and to each of the Trustee and Collateral Trustee and its successors and assigns, irrespective of the validity and enforceability of this Indenture, the Notes or the obligations of the Issuers hereunder or thereunder, that:

(1) the principal of, premium, if any, and interest (including Special Interest, if any) on, the Notes will be promptly Paid in Full when due, whether at maturity, by acceleration, redemption or otherwise, and interest on the overdue principal of, premium, if any, and interest on the Notes, if any, if lawful, and all other obligations of the Issuers to the Holders of Notes, the Trustee or the Collateral Trustee hereunder or thereunder will be promptly Paid in Full or performed, all in accordance with the terms hereof and thereof; and

(2) in case of any extension of time of payment or renewal of any Notes or any of such other obligations, that same will be promptly Paid in Full when due or performed in accordance with the terms of the extension or renewal, whether at Stated Maturity, by acceleration or otherwise.

Failing payment when due of any amount so guaranteed or any performance so guaranteed for whatever reason, each Guarantor will be jointly and severally obligated to pay the same immediately. Each Guarantor agrees that this is a guarantee of payment and not a guarantee of collection.

(b) To the extent permitted by applicable law, each Guarantor hereby agrees that its obligations hereunder are unconditional, irrespective of the validity, regularity or enforceability of the Notes or this Indenture, the absence of any action to enforce the same, any waiver or consent by any Holder with respect to any provisions hereof or thereof, the recovery of any judgment against the Issuers, any action to enforce the same or any other circumstance which might otherwise constitute a legal or equitable discharge or defense of a guarantor. Each Guarantor hereby waives diligence, presentment, demand of payment, filing of claims with a court in the event of insolvency or bankruptcy of any Issuer, any right to require a proceeding first against an Issuer, protest, notice and all demands whatsoever and covenants that this Note Guarantee will not be discharged except by complete performance of the obligations contained in the Notes and this Indenture.

(c) If any Holder, the Trustee or the Collateral Trustee is required by any court or otherwise to return to any Issuer, any Guarantor or any custodian, trustee, liquidator or other similar official acting in relation to any Issuer or any Guarantor, any amount paid by either to the Trustee, the Collateral Trustee or such Holder, this Note Guarantee, to the extent theretofore discharged, will be reinstated in full force and effect.

(d) Each Guarantor agrees that it will not be entitled to any right of subrogation in relation to the Holders of Notes in respect of any obligations guaranteed hereby until Payment in Full of all obligations (other than contingent obligations) guaranteed hereby. Each Guarantor further agrees that, as between such Guarantor, on the one hand, and the Holders of Notes and the Trustee and the Collateral Trustee, on the other hand, (1) the maturity of the obligations guaranteed hereby may be accelerated as provided in Article 6 hereof for the purposes of this Note Guarantee, notwithstanding any stay, injunction or other prohibition preventing such acceleration in respect of the obligations guaranteed hereby, and (2) in the event of any declaration of acceleration of such obligations as provided in Article 6 hereof, such obligations (whether or not due and payable) will forthwith become due and payable by such Guarantor for the purpose of this Note Guarantee. Each Guarantor will have the right to seek contribution from any non-paying Guarantor so long as the exercise of such right does not impair the rights of the Holders of Notes under the Note Guarantee.

Section 10.02. Limitation on Guarantor Liability.

Each Guarantor, and by its acceptance of Notes, each Holder, hereby confirms that it is the intention of all such parties that the Note Guarantee of such Guarantor not constitute a fraudulent transfer or conveyance for purposes of Bankruptcy Law, the Uniform Fraudulent Conveyance Act, the Uniform Fraudulent Transfer Act or any similar federal or state law to the extent applicable to any Note Guarantee. To effectuate the foregoing intention, the Trustee, the Holders of Notes, the Collateral Trustee and each Guarantor hereby irrevocably agree that the obligations of such Guarantor will be limited to the maximum amount that will, after giving effect to such maximum amount and all other contingent and fixed liabilities of such Guarantor that are relevant under such laws, and after giving effect to any collections from, rights to receive contribution from or payments made by or on behalf of any other Guarantor in respect of the obligations of such other Guarantor under this Article 10, result in the obligations of such Guarantor under its Note Guarantee not constituting a fraudulent transfer or conveyance. Each Guarantor that makes a payment for distribution under its Note Guarantee is entitled to a contribution from each other Guarantor in a pro rata amount based on the adjusted net assets of each Guarantor.

Section 10.03. Execution and Delivery of Note Guarantee.

To evidence its Note Guarantee set forth in Section 10.01 hereof, each Guarantor hereby agrees that this Indenture or a supplemental indenture in substantially the form of Exhibit D attached hereto shall be executed on behalf of such Guarantor by one of its Officers by manual, electronic or facsimile signature. Each Guarantor hereby agrees that its Guarantee set forth in Section 10.01 hereof shall remain in full force and effect notwithstanding the absence of the endorsement of any notation of such Guarantee on the Notes.

If an Officer whose signature is on this Indenture or on the Note Guarantee no longer holds that office at the time the Trustee authenticates any Note, the Note Guarantee will be valid nevertheless.

The delivery of any Note by the Trustee, after the authentication thereof hereunder, will constitute due delivery of the Note Guarantee set forth in this Indenture on behalf of each Guarantor.

Section 10.04. Guarantors May Consolidate, etc., on Certain Terms.

Except as otherwise provided in Article 5 and Section 10.05 hereof, no Guarantor may sell or otherwise dispose of all or substantially all of its assets to, or consolidate with or merge with or into (whether or not such Guarantor is the surviving Person) another Person, other than an Issuer or another Guarantor, unless either:

(1) subject to Article 5 and Section 10.05 hereof, the Person acquiring the property in any such sale or disposition or the Person formed by or surviving any such consolidation or merger unconditionally assumes all the obligations of that Guarantor under the Note Guarantees and this Indenture on the terms set forth herein or therein, pursuant to a supplemental indenture; or

(2) subject to Article 5, the net proceeds of such sale or other disposition, if any, are applied in accordance with the applicable provisions of this Indenture.

Subject to Article 5, in case of any such consolidation, merger, sale or conveyance and upon the assumption by the successor Person, by supplemental indenture, executed and delivered to the Trustee and the Collateral Trustee and satisfactory in form to the Trustee and the Collateral Trustee, of the Note Guarantee with respect to the Notes and the due and punctual performance of all of the covenants and conditions of this Indenture to be performed by such Guarantor, such successor Person will succeed to and be substituted for such Guarantor with the same effect as if it had been named herein as a Guarantor. The Note Guarantee of such successor Person will in all respects have the same legal rank and benefit under this Indenture as the Note Guarantee theretofore issued in accordance with the terms of this Indenture as though such Note Guarantee had been issued at the date of the execution hereof.

Except as set forth in Articles 4 and 5 hereof, and notwithstanding clauses (1) and (2) of this Section 10.04, nothing contained in this Indenture or in any of the Notes will prevent any consolidation or merger of a Guarantor with or into an Issuer or another Guarantor, or will prevent any sale or conveyance of the property of a Guarantor as an entirety or substantially as an entirety to an Issuer or another Guarantor.

Section 10.05. Releases.

(a) On and after the Exit Conversion Date, each Guarantor (and, in the event of a sale or other disposition of all or substantially all of the assets of such Guarantor, the corporation acquiring such property) will be released from all obligations under its Note Guarantee upon:

(1)

(A) any sale or other disposition of all or substantially all of the assets of such Guarantor, by way of merger, consolidation or otherwise, or a sale or other disposition of Capital Stock of any Guarantor such that after giving effect to such sale or other Disposition such Guarantor is no longer a Subsidiary, in each case to a Person that is not (either before or after giving effect to such transactions) an Issuer or a Guarantor (and excluding the merger or consolidation of such Guarantor with or into any Issuer or another Guarantor), and in each case, in a transaction permitted in accordance with the terms of this Indenture;

(B) designation of such Guarantor as an Unrestricted Subsidiary in accordance with the terms of this Indenture;

(C) the election by the Chilean Issuer to (1) cause a Designated Guarantor to be an Excluded Subsidiary (provided that such Designated Guarantor is either an Excluded Aircraft Subsidiary or does not own any Significant Assets at such time of election (other than pursuant to the thresholds set forth in clause (g) of the definition of "Excluded Subsidiary")) or (2) cause any Guarantor that becomes a Guarantor after the Issue Date to be an Excluded Subsidiary pursuant to the thresholds set forth in clause (g) of the definition of "Excluded Subsidiary"); or

(D) Legal Defeasance or Covenant Defeasance in accordance with Article 8 hereof or satisfaction and discharge of this Indenture in accordance Article 11 hereof; and

(2) the delivery by the Chilean Issuer to the Trustee of an Officer's Certificate and an Opinion of Counsel stating that such transaction or release was made in accordance with the provisions of this Indenture.

(b) Upon the delivery of an Officer's Certificate and Opinion of Counsel, the Trustee, the Collateral Trustee and the Local Collateral Agents, as applicable, will use commercially reasonable efforts to execute and deliver any documents reasonably requested by the Issuers or any such Guarantor and at the sole cost and expense of the Issuers, in order to evidence the release of any Guarantor from its obligations under its Note Guarantee.

Any Guarantor not released from its obligations under its Note Guarantee as provided in this Section 10.05 will remain liable for the full amount of principal of and interest (including Special Interest, if any) and premium, if any, on the Notes and for the other obligations of any Guarantor under this Indenture as provided in this Article 10.

ARTICLE 11

SATISFACTION AND DISCHARGE

Section 11.01. Satisfaction and Discharge.

This Indenture will be discharged and will cease to be of further effect as to all Notes issued hereunder, when:

(1) either:

(A) all such Notes that have been authenticated, except lost, stolen or destroyed Notes that have been replaced or paid and Notes for whose payment money has theretofore been deposited in trust and thereafter repaid to the Issuers, have been delivered to the Trustee for cancellation; or

(B) all such Notes that have not been delivered to the Trustee for cancellation have become due and payable by reason of the mailing of a notice of redemption or otherwise or will become due and payable within one year and the Issuers or any Guarantor has irrevocably deposited or caused to be deposited with the Trustee as trust funds in trust solely for the benefit of the Holders of such Notes, cash in U.S. dollars, non-callable Government Securities, or a combination thereof, in such amounts as will be sufficient, without consideration of any reinvestment of interest, to pay and discharge the entire Indebtedness on such Notes not delivered to the Trustee for cancellation for principal of, premium on, if any, and interest (including Special Interest, if any) on, such Notes to the date of maturity or redemption;

(2) in respect of Section 11.01(1)(B), no Default or Event of Default has occurred and is continuing on the date of such deposit (other than a Default or Event of Default resulting from the borrowing of funds to be applied to such deposit and any similar deposit relating to other Indebtedness, in each case, the granting of Liens to secure such borrowings) and the deposit will not result in a breach or violation of, or constitute a default under, any other instrument to which the Issuers or any Guarantor is a party or by which the Issuers or any Guarantor is bound (other than with respect to the borrowing of funds to be applied concurrently to make the deposit required to effect such satisfaction and discharge and any similar concurrent deposit relating to other Indebtedness, and in each case the granting of Liens to secure such borrowings);

(3) the Issuers or any Guarantor has paid or caused to be paid all sums payable by it under this Indenture; and

(4) the Issuers have delivered irrevocable instructions to the Trustee under this Indenture to apply the deposited money toward the payment of the Notes at maturity or on the Redemption Date, as the case may be.

In addition, the Issuers must deliver an Officer's Certificate and an Opinion of Counsel to the Trustee stating that all conditions precedent to satisfaction and discharge have been satisfied.

Upon the satisfaction and discharge of this Indenture pursuant to this Article 11, the Collateral Trustee will cease to be a party to the Security Documents on behalf of the Holders of the Notes, and the Collateral will no longer secure the Notes.

Notwithstanding the satisfaction and discharge of this Indenture, if money has been deposited with the Trustee pursuant to subclause (B) of clause (1) of this Section 11.01, the provisions of Sections 11.02 and 8.06 hereof will survive. In addition, nothing in this Section 11.01 will be deemed to discharge those provisions of Section 7.06 or Section 12.05 hereof, that, by their terms, survive the satisfaction and discharge of this Indenture.

Section 11.02. Application of Trust Money.

Subject to the provisions of Section 8.06 hereof, all money deposited with the Trustee pursuant to Section 11.01 hereof shall be held in trust and applied by it, in accordance with the provisions of the Notes and this Indenture, to the payment, either directly or through any Paying Agent (including an Issuer acting as its own Paying Agent) as the Trustee may determine, to the Persons entitled thereto, of the principal (and premium, if any), interest (including Special Interest, if any) and Additional Amounts, if any, for whose payment such money has been deposited with the Trustee; but such money need not be segregated from other funds except to the extent required by law.

If the Trustee or Paying Agent is unable to apply any money or Government Securities in accordance with Section 11.01 hereof by reason of any legal proceeding or by reason of any order or judgment of any court or Governmental Authority enjoining, restraining or otherwise prohibiting such application, the Issuers' and any Guarantor's obligations under this Indenture and the Notes shall be revived and reinstated as though no deposit had occurred pursuant to Section 11.01 hereof; provided that if the Issuers have made any payment of principal of, premium, if any, interest (including Special Interest, if any) or Additional Amounts, if any, on, any Notes because of the reinstatement of their obligations, the Issuers shall be subrogated to the rights of the Holders of such Notes to receive such payment from the money or Government Securities held by the Trustee or Paying Agent.

ARTICLE 12

COLLATERAL AND SECURITY

Section 12.01. Security Interest.

The due and punctual payment of the principal of, premium (if any), interest and Special Interest, if any, and Additional Amounts, if any, on, the Notes when and as the same shall be due and payable, whether on an interest payment date, at maturity, by acceleration, repurchase, redemption or otherwise, and interest on the overdue principal of, premium (if any), interest and Special Interest, if any, and Additional Amounts, if any, on the Notes and performance of all other obligations of the Issuers to the Holders of Notes, the Trustee, the Collateral Trustee and the Local Collateral Agents, according to the terms hereunder or thereunder, are secured as provided in the Security Documents. Each Holder, by its acceptance thereof, consents and agrees to the terms of the Security Documents (including, without limitation, the Collateral Trust Agreement, the DIP Intercreditor Agreement, any Junior Lien Intercreditor Agreement, any other Intercreditor Agreement and the provisions of the Security Documents providing for foreclosure and release of Collateral) as the same may be in effect or may be amended from time to time in accordance with their terms and authorizes and appoints Wilmington Trust, National Association as the Trustee and as the Collateral Trustee and appoints each Local Collateral Agent pursuant to the terms of the Local Collateral Agency Agreements, and each Holder and the Trustee direct the Collateral Trustee and the Local Collateral Agents to enter into the Security Documents (including, without limitation, the Collateral Trust Agreement, the Local Collateral Agency Agreements, the DIP Intercreditor Agreement, any Junior Lien Intercreditor Agreement and any other Intercreditor Agreement) and to perform their respective obligations and exercise their respective rights thereunder in accordance therewith. The Issuers consent and agree to be bound by the terms of the Security Documents (including, without limitation, the Collateral Trust Agreement, the Local Collateral Agency Agreements, the DIP Intercreditor Agreement, any Junior Lien Intercreditor Agreement and any other Intercreditor Agreement), as the same may be in effect from time to time, and agree to perform their obligations thereunder in accordance therewith. The Issuers will deliver to the Trustee copies of all documents delivered by the Issuers to the Collateral Trustee pursuant to the Security Documents, if applicable, and will do or cause to be done all such acts and things as may be required by the provisions of the Security Documents, to assure and confirm to the Collateral Trustee the security interest in the Collateral contemplated by the Security Documents or any part thereof, as from time to time constituted, so as to render the same available for the security and benefit of this Indenture and of the Notes. The Issuers will take, and will cause their Subsidiaries to take, any and all actions reasonably required to cause the Security Documents to create and maintain, as security for the Priority Lien Obligations, a valid and enforceable perfected Lien in and on all the Collateral in favor of the Collateral Trustee for the benefit of the Holders of Notes and holders of other Priority Lien Obligations, to the extent required by, with the Lien priority required under, and subject to the qualifications set forth within, the Priority Lien Documents.

Notwithstanding anything to the contrary in any Note Document, the Issuers and Guarantors shall not be required to record any leasehold interests, make any fixture filings, or make any other real property recordings or filings, or other actions in connection with the perfection of real property interests in any jurisdiction, in each case, in connection with the Lien on any Gate Leaseholds (to the extent characterized as interests in real property) that are included in the Collateral.

Section 12.02. Collateral Trust Agreement.

This Article 12 and the provisions of each other Security Document are subject to the terms, conditions and benefits set forth in the Collateral Trust Agreement and each Local Collateral Agency Agreement. The Issuers consent to, and agree to be bound by, the terms of the Collateral Trust Agreement and each Local Collateral Agency Agreement, as the same may be in effect from time to time, and to perform their obligations thereunder in accordance with the terms therewith.

Section 12.03. Release of Liens in Respect of the Notes.

The Collateral Trustee's Liens upon the Collateral will no longer secure the Notes outstanding under this Indenture or any other Obligations under this Indenture, and the right of the Holders of Notes and such Obligations to the benefits and proceeds of the Collateral Trustee's Liens on the Collateral will terminate and be discharged with respect to all the Notes:

(1) upon satisfaction and discharge of this Indenture in accordance with Article 11;

(2) upon a Legal Defeasance or Covenant Defeasance of the Notes in accordance with Article 8;

(3) upon Payment in Full and discharge of all Notes outstanding under this Indenture and all Obligations that are outstanding, due and payable under this Indenture at the time the Notes are Paid in Full and discharged; and

(4) in whole or in part, with the consent of the Holders of the requisite percentage of Notes or Notes, as applicable, in accordance with Article 9.

In addition, the Collateral Trustee's Liens on the Collateral will be released upon the terms and subject to the conditions set forth in Section 4.1 of the Collateral Trust Agreement. In the event the Issuers reasonably request that the Collateral Trustee take any actions or execute any documents in order to evidence the automatic release of the Priority Liens on any Collateral, the Collateral Trustee will take such actions or execute such documents upon, among other things, the receipt of an Officer's Certificate stating that the release of the Priority Liens are authorized and permitted under the Collateral Trust Agreement and the applicable Priority Lien Documents.

Section 12.04. After-Acquired Property.

(a) On or after the Issue Date but prior to the Exit Conversion Date, without limiting the effect of the Final DIP Order to cause the automatic perfection of the security interests of the Priority Lien Representatives against the Issuers and the Guarantors to the extent such security interests may be perfected by the entry of the Final DIP Order, if property that is intended to be super-priority DIP Collateral is acquired by any Issuer or Guarantor (including property of a Person that becomes a new Guarantor pursuant to Section 4.13 hereof) that is not automatically subject to a perfected security interest under the Security Documents, then such Issuer or Guarantor will promptly (and in any event within forty-five (45) calendar days following of such acquisition, termination, release or other applicable event, or such later date as the Controlling Representative may agree in its sole discretion) provide a Lien with the same priority as the existing DIP Collateral, as applicable, over such property (or, in the case of a new Issuer or Guarantor, such of its property) in favor of the Collateral Trustee or a Local Collateral Agent, as applicable, in each case subject to Permitted Liens, and deliver any certificates, filings, pledges, instruments or documents in respect thereof, all as and to the extent required by this Indenture or the Security Documents.

(b) On and after the Exit Conversion Date, if property that is required to be Collateral is acquired by any Issuer or Guarantor (including property of a Person that becomes a new Issuer or Guarantor pursuant to Section 4.13 hereof) that is not automatically subject to a perfected security interest under the Security Documents, then such Issuer or Guarantor will promptly (and in any event within forty-five (45) calendar days following of such acquisition, termination, release or other applicable event, or such later date as the Controlling Representative may agree in its sole discretion) provide a first priority Lien, as applicable, over such property (or, in the case of a new Issuer or Guarantor, such of its property) in favor of the Collateral Trustee or a Local Collateral Agent, as applicable, and deliver any filings, pledges, instruments or documents certificates in respect thereof, all as and to the extent required by this Indenture or the Security Documents, in each case subject to Permitted Liens.

Section 12.05. Collateral Trustee.

(a) The Collateral Trustee will hold (directly or through co-trustees or agents, including each Local Collateral Agent, where applicable) and is directed by each Holder to so hold, and will be entitled to enforce on behalf of the holders of Priority Lien Obligations and Junior Lien Obligations (if any and to the extent applicable), all Liens on the Collateral created by the Security Documents for their benefit, subject to the provisions of the Collateral Trust Agreement and the Intercreditor Agreements and the Security Documents.

(b) Neither the Issuers nor their Affiliates may serve as Collateral Trustee (or as a Local Collateral Agent).

(c) Except as provided in the Collateral Trust Agreement or as directed by the Controlling Representative in accordance with the Collateral Trust Agreement, the Collateral Trustee will not be obligated:

(1) to act upon directions purported to be delivered to it by any Person;

(2) to foreclose upon or otherwise enforce any Lien; or

(3) to take any other action whatsoever with regard to any or all of the Security Documents, the Liens created thereby or the Collateral.

(d) The Issuers and the Guarantors, jointly and severally, will indemnify the each of the Collateral Trustee and the Local Collateral Agents against any and all losses, liabilities or expenses incurred by it arising out of or in connection with this Indenture, including defending itself against any claim (whether asserted by any Issuer, any Guarantor, any Holder or any other Person) or liability in connection with the exercise or performance of any of its powers or duties hereunder; provided that the indemnification set forth in this clause (d) shall not, as to the Collateral Trustee or its related parties, be available to the extent that such liabilities, obligations, losses, damages, penalties or related expenses are determined by a court of competent jurisdiction by final and non-appealable judgment to have resulted from the gross negligence or willful misconduct of the Collateral Trustee or such related party, as applicable. Each of the Collateral Trustee and the Local Collateral Agents will notify the Issuers promptly of any claim for which it may seek indemnity. Failure to so notify the Issuers will not relieve the Issuers of their obligations hereunder. The Issuers will defend the claim, and the Collateral Trustee and any applicable Local Collateral Agent will cooperate in the defense. The Collateral Trustee may have separate counsel and the Issuers will pay the reasonable fees and expenses of such counsel. The Issuers shall not pay for any settlement made without its consent, which consent will not be unreasonably withheld. The obligations of the Issuers under this Section 12.05(d) will survive the satisfaction and discharge of this Indenture and the resignation or removal of the Collateral Trustee. The indemnification provided for in this Section 12.05(d) is in addition to, and not in derogation of, the Collateral Trustee's rights to compensation, reimbursement and indemnity as set forth in the Collateral Trust Agreement and the other Security Documents.

(e) The Collateral Trustee shall be entitled to all of the rights, privileges, immunities and indemnities set forth in the Collateral Trust Agreement and granted to the Trustee hereunder.

(f) By its acceptance of the Notes, each Holder severally agrees (a) to reimburse on demand the Collateral Trustee for such Holder's Aggregate Exposure Percentage of any expenses and fees incurred for the benefit of the Holders under this Indenture and any of the Note Documents, including, without limitation, counsel fees and compensation of agents and employees paid for services rendered on behalf of the Holders, and any other expense incurred in connection with the operations or enforcement thereof, not reimbursed by the Obligors and (b) to indemnify and hold harmless the Collateral Trustee and any of its related parties, on demand, in the amount equal to such Holder's Aggregate Exposure Percentage, from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses, or disbursements of any kind or nature whatsoever which may be imposed on, incurred by, or asserted against it or any of them in any way relating to or arising out of this Indenture or any of the Note Documents or any action taken or omitted by it or any of them under this Agreement or any of the Note Documents to the extent not reimbursed by the Obligors; provided that the indemnification set forth in this clause (f) shall not, as to the Collateral Trustee or its related parties, be available to the extent that such liabilities, obligations, losses, damages, penalties or related expenses are determined by a court of competent jurisdiction by final and non-appealable judgment to have resulted from the gross negligence or willful misconduct of the Collateral Trustee or such related party, as applicable. The obligations of the Holders under this Section 12.05(f) will survive the satisfaction and discharge of this Indenture and the resignation or removal of the Collateral Trustee.

Section 12.06. Post-Closing Obligations.

The Issuers and the Guarantors shall comply with the obligations set forth in Section 4.5 to the Pledge and Security Agreement within the time periods set forth therein.

ARTICLE 13

MISCELLANEOUS

Section 13.01. Notices.

Any notice or communication by the Issuers, any Guarantor, the Collateral Trustee or the Trustee to the others is duly given if in writing and delivered in Person or by first class mail (registered or certified, return receipt requested), facsimile transmission, electronic mail or overnight air courier guaranteeing next day delivery, to the others' address:

If to the Issuers and/or any Guarantor:

LATAM Airlines Group S.A.
Av. Presidente Riesco 5711, 20th Floor
Las Condes Santiago, Chile
Fax: +56 (2) 2565-3952
Attention: Andrés del Valle
E-mail: andres.delvalle@latam.com

If to the Trustee:

Wilmington Trust, National Association
1100 North Market Street
Wilmington, Delaware 19890
Fax: 302-636-4149
Attention: LATAM Notes Administrator

If to the Collateral Trustee:

Wilmington Trust, National Association
1100 North Market Street
Wilmington, Delaware 19890
Fax: 302-636-4149
Attention: LATAM Collateral Trust Administrator

The Issuers, any Guarantor, the Collateral Trustee or the Trustee, by notice to the others, may designate additional or different addresses for subsequent notices or communications.

All notices and communications (other than those sent to Holders of Notes) will be deemed to have been duly given: at the time delivered by hand, if personally delivered; five Business Days after being deposited in the mail, postage prepaid, if mailed; when receipt acknowledged, if transmitted by facsimile; and the next Business Day after timely delivery to the courier, if sent by overnight air courier guaranteeing next day delivery.

Any notice or communication to a Holder will be delivered to its address shown on the register kept by the Registrar. Failure to mail a notice or communication to a Holder or any defect in it will not affect its sufficiency with respect to other Holders of Notes.

If a notice or communication is mailed in the manner provided above within the time prescribed, it is duly given, whether or not the addressee receives it.

If the Issuers mail a notice or communication to Holders of Notes, it will mail a copy to the Trustee, the Collateral Trustee and each Agent at the same time.

Notwithstanding any other provision of this Indenture or any Note, where this Indenture or any Note provides for notice of any event (including any notice of redemption or purchase) to a Holder of a Global Note (whether by mail or otherwise), such notice shall be sufficiently given if given to DTC (or its designee) pursuant to the standing instructions from DTC or its designee.

Section 13.02. Certificate and Opinion as to Conditions Precedent.

Upon any request or application by the Issuers to the Trustee to take any action under this Indenture, the Issuers shall furnish to the Trustee:

(1) an Officer's Certificate in form and substance reasonably satisfactory to the Trustee (which must include the statements set forth in Section 13.03 hereof) stating that, in the opinion of the signers, all conditions precedent and covenants, if any, provided for in this Indenture relating to the proposed action have been satisfied; and

(2) an Opinion of Counsel in form and substance reasonably satisfactory to the Trustee (which must include the statements set forth in Section 13.03 hereof) stating that, in the opinion of such counsel, all such conditions precedent have been satisfied.

Section 13.03. Statements Required in Certificate or Opinion.

Each certificate or opinion with respect to compliance with a condition or covenant provided for in this Indenture must include:

(1) a statement that the Person making such certificate or opinion has read such covenant or condition;

(2) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based;

(3) a statement that, in the opinion of such Person, he or she has made such examination or investigation as is necessary to enable him or her to express an informed opinion as to whether or not such covenant or condition has been satisfied; and

(4) a statement as to whether or not, in the opinion of such Person, such condition or covenant has been satisfied.

Section 13.04. Rules by Trustee and Agents.

The Trustee may make reasonable rules for action by or at a meeting of Holders of Notes. The Registrar or Paying Agent may make reasonable rules and set reasonable requirements for its functions.

Section 13.05. No Personal Liability of Directors, Officers, Employees and Stockholders.

No director, officer, employee, incorporator or stockholder of the Issuers or any Guarantor, as such, will have any liability for any obligations of the Issuers or the Guarantors under the Note Documents or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes. The waiver may not be effective to waive liabilities under the federal securities laws.

Section 13.06. Governing Law.

THE INTERNAL LAW OF THE STATE OF NEW YORK WILL GOVERN AND BE USED TO CONSTRUE THIS INDENTURE, THE NOTES AND THE NOTE GUARANTEES WITHOUT GIVING EFFECT TO APPLICABLE PRINCIPLES OF CONFLICTS OF LAW TO THE EXTENT THAT THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION WOULD BE REQUIRED THEREBY.

Section 13.07. Waiver of Jury Trial; Consent to Jurisdiction; Waiver of Immunities.

(a) EACH OF THE ISSUERS, THE GUARANTORS, THE TRUSTEE AND THE COLLATERAL TRUSTEE HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS INDENTURE, THE NOTES, THE NOTE GUARANTEES, THE SECURITY DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY.

(b) Each of the parties hereto hereby irrevocably submits to the non-exclusive jurisdiction of any New York state or U.S. federal court sitting in the Borough of Manhattan in The City of New York with respect to actions brought against it as a defendant in respect of any suit, action or proceeding or arbitral award arising out of or relating to this Indenture or the Notes or any transaction contemplated hereby or thereby (a "Proceeding"), and irrevocably accepts for itself and in respect of its property, generally and unconditionally, the jurisdiction of the aforesaid courts. Each of the parties hereto irrevocably waives, to the fullest extent it may do so under applicable law, any objection which it may now or hereafter have to the laying of the venue of any such Proceeding brought in any such court and any claim that any such Proceeding brought in any such court has been brought in an inconvenient forum. Each of the Issuers and the Guarantors irrevocably appoints Law Debenture Corporate Services (the "Process Agent"), with an office at 801 2nd Avenue, Suite 403, New York, NY 10017, as its authorized agent to receive on behalf of it and its property service of copies of the summons and complaint and any other process which may be served in any Proceeding. If for any reason such Person shall cease to be such agent for service of process, each of the Issuers and the Guarantors shall forthwith appoint a new agent of recognized standing for service of process in the State of New York and deliver to the Trustee a copy of the new agent's acceptance of that appointment within 30 days. Nothing herein shall affect the right of the Trustee, any Agent or any Holder to serve process in any other manner permitted by law or to commence legal proceedings or otherwise proceed against the Issuers and the Guarantors in any other court of competent jurisdiction.

(c) Each of the Issuers and the Guarantors hereby irrevocably appoints the Process Agent as its agent to receive, on behalf of itself and its property, service of copies of the summons and complaint and any other process which may be served in any such suit, action or proceeding brought in such New York state or U.S. federal court sitting in the Borough of Manhattan in The City of New York. Such service shall be made by delivering by hand a copy of such process to the Issuers or the Guarantors, as the case may be, in care of the Process Agent at the address specified above. The Issuers irrevocably authorize and direct the Process Agent to accept such service on its behalf. Failure of the Process Agent to give notice to the Issuers or failure of the Issuers to receive notice of such service of process shall not affect in any way the validity of such service on the Process Agent or the Issuers. As an alternative method of service, the Issuers consent to the service of any and all process in any such Proceeding by the delivery by hand of copies of such process to the Issuers at their addresses specified in Section 13.01 or at any other address previously furnished in writing by the Issuers to the Trustee. The Issuers covenant and agree that they shall take any and all reasonable action, including the execution and filing of any and all documents, that may be necessary to continue the designation of the Process Agent above in full force and effect during the term of the Notes, and to cause the Process Agent to continue to act as such.

(d) Nothing in this Section 13.07 shall affect the right of any party, including the Trustee, any Agent or any Holder, to serve legal process in any other manner permitted by law or affect the right of any party to bring any action or proceeding against any other party or its property in the courts of other competent jurisdictions.

(e) Each of the Issuers and the Guarantors irrevocably agrees that, in any proceedings anywhere (whether for an injunction, specific performance or otherwise), no immunity (to the extent that it may at any time exist, whether on the grounds of sovereignty or otherwise) from such proceedings, from attachment (whether in aid of execution, before judgment or otherwise) of its assets or from execution of judgment shall be claimed by it or on its behalf or with respect to its assets, except to the extent required by applicable law, any such immunity being irrevocably waived, to the fullest extent permitted by applicable law. Each of the Issuers and the Guarantors irrevocably agrees that, where permitted by applicable law, it and its assets are, and shall be, subject to such proceedings, attachment or execution in respect of its obligations under this Indenture or the Notes.

Section 13.08. No Adverse Interpretation of Other Agreements.

This Indenture may not be used to interpret any other indenture, loan or debt agreement of the Issuers or their Subsidiaries or of any other Person. Any such indenture, loan or debt agreement may not be used to interpret this Indenture.

Section 13.09. Currency Indemnity.

U.S. dollars are the sole currency of account and payment for all sums payable by the Issuers or the Guarantors under or in connection with the Notes and the Note Guarantees, including damages. Any amount received or recovered in a currency other than U.S. dollars (whether as a result of, or of the enforcement of, a judgment or order of a court of any jurisdiction, in the winding-up or dissolution of the Issuers or otherwise) by any Holder of a Note in respect of any sum expressed to be due to it from the Issuers or the Guarantors shall only constitute a discharge to the Issuers or the Guarantors, as the case may be, to the extent of the U.S. dollar amount which the recipient is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so). If that U.S. dollar amount is less than the U.S. dollar amount expressed to be due to the recipient under any Note, the Issuers and the Guarantors shall indemnify such Holder against any loss sustained by it as a result, and if the amount of U.S. dollars so purchased is greater than the sum originally due to such Holder, such Holder shall, by accepting a Note, be deemed to have agreed to repay such excess. In any event, the Issuers and the Guarantors shall indemnify the recipient against the cost of making any such purchase.

For the purposes of this Section 13.09, it shall be sufficient for the Holder of a Note to certify in a satisfactory manner (indicating the sources of information used) that it would have suffered a loss had an actual purchase of U.S. dollars been made with the amount so received in that other currency on the date of receipt or recovery (or, if a purchase of U.S. dollars on such date had not been practicable, on the first date on which it would have been practicable, it being required that the need for a change of date be certified in the manner mentioned above). These indemnities constitute a separate and independent obligation from the other obligations of the Issuers and the Guarantors, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by any Holder of a Note and shall continue in full force and effect despite any other judgment, order, claim or proof for a liquidated amount in respect of any sum due under any Note.

Section 13.10. Successors.

All agreements of the Issuers in this Indenture and the Notes will bind their successors. All agreements of the Trustee in this Indenture will bind its successors. All agreements of each Guarantor in this Indenture will bind its successors, except as otherwise provided in Section 10.05 hereof.

Section 13.11. Severability.

In case any provision in this Indenture or in the Notes is invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions will not in any way be affected or impaired thereby.

Section 13.12. Counterpart Originals.

The parties may sign any number of copies of this Indenture. Each signed copy will be an original, but all of them together represent the same agreement. The exchange of copies of this Indenture and of signature pages by facsimile or PDF transmission shall constitute effective execution and delivery of this Indenture as to the parties hereto and may be used in lieu of the original Indenture for all purposes. Signatures of the parties hereto transmitted by facsimile or PDF shall be deemed to be their original signatures for all purposes. For the avoidance of doubt, the words "execution," "signed," "signature," "delivery" and words of like import in or relating to this Indenture or any document to be signed in connection with this Indenture shall be deemed to include electronic signatures, deliveries or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be, and the parties hereto consent to conduct the transactions contemplated hereunder by electronic means; provided that, notwithstanding anything herein to the contrary, neither the Trustee nor the Collateral Trustee is under any obligation to agree to accept electronic signatures in any form or in any format except for facsimile and PDF unless expressly agreed to by the Trustee or Collateral Trustee, as applicable, pursuant to reasonable procedures approved by the Trustee or Collateral Trustee, as applicable.

Section 13.13. Table of Contents, Headings, etc.

The Table of Contents, Cross-Reference Table and Headings of the Articles and Sections of this Indenture have been inserted for convenience of reference only, are not to be considered a part of this Indenture and will in no way modify or restrict any of the terms or provisions hereof.

Section 13.14. Force Majeure.

In no event shall the Trustee or the Collateral Trustee be responsible or liable for any failure or delay in the performance of its obligations hereunder arising out of or caused by, directly or indirectly, forces beyond its control, including, without limitation, strikes, work stoppages, accidents, acts of war or terrorism, civil or military disturbances, nuclear or natural catastrophes or acts of God, epidemics or pandemics and interruptions, loss or malfunctions of utilities, communications or computer (software and hardware) services or the unavailability of the Federal Reserve Bank wire or telex or other wire or communication facility, it being understood that the Trustee and the Collateral Trustee shall use commercially reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as practicable under the circumstances.

[Signatures on following page]

SIGNATURES

Dated as of October 18, 2022

LATAM AIRLINES GROUP S.A.

By: /s/ Andres del Valle Eitel
Name: Andres del Valle Eitel
Title: Attorney-in-Fact

[*]

Exhibit 8.1

Legal Name	Place of Incorporation	Doing Business as	Ownership (%)[1]	
Transporte Aéreo S.A	Chile	LATAM Airlines Chile		100.00%
LATAM Airlines Perú S.A.	Peru	LATAM Airlines Peru		99.81%
LATAM-Airlines Ecuador S.A.	Ecuador	LATAM Airlines Ecuador	Voting	55.00%
			No Voting	100.00%
LAN Argentina S.A	Argentina	LATAM Airlines Argentina		99.87%
Aerovías de Integración Regional, Aires S.A	Colombia	LATAM Airlines Colombia		99.20%
TAM S.A	Brazil	LATAM Airlines Brasil [2]	Voting	51.04%
			No Voting	100.00%
Transporte Aéreos del Mercosur S.A.	Paraguay	LATAM Paraguay		94.98%
Lan Cargo S.A	Chile	LATAM Airlines Cargo		99.89%
Linea Aérea Carguera de Colombia S.A.	Colombia	LATAM Cargo Colombia		90.46%
Aerolinhas Brasileiras S.A.	Brazil	LATAM Cargo Brazil		100.00%

(1) Percentage of equity owned by LATAM Airlines Group S.A. directly or indirectly through subsidiaries or affiliates.
(2) TAM S.A. include its affiliate TAM Linhas Aereas S.A ("TLA"), which does business under the name "LATAM Airlines Brasil".

Exhibit 12.1

LATAM AIRLINES GROUP S.A. SECTION 302 CERTIFICATION OF THE CHIEF EXECUTIVE OFFICER

I, Roberto Alvo Milosawlewitsch, certify that:

1. I have reviewed this annual report on Form 20-F of LATAM Airlines Group S.A.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;

4. The company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)), for the company and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and

5. The company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

Date: March 9, 2023

/s/ Roberto Alvo Milosawlewitsch
Roberto Alvo Milosawlewitsch
Chief Executive Officer

Exhibit 12.2

LATAM AIRLINES GROUP S.A. SECTION 302 CERTIFICATION OF THE CHIEF FINANCIAL OFFICER

I, Ramiro Alfonsín Balza, certify that:

1. I have reviewed this annual report on Form 20-F of LATAM Airlines Group S.A.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;

4. The company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)), for the company and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and

5. The company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

Date: March 9, 2023

/s/ Ramiro Alfonsín Balza

Ramiro Alfonsín Balza
Chief Financial Officer

Exhibit 13.1

LATAM AIRLINES GROUP S.A. SECTION 906 CERTIFICATION

Pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code), the undersigned officer of LATAM Airlines Group S.A. ("the Company"), hereby certifies, to such officer's knowledge, that:

The Annual Report on Form 20-F for the year ended December 31, 2022 (the "Report") of the Company to which this statement is provided as an exhibit fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934 and all information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: March 9, 2023

/s/ Roberto Alvo Milosawlewitsch
Roberto Alvo Milosawlewitsch
Chief Executive Officer

LATAM AIRLINES GROUP S.A. SECTION 906 CERTIFICATION

Pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code), the undersigned officer of LATAM Airlines Group S.A. ("the Company"), hereby certifies, to such officer's knowledge, that:

The Annual Report on Form 20-F for the year ended December 31, 2022 (the "Report") of the Company to which this statement is provided as an exhibit fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934 and all information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: March 9, 2023

/s/ Ramiro Alfonsín Balza
Ramiro Alfonsín Balza
Chief Financial Officer