UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:	:	Chapter 11
LATAM Airlines Group S.A., *et al*.,	:	Case No. 20-11254 (JLG)
Debtors.	:	Jointly Administered

DISCLOSURE STATEMENT WITH RESPECT TO THE JOINT PLAN OF REORGANIZATION OF LATAM AIRLINES GROUP S.A., *ET AL*., UNDER CHAPTER 11 OF THE BANKRUPTCY CODE

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Dated: November 26, 2021

THIS IS NOT A SOLICITATION OF VOTES OF ACCEPTANCE OR REJECTION OF THE PLAN. ACCEPTANCES OR REJECTIONS MAY NOT BE SOLICITED UNTIL A DISCLOSURE STATEMENT HAS BEEN APPROVED BY THE BANKRUPTCY COURT. THE DISCLOSURE STATEMENT IS BEING SUBMITTED FOR APPROVAL BUT HAS NOT YET BEEN APPROVED BY THE BANKRUPTCY COURT.

EXHIBITS

Exhibit A	**Joint Chapter 11 Plan of the Debtors**
Exhibit B	**Liquidation Analysis**
Exhibit C	**Financial Projections**
Exhibit D	**Valuation Analysis and Sources and Uses of Cash Contemplated by the Plan**
Exhibit E	**Restructuring Support Agreement**

ALL CREDITORS ARE ADVISED AND ENCOURAGED TO READ THIS DISCLOSURE STATEMENT AND THE PLAN IN THEIR ENTIRETY BEFORE VOTING TO ACCEPT OR REJECT THE PLAN. PLAN SUMMARIES AND STATEMENTS MADE IN THIS DISCLOSURE STATEMENT, INCLUDING THE FOLLOWING SUMMARY, ARE QUALIFIED IN THEIR ENTIRETY BY REFERENCE TO THE PLAN, EXHIBITS ANNEXED TO THE PLAN, THE PLAN SUPPLEMENT, THIS DISCLOSURE STATEMENT AND ALL EXHIBITS TO THIS DISCLOSURE STATEMENT. THE STATEMENTS CONTAINED IN THIS DISCLOSURE STATEMENT ARE MADE ONLY AS OF THE DATE HEREOF UNLESS OTHERWISE SPECIFIED, AND THERE CAN BE NO ASSURANCE THAT THE STATEMENTS CONTAINED HEREIN WILL BE CORRECT AT ANY TIME AFTER SUCH DATE. ALL CREDITORS SHOULD READ CAREFULLY THE "RISK FACTORS" SECTION HEREOF BEFORE VOTING TO ACCEPT OR REJECT THE PLAN. SEE ARTICLE IX BELOW, "CERTAIN RISK FACTORS TO BE CONSIDERED."

THIS DISCLOSURE STATEMENT HAS BEEN PREPARED IN ACCORDANCE WITH SECTION 1125 OF THE BANKRUPTCY CODE AND RULE 3016 OF THE FEDERAL RULES OF BANKRUPTCY PROCEDURE AND NOT NECESSARILY IN ACCORDANCE WITH FEDERAL OR STATE SECURITIES LAWS OR OTHER APPLICABLE LAW. THIS DISCLOSURE STATEMENT HAS BEEN NEITHER APPROVED NOR DISAPPROVED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION (THE "SEC") NOR ANY STATE OR FOREIGN SECURITIES REGULATOR, NOR HAS THE SEC OR ANY SUCH REGULATOR PASSED UPON THE ACCURACY OR ADEQUACY OF THE STATEMENTS CONTAINED HEREIN. PERSONS OR ENTITIES TRADING IN OR OTHERWISE PURCHASING, SELLING OR TRANSFERRING CLAIMS AGAINST, OR EQUITY INTERESTS IN, THE DEBTORS SHOULD EVALUATE THIS DISCLOSURE STATEMENT AND THE PLAN IN LIGHT OF THE PURPOSES FOR WHICH THEY WERE PREPARED.

THE INFORMATION IN THIS DISCLOSURE STATEMENT IS BEING PROVIDED SOLELY FOR PURPOSES OF VOTING TO ACCEPT OR REJECT THE PLAN. NOTHING IN THIS DISCLOSURE STATEMENT MAY BE USED BY ANY PERSON, PARTY OR ENTITY FOR ANY OTHER PURPOSE EXCEPT AS PERMITTED BY APPLICABLE LAW.

THE TERMS OF THE PLAN GOVERN IN THE EVENT OF ANY INCONSISTENCY WITH THE PLAN SUMMARY IN THIS DISCLOSURE STATEMENT. ALL EXHIBITS TO THIS DISCLOSURE STATEMENT ARE INCORPORATED INTO AND ARE A PART OF THIS DISCLOSURE STATEMENT AS IF SET FORTH IN FULL HEREIN.

AS TO CONTESTED MATTERS, EXISTING LITIGATION INVOLVING, OR POSSIBLE ADDITIONAL LITIGATION TO BE BROUGHT BY, OR AGAINST, THE DEBTORS OR SUBSIDIARIES OF THE DEBTORS, ADVERSARY PROCEEDINGS AND OTHER ACTIONS OR THREATENED ACTIONS, THIS DISCLOSURE STATEMENT SHALL NOT CONSTITUTE OR BE CONSTRUED AS AN ADMISSION OF ANY FACT OR LIABILITY, A STIPULATION OR A WAIVER, BUT RATHER AS A STATEMENT MADE WITHOUT PREJUDICE SOLELY FOR SETTLEMENT PURPOSES, WITH FULL RESERVATION OF RIGHTS, AND IS NOT TO BE USED FOR ANY LITIGATION

PURPOSE WHATSOEVER BY ANY PERSON, PARTY OR ENTITY. AS SUCH, THIS DISCLOSURE STATEMENT SHALL NOT BE ADMISSIBLE IN ANY NON-BANKRUPTCY PROCEEDING INVOLVING THE DEBTORS OR ANY OTHER PARTY IN INTEREST, NOR SHALL IT BE CONSTRUED TO BE CONCLUSIVE ADVICE ON THE TAX, SECURITIES, FINANCIAL OR OTHER EFFECTS OF THE PLAN AS TO HOLDERS OF CLAIMS AGAINST, OR EQUITY INTERESTS IN, THE DEBTORS OR ANY OTHER PARTY IN INTEREST.

THIS DISCLOSURE STATEMENT DOES NOT CONSTITUTE AN OFFER OR SOLICITATION OF AN OFFER TO PURCHASE OR SELL ANY SECURITIES. ANY OTHER OFFER OR SALE OF SECURITIES, INCLUDING ANY OFFER OR SALE OF PREEMPTIVE RIGHTS, NEW CONVERTIBLE NOTES A, NEW CONVERTIBLE NOTES B, NEW CONVERTIBLE NOTES C OR ERO COMMON EQUITY OF LATAM PARENT WILL ONLY BE MADE BY MEANS OF A PROSPECTUS, OFFERING CIRCULAR OR SIMILAR DISCLOSURE DOCUMENT WHICH WILL BE MADE AVAILABLE TO ELIGIBLE INVESTORS AT A FUTURE DATE.

NONE OF THE OFFER, SALE OR DISTRIBUTION OF ANY OF THE SECURITIES CONTEMPLATED TO BE OFFERED, SOLD OR DISTRIBUTED UNDER THE PLAN HAS BEEN REGISTERED UNDER THE SECURITIES ACT OR ANY SIMILAR STATE OR FOREIGN SECURITIES OR "BLUE SKY" LAWS. ANY OFFERS AND ISSUANCES OF THE PLAN SECURITIES WILL BE MADE IN RELIANCE ON EXEMPTIONS FROM REGISTRATION SPECIFIED IN SECTION 1145 OF THE BANKRUPTCY CODE OR OTHER EXEMPTIONS FROM REGISTRATION UNDER THE SECURITIES ACT OR APPLICABLE FOREIGN SECURITIES LAWS, SUBJECT TO CERTAIN LIMITATIONS DESCRIBED HEREIN.

SAFE HARBOR STATEMENT UNDER THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995: ALL FORWARD-LOOKING STATEMENTS CONTAINED HEREIN OR OTHERWISE MADE BY THE DEBTORS INVOLVE MATERIAL KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER IMPORTANT FACTORS, INCLUDING FACTORS THAT ARE BEYOND THE DEBTORS' CONTROL. ACCORDINGLY, THE DEBTORS' FUTURE PERFORMANCE AND FINANCIAL RESULTS MAY DIFFER MATERIALLY FROM THOSE EXPRESSED OR IMPLIED IN ANY SUCH FORWARD-LOOKING STATEMENTS. SUCH RISKS, UNCERTAINTIES AND FACTORS INCLUDE, BUT ARE NOT LIMITED TO, THOSE DESCRIBED IN THIS DISCLOSURE STATEMENT. FORWARD-LOOKING STATEMENTS ARE OFTEN CHARACTERIZED BY THE USE OF WORDS SUCH AS "BELIEVES," "ESTIMATES," "EXPECTS," "PROJECTS," "MAY," "INTENDS," PLANS" OR "ANTICIPATES" OR BY DISCUSSIONS OF STRATEGY, PLANS OR INTENTIONS. ANY FORWARD-LOOKING STATEMENTS CONTAINED HEREIN OR OTHERWISE MADE BY THE DEBTORS SPEAK ONLY AS OF THE DATE THEY WERE MADE AND THE DEBTORS DO NOT UNDERTAKE TO PUBLICLY UPDATE OR REVISE ANY SUCH FORWARD-LOOKING STATEMENTS EVEN IF EXPERIENCE OR FUTURE CHANGES MAKE IT CLEAR THAT ANY PROJECTED RESULTS EXPRESSED OR IMPLIED HEREIN OR THEREIN WILL NOT BE REALIZED. EXCEPT AS OTHERWISE SPECIFICALLY NOTED, THE FINANCIAL INFORMATION CONTAINED HEREIN HAS NOT BEEN AUDITED BY A

CERTIFIED PUBLIC ACCOUNTANT AND HAS NOT NECESSARILY BEEN PREPARED IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES OR INTERNATIONAL FINANCIAL REPORTING STANDARDS.

THE DEBTORS RESERVE THE RIGHT TO AMEND OR SUPPLEMENT THIS DISCLOSURE STATEMENT AT OR BEFORE THE CONFIRMATION HEARING.

I.
INTRODUCTION

A. General

On May 26, 2020 (the "Initial Petition Date"), LATAM Airlines Group S.A. ("LATAM Parent") and 28 affiliates[1] (collectively, with LATAM Parent, 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" or "Court"). On July 7, 2020 and July 9, 2020 (as applicable, the "Subsequent Petition Date") nine additional affiliates of LATAM Parent (the "Subsequent Debtors" and together with the Initial Debtors, the "Debtors")[2] filed their petitions for relief under Chapter 11 of the Bankruptcy Code with the Bankruptcy Court. Certain of the Debtors' affiliates have not commenced bankruptcy proceedings.

On November 26, 2021, the Debtors filed their proposed Joint Plan of Reorganization of LATAM Airlines Group S.A., *et al.*, under Chapter 11 of the Bankruptcy Code, dated November 26, 2021, (as it may be supplemented or amended, the "Plan"), which sets forth the manner in which Claims against, and Equity Interests in, the Debtors will be treated.[3] This disclosure statement, dated November 26, 2021 (as it may be supplemented or amended, the "Disclosure Statement"), describes certain aspects of the Plan and the Debtors' business and the operations of the non-debtor affiliates of the Debtors (such affiliates together with the Debtors, "LATAM").

After a careful consideration of the Debtors' business and their prospects as a going concern, the Debtors, in consultation with their legal and financial advisers, concluded that

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[1] The Initial Debtors in these Chapter 11 cases, along with the last four digits of each Initial Debtor's tax identification number, are: LATAM Airlines Group S.A. (89.862.200-2); Lan Cargo S.A. (93.383.000-4); Transporte Aéreo S.A. (96.951.280-7); Inversiones Lan S.A. (96.575.810-0); Technical Training LATAM S.A. (96.847.880-K); LATAM Travel Chile II S.A. (76.262.894-5); Lan Pax Group S.A. (96.969.680-0); Fast Air Almacenes de Carga S.A. (96.631.520-2); Línea Aérea Carguera de Colombia S.A. (26-4065780); Aerovías de Integración Regional S.A. (98-0640393); LATAM Finance Ltd. (N/A); LATAM-Airlines Ecuador S.A. (98-0383677); Professional Airline Cargo Services, LLC (35-2639894); Cargo Handling Airport Services LLC (30-1133972); Maintenance Service Experts LLC (30-1130248); Lan Cargo Repair Station LLC (83-0460010); Prime Airport Services, Inc. (59-1934486); Professional Airline Maintenance Services LLC (37-1910216); Connecta Corporation (20-5157324); Peuco Finance Ltd. (N/A); LATAM Airlines Perú S.A. (52-2195500); Inversiones Aéreas S.A. (N/A); Holdco Colombia I SpA (76.931.005-3); Holdco Colombia II SpA (76.933.688-5); Holdco Ecuador S.A. (76.388.408-2); Lan Cargo Inversiones S.A. (96.969.690-8); Lan Cargo Overseas Ltd. (85-7752959); Mas Investment Ltd. (85-7753009); Professional Airlines Services Inc. (65-0623014). For the purpose of these Chapter 11 Cases, the service address for the Debtors is: 6500 NW 22nd Street Miami, FL 33122.

[2] The Subsequent Debtors in these Chapter 11 cases, along with the last four digits of each Subsequent Debtor's tax identification number, are Piquero Leasing Limited (N/A); TAM S.A. (N/A); TAM Linhas Aéreas S.A. (65-0773334); ABSA Aerolinhas Brasileiras S.A. (98-0177579); Prismah Fidelidade Ltda. (N/A); Fidelidade Viagens e Turismo S.A. (27-2563952); TP Franchising Ltda. (N/A); Holdco I S.A. (76-1530348) and Multiplus Corretora de Seguros Ltda. (N/A). For the purpose of these Chapter 11 Cases, the service address for the Debtors is: 6500 NW 22nd Street Miami, FL 33122.

[3] Unless otherwise indicated, all capitalized terms used but not defined herein shall have the meanings ascribed to them in the Plan.

recoveries to creditors will be maximized by implementing the Plan. Pursuant to the Plan, the company will continue to operate as an integrated group (the "Reorganized Debtors") under LATAM Airlines Group S.A., on or after the Effective Date ("Reorganized LATAM Parent"). The Debtors believe that the creditors of the Debtors will receive more value through the continuation of the Reorganized Debtors as a going concern than they would receive upon liquidation of the Debtors.

As discussed further below, the Plan is the culmination of eighteen months of effort by the Debtors, their management, directors and employees, and the Debtors' advisors to stabilize the Debtors' business, right-size their operations for the future and develop a plan for the Debtors' restructuring and emergence. The Plan also is the result of intense negotiation and collaboration with various stakeholders, including certain of the Debtors' key creditor groups and Holders of Existing Equity Interests. The primary terms of the Plan reflect the terms of an agreement between the Debtors, an ad hoc group of LATAM Parent Creditors (as defined below, the Parent GUC Ad Hoc Group) and four of the Debtors' large holders of Existing Equity Interests (as defined below, the Backstop Shareholders, together with the Eblen Group). That agreement is embodied principally in a restructuring support agreement, dated November 26, 2021, attached hereto as Exhibit E (the "Restructuring Support Agreement", or "RSA"). The transactions contemplated in the Plan will strengthen LATAM by substantially reducing its existing debt, increasing its available cash at emergence and ultimately delevering the reorganized companies following their emergence from the Chapter 11 Cases.

The Plan provides for a multi-billion dollar capital infusion that will further strengthen LATAM's balance sheet. As part of the Plan, the Backstop Shareholders and the Eblen Group, as applicable, shall, subject to obtaining the Subsequent Approvals (defined below) and the execution of definitive documentation, make various contributions to the Debtors' reorganization including, without limitation: (i) waiver of certain preemptive rights under applicable Chilean law, (ii) agreements to provide required shareholder approvals of certain corporate actions required by LATAM under Chilean law to implement the Plan and related transactions, (iii) agreement to backstop a portion of the Equity Rights Offering and issuance of the New Convertible Notes Class B without requiring payment of a backstop payment and (iv) entry into the Shareholder's Agreement (as defined in the RSA). The obligations of the Backstop Shareholders and the Eblen Group under the RSA that are applicable to such parties are conditioned upon their receipt of certain internal board approvals (the "Subsequent Approvals"). Further, the obligations of Lan Cargo S.A. under the RSA are conditioned on receiving certain shareholder approvals.

The terms of the Plan also further the Debtors' ability to implement the Plan and successfully emerge from their Chapter 11 Cases as the Plan construct contemplates distributions and a rights offering that both comply with the Bankruptcy Code and respect applicable Chilean corporate law, including the offering of the New Convertible Notes Eligible Equity Holders in the New Convertible Notes Preemptive Rights Offering Period, which can be converted into New Common Stock of Reorganized LATAM Parent; provided that solely with respect to the New Convertible Notes Class A and the New Convertible Notes Class C, to the extent not subscribed and purchased by Eligible Equity Holders during such period, will be distributed to LATAM Parent General Unsecured Creditors in accordance with the terms of the Plan. Under applicable Chilean law, Holders of Existing Equity Interests have certain preemptive rights to

subscribe and purchase their pro rata share of any newly issued equity and convertible debt prior to such equity and debt being offered for sale to any other party. In compliance with such laws, the Plan contemplates that all Plan Securities issued pursuant to the Plan will first be made available to all Eligible Equity Holders before being distributed, offered or sold to other parties, and LATAM Parent will obtain the requisite shareholder approvals for such capital raises from Holders of Existing Equity Interests at an extraordinary shareholders' meeting prior to the Effective Date. Pursuant to the RSA, the Backstop Shareholders and the Eblen Group, who hold collectively hold approximately 50.95% of the outstanding equity of LATAM Parent, have agreed, subject to obtaining the Subsequent Approvals, to vote in favor of the issuance of all New Common Stock contemplated by the Plan.

Additional key components of the Plan include:

- Payment in full of all Allowed Administrative Expense Claims, Priority Tax Claims, Other Priority Claims, and DIP Claims;

- A rights offering (the "ERO Rights Offering") in an amount of $800 million of new common stock of Reorganized LATAM Parent (the "ERO New Common Stock"), which:

    - shall be open to all Holders of Existing Equity Interests registered on the shareholders' registry of LATAM Parent as of midnight on the Equity Record Date[4] except for any Holders of Existing ADS Interests (the "Eligible Equity Holders"), during the ERO Preemptive Rights Offering Period (as defined herein); and

    - $400 million of which shall be backstopped by the ERO New Common Stock Backstop Parties in exchange for an aggregate 20% backstop payment payable in cash on the Effective Date and $400 million of which shall be backstopped by the Backstop Shareholders (up to the Backstop Shareholders Cap, as described in the Restructuring Support Agreement) without a fee;

- The issuance of three series of convertible notes by Reorganized LATAM Parent, each with a maturity date of December 31, 2121, each described below (collectively, the "New Convertible Notes"). Eligible Equity Holders will have the right to subscribe and purchase the New Convertible Notes during the New Convertible Notes Preemptive Rights Offering Period, in compliance with applicable Chilean Law. As set out in more detail in the New Convertible Notes Offering Procedures, the New Convertible Notes comprise:

    - the New Convertible Notes Class A in the principal amount of $1.467 billion which, to the extent not subscribed and purchased by Eligible Equity Holders

[4] The "Equity Record Date" is the fifth Chilean Business Day preceding the date on which LATAM Parent publishes a notice informing Existing Equity Holders of their right to subscribe and purchase New Convertible Notes and/or New Common Stock (as applicable). A "Chilean Business Day" is any day other than a Sunday or other day on which commercial banks in Santiago Chile are required or authorized to remain closed.

during the New Convertible Notes Preemptive Rights Offering Period,[5] shall be distributed to Holders of General Unsecured Claims against LATAM Parent pro rata based on their Allowed Claims *except* those Holders that elect to receive the alternative treatment available to Class 5b and to the extent they receive Class 5b consideration (together with the New Convertible Notes Class C Backstop Parties, the "Participating Holders of General Unsecured Claims"), discussed herein;

- the New Convertible Notes Class B in the principal amount of $1.373 billion which, to the extent not subscribed and purchased by Eligible Equity Holders during the New Convertible Notes Preemptive Rights Offering Period, shall be subscribed and purchased by the New Convertible Notes Class B Backstop Parties. The New Convertible Notes Class B shall be backstopped by the New Convertible Notes Class B Backstop Parties, who shall agree to exercise all their preemptive rights to subscribe and purchase the New Convertible Notes Class B, and backstop the remainder of the New Convertible Notes Class B not subscribed and purchased; and

- the New Convertible Notes Class C in the principal amount of $6.816 billion which, to the extent not subscribed and purchased by Eligible Equity Holders during the New Convertible Notes Preemptive Rights Offering Period, shall be subscribed and purchased by the New Convertible Notes Class C Backstop Parties and those Parent GUCs that elect to receive New Convertible Notes Class C, and is fully backstopped by the New Convertible Notes Class C Backstop Parties.[6]

    - To the extent that New Convertible Notes Class C are oversubscribed, Participating Holders of General Unsecured Claims will receive New Convertible Notes Class A. 50% of New Convertible Notes Class C not purchased through the preemptive rights offering shall be reserved for purchase by the New Convertible Notes Class C Backstop Parties, with the remainder provided to New Convertible Notes Class C Unsecured Creditors and the New Convertible Notes Class C Backstop Parties on a pro rata basis based on the proportion of Allowed Claims held within the pool of Allowed General Unsecured Claims against LATAM Parent.

- The inclusion of $2.25 billion of new Exit Notes/Loan and a $500 million revolving credit facility, which shall be undrawn at emergence (collectively, the "Exit Financing").

Under the Plan, the issuance and distribution of New Convertible Notes Class A and Class C will provide recovery to certain Holders of Allowed Claims on account of their Allowed Claims. Also, taken together, the cash generated by the sale of New ERO Common Stock and the New Convertible Notes will provide the Reorganized Debtors with the funding necessary to both

[5] As described herein, Holders of General Unsecured Claims against LATAM Parent will also receive the cash proceeds generated from any sales of New Convertible Notes Class A to Eligible Equity Holders up to the Allowed Class 5a Treatment Cash Amount.

[6] A $3.269 billion new money investment in the New Convertible Notes Class C shall be backstopped by the New Convertible Notes Class C Backstop Parties in exchange for a 20% payment (measured against the New Convertible Notes Class C Backstop Parties' new money contribution) payable in cash on the Effective Date.

satisfy the Plan's cash payment obligations and, together with the Exit Financing, will finance the Reorganized Debtors' ongoing operations and capital needs following their emergence from Chapter 11.

The Debtors believe that the Plan will give the Debtors appropriate leverage and liquidity to allow LATAM to execute its business plan, maintain flexibility and capture market opportunities on a go-forward basis.

This Disclosure Statement is being distributed pursuant to section 1125 of the Bankruptcy Code to Holders of Claims against, and Equity Interests in, the Debtors entitled to vote on the Plan in connection with (i) the solicitation of Acceptances of the Debtors' Plan and (ii) the hearing to consider confirmation of the Plan (the "Confirmation Hearing") scheduled for [●] at [●], prevailing Eastern Time. The Bankruptcy Court has directed that objections, if any, to confirmation of the Plan be served and filed so that they are received on or before [●] at 4:00 p.m., prevailing Eastern Time (the "Objection Deadline").

A Ballot for voting to Accept or Reject the Plan may be provided with this Disclosure Statement for the Holders of Claims and Equity Interests that are entitled to vote to Accept or Reject the Plan. If you are a Holder of a Claim entitled to vote on the Plan and did not receive a Ballot, received a damaged Ballot or lost your Ballot, or if you have any questions concerning the procedures for voting on the Plan, please call the Debtors' solicitation agent, Prime Clerk, LLC (the "Solicitation Agent"), at US: (877) 606-3609 or internationally: (929) 955-3449.

To obtain additional copies of the Plan and/or the Disclosure Statement, please visit the Debtors' restructuring website at http://cases.primeclerk.com/LATAM. Alternatively, copies are available for review at the Office of the Clerk, United States Bankruptcy Court for the Southern District of New York, One Bowling Green, New York, NY 10004, or upon written request to the Solicitation Agent.

NO STATEMENTS OR INFORMATION CONCERNING THE PLAN AND THE TRANSACTIONS CONTEMPLATED THEREBY HAVE BEEN AUTHORIZED, OTHER THAN THE STATEMENTS AND INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT AND THE INFORMATION ACCOMPANYING THIS DISCLOSURE STATEMENT. ALL OTHER STATEMENTS REGARDING THE PLAN AND THE TRANSACTIONS CONTEMPLATED THEREBY, WHETHER WRITTEN OR ORAL, ARE UNAUTHORIZED.

APPROVAL OF THIS DISCLOSURE STATEMENT DOES NOT CONSTITUTE A DETERMINATION BY THE BANKRUPTCY COURT AS TO THE FAIRNESS OR MERITS OF THE PLAN.

The order that, among other things, approved the Disclosure Statement sets forth in detail the deadlines, procedures and instructions for voting to Accept or Reject the Plan and for filing objections to confirmation of the Plan, the Voting Record Date and the applicable standards for tabulating the Ballots. Each Holder of a Claim entitled to vote on the Plan should read in their entirety this Disclosure Statement (including the Exhibits attached hereto), the Plan and the instructions accompanying the Ballots before voting on the Plan. These documents contain,

among other things, important information concerning the classification of Claims and Equity Interests for voting purposes and the tabulation of votes. No solicitation of votes to Accept the Plan may be made except pursuant to section 1125 of the Bankruptcy Code.

B. Holders of Claims and Equity Interests Entitled to Vote

Pursuant to the provisions of the Bankruptcy Code, only holders of allowed claims or equity interests in classes of claims or equity interests that are impaired and that are not deemed to have rejected a proposed plan of reorganization are entitled to vote to accept or reject such plan. Generally, a claim or interest is impaired under a plan if the holder's legal, equitable or contractual rights are altered under the plan. Classes of claims or equity interests under a Chapter 11 plan in which the holders of claims or equity interests are unimpaired under a Chapter 11 plan are deemed to have accepted the proposed plan and are not entitled to vote to accept or reject the plan. In addition, classes of claims or equity interests in which the holders of claims or equity interests will not receive or retain any property are deemed to have rejected a proposed plan and are not entitled to vote to accept or reject such plan.

In connection with the Plan:

Class 1 of each Debtor consists of RCF Claims against that Debtor. Class 1 is Unimpaired and presumed to Accept the Plan.

Class 2 of each Debtor consists of Spare Engine Facility Claims against that Debtor. Class 2 is Unimpaired and presumed to Accept the Plan.

Class 3 of each Debtor consists of Other Secured Claims against that Debtor. Class 3 is Unimpaired and presumed to Accept the Plan.

Class 4 consists of LATAM 2024/2026 Bond Claims against LATAM Parent and LATAM Finance. Class 4 is Unimpaired and presumed to Accept the Plan.

Class 5 consists of General Unsecured Claims against LATAM Parent. Class 5 is Impaired and is entitled to vote to Accept or Reject the Plan.

Class 6 consists of General Unsecured Claims against Debtors other than LATAM Parent, Piquero Leasing Limited and LATAM Finance Ltd. Class 6 is Unimpaired and presumed to Accept the Plan.

Class 7 consists of the Pre-Delivery Payment Facility Claim. Class 7 is Impaired and is entitled to vote to Accept or Reject the Plan.

Class 8 of each Debtor consists of Litigation Claims against that Debtor. Class 8 is Unimpaired and presumed to Accept the Plan.

Class 9 of each Debtor consists of Intercompany Claims against that Debtor. Class 9 is Unimpaired and presumed to Accept the Plan, respectively.

Class 10 consists of Equity Interests in LATAM Parent. Class 10 is deemed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code.

Class 11 of each Debtor consists of Equity Interests in each Debtors other than LATAM Parent. Class 11 is Unimpaired and presumed to Accept the Plan pursuant to Section 1126(f).

ACCORDINGLY, A BALLOT TO ACCEPT OR REJECT THE PLAN IS BEING PROVIDED ONLY TO HOLDERS OF CLAIMS IN CLASSES 5 AND 7.

Section 1126(c) of the Bankruptcy Code defines "acceptance" of a plan by a class of claims as acceptance by creditors in that class that hold at least two-thirds in amount and more than one-half in number of the claims that cast ballots for acceptance or rejection of the plan. Section 1126(d) of the Bankruptcy Code defines "acceptance" of a plan by a class of interests as acceptance by holders of interests in that class that hold at least two thirds in amount of the interests that cast ballots for acceptance or rejection of the plan. For the purposes of the Plan and Disclosure Statement, Claims denominated in other currencies will be converted to U.S. dollars as described in the Plan.

For a more detailed description of the requirements for confirmation of the Plan, see Article VI below. For a summary of the treatment of each Class of Claims and Equity Interests, see Article II and Article V below.

C. Voting Procedures

If you are entitled to vote to Accept or Reject the Plan, a Ballot is enclosed for the purpose of voting on the Plan. If you hold Claims and/or Equity Interests in different Classes that are each entitled to vote, you will receive separate Ballots that must be used for each separate type of Claim and/or Equity Interest. Please vote and return your Ballot(s) in accordance with the instructions provided on the ballot. Please note that only certain holders may vote through the e-ballot platform on the Solicitation Agent's website. **FACSIMILE BALLOTS WILL NOT BE ACCEPTED. For more information, please refer to the approved voting procedures in the order approving this Disclosure Statement (the "Disclosure Statement Order").**

If you received a Ballot from a broker, bank or other institution, you must return such completed Ballot to such broker, bank or other institution promptly so that it can be forwarded to the Solicitation Agent so it is received on or before the Voting Deadline. If you received a Ballot from the Debtors, please send such completed Ballot directly to the Solicitation Agent so it is actually received on or before the Voting Deadline. All Ballots sent to the Solicitation Agent should be sent by U.S. mail, overnight courier or hand delivery to the following address:

LATAM Ballot Processing Center
c/o Prime Clerk LLC
850 Third Avenue, Suite 412
Brooklyn, NY 11232

DO NOT RETURN YOUR NOTES OR ANY OTHER INSTRUMENTS OR AGREEMENTS THAT YOU MAY HAVE WITH YOUR BALLOT(S).

TO BE COUNTED, YOUR BALLOT(S) INDICATING ACCEPTANCE OR REJECTION OF THE PLAN MUST BE PROPERLY COMPLETED, EXECUTED, MARKED AND ACTUALLY RECEIVED BY THE SOLICITATION AGENT NO LATER THAN [●] P.M. PREVAILING EASTERN TIME ON [●] UNLESS EXTENDED BY THE DEBTORS. ALL BALLOTS MUST BE SIGNED.

The Bankruptcy Court set a date of [●], as the record date (the "Voting Record Date") for voting on the Plan. Accordingly, only Holders of record as of the Voting Record Date or otherwise entitled to vote under the Plan, are entitled to receive a Ballot and may vote on the Plan. In addition to voting to Accept or Reject the Plan, the Ballot will provide the opportunity for eligible Holders of Class 5 Claims to elect to opt into Class 5b treatment (as discussed below), which election must be made by the Voting Record Date.

In addition to the releases described in Article XI of the Plan, all Holders of Claims against or Equity Interests in the Debtors that vote to Accept the Plan or fail to vote on the Plan and do not mark their Ballots to indicate their refusal to grant the releases provided in Section 11.3(b) of the Plan shall be deemed to unconditionally and forever release the Released Parties as set forth in Article XI of the Plan.

D. Confirmation Hearing

Pursuant to section 1128 of the Bankruptcy Code, the Bankruptcy Court has scheduled a hearing to consider confirmation of the Plan for [●] at [●], prevailing Eastern Time, before the Honorable James L. Garrity, Jr. United States Bankruptcy Court for the Southern District of New York, One Bowling Green, New York, NY 10004. The Bankruptcy Court has directed that objections, if any, to confirmation of the Plan be served and filed so that they are received on or before [●] at 4:00 p.m., prevailing Eastern Time, in the manner described below in Section VI. The Confirmation Hearing may be adjourned from time to time by the Bankruptcy Court without further notice except for the announcement of the adjournment date made at the Confirmation Hearing or at any subsequent adjourned Confirmation Hearing.

THE DEBTORS BELIEVE THAT THE PLAN WILL ENABLE THEM TO REORGANIZE SUCCESSFULLY AND TO ACCOMPLISH THE OBJECTIVES OF CHAPTER 11 AND THAT ACCEPTANCE OF THE PLAN IS IN THE BEST INTERESTS OF THE DEBTORS AND THEIR CREDITORS AND INTEREST HOLDERS. THE DEBTORS URGE CREDITORS TO VOTE TO ACCEPT THE PLAN.

E. Projected Financial Information

This Disclosure Statement contains projected financial information and certain other forward-looking statements, all of which are based on various estimates and assumptions and will not be updated to reflect events occurring after the date hereof. Such information and statements are subject to inherent uncertainties and to a wide variety of significant business, economic and competitive risks, including, among others, those described herein. Consequently, actual events, circumstances, effects and results may vary significantly from those included in, or

contemplated by, such projected financial information and such other forward-looking statements. The projected financial information contained herein and in the Exhibits annexed hereto is, therefore, not necessarily indicative of the future financial condition or results of operations of LATAM or the Reorganized Debtors, which in each case may vary significantly from those set forth in such projected financial information. Consequently, the projected financial information and other forward-looking statements contained herein should not be regarded as representations by any of the Debtors, their advisors or any Person that the projected financial condition or results of operations can or will be achieved.

II.
SUMMARY OF PLAN AND CLASSIFICATION AND TREATMENT OF CLAIMS AND EQUITY INTERESTS THEREUNDER

A. Estimated Projected Recoveries for Allowed Claims and Equity Interests

THE PROJECTED RECOVERIES SET FORTH BELOW ARE ESTIMATES ONLY AND ARE SUBJECT TO MATERIAL CHANGE

The information in the table below is provided in summary form for illustrative purposes only and is subject to material change based on certain contingencies, including those related to the claims reconciliation process. Actual recoveries may vary widely within these ranges, and any changes to any of the assumptions underlying these amounts could result in material adjustment to recovery estimates provided herein and/or the actual Distribution received by Holders of Allowed Claims. The projected recoveries are based on information available to the Debtors as of the date hereof, and reflect the Debtors' good-faith estimates as of the date hereof only. In addition to the cautionary notes contained here and elsewhere in the Disclosure Statement, it is to be expressly understood that the Debtors make no representation as to the accuracy of these projected recovery estimates, and the Debtors expressly disclaim any obligation to update any estimates or assumptions after the date hereon on any basis (including new or different information received and/or errors discovered).

Class	Claim	Status	Voting Rights Pursuant to Section 1126 of the Bankruptcy Code	Projected Recovery Under the Plan
1	RCF Claims	Unimpaired	Presumed to Accept	[100%]
2	Spare Engine Facility Claims	Unimpaired	Presumed to Accept	[100%]
3	Other Secured Claims	Unimpaired	Presumed to Accept	[100%]
4	LATAM 2024/2026 Bond Claims	Unimpaired	Presumed to Accept	[100%]

5	General Unsecured Claims against LATAM Parent	Impaired	Entitled to Vote	[●]
6	General Unsecured Claims against each Debtor other than LATAM Parent, Piquero Leasing Limited and LATAM Finance Ltd.	Unimpaired	Presumed to Accept	[100%]
7	Pre-Delivery Payment Facility Claim	Impaired	Entitled to Vote	[●]
8	Litigation Claims	Unimpaired	Presumed to Accept	[100%]
9	Intercompany Claims	Unimpaired	Presumed to Accept	[100%]
10	Equity Interests in LATAM Parent	Impaired	Deemed to Reject	To retain [0.1%] of equity in Reorganized LATAM Parent post-dilution
11	Equity Interests in each Debtor other than LATAM Parent	Unimpaired	Presumed to Accept	[100%]

B. Administrative Expense Claims

Subject to the provisions of sections 330(a), 331 and 503(b) of the Bankruptcy Code, each Allowed Administrative Expense Claim shall be paid in full by the Disbursing Agent, at the election of the Disbursing Agent (i) in Cash, in such amount as is incurred in the ordinary course of business by the Debtors, or in such amount as such Administrative Expense Claim is Allowed by the Bankruptcy Court upon the later of the Initial Distribution Date or the date upon which there is a Final Order allowing such Administrative Expense Claim, (ii) upon such other terms as may exist in the ordinary course of the Debtors' business, or (iii) upon such other terms as may be agreed upon in writing between the Holder of such Allowed Administrative Expense Claim and the Disbursing Agent, in each case in full satisfaction, settlement, discharge and release of, such Allowed Administrative Expense Claim.

C. Substantial Contribution Claims

All requests for compensation or reimbursement of Substantial Contribution Claims shall be Filed and served on Reorganized Debtors and their counsel, the Office of the United States Trustee (201 Varick Street, Room 1006, New York, NY 10014 Attn: Brian Masumoto, Esq.), counsel to the Disbursing Agent, and such other entities who are designated by the Bankruptcy Rules, the Confirmation Order or any other order(s) of the Bankruptcy Court, no later than thirty days after the Effective Date. Unless such deadline is extended by agreement of the Debtors, Holders of Substantial Contribution Claims that are required to File and serve applications for final allowance of their Substantial Contribution Claims and that do not File and serve such applications by the required deadline shall be forever barred from asserting such Substantial Contribution Claims against the Reorganized Debtors or their respective properties, and such Substantial Contribution Claims shall be deemed discharged as of the Effective Date. Objections to any Substantial Contribution Claims must be Filed and served on Reorganized Debtors and their counsel, the U.S. Trustee, and the requesting Professional no later than fifteen days (or such longer period as may be allowed by the Disbursing Agent or by order of the Bankruptcy Court) after the date on which an application for final allowance of such Substantial Contribution Claims was Filed and served.

D. Professional Fees

1. Professional Fee Escrow Amount.

Professionals shall estimate in good faith their unpaid Professional Fee Claims and other unpaid fees and expenses incurred in rendering services compensable by the Debtors' Estates before and as of the Effective Date and shall deliver such reasonable, good faith estimate to the Debtors no later than five (5) Business Days prior to the Effective Date.

2. Professional Fee Escrow Account.

As soon as reasonably practicable after the Confirmation Date, and no later than one (1) Business Day prior to the Effective Date, the Debtors shall establish and fund the Professional Fee Escrow Account with Cash equal to the Professional Fee Escrow Amount. The Professional Fee Escrow Account shall be maintained in trust solely for the Professionals and for no other Entities until all Professional Fee Claims Allowed by the Bankruptcy Court have been irrevocably paid in full to the Professionals pursuant to one or more Final Orders of the Bankruptcy Court. No Liens, Claims or interests shall encumber the Professional Fee Escrow Account or Cash held in the Professional Fee Escrow Account in any way. Such funds shall not be considered property of the Estates, the Debtors or the Reorganized Debtors. The amount of Professional Fee Claims owing to the Professionals shall be paid in Cash to such Professionals from the funds held in the Professional Fee Escrow Account as soon as reasonably practicable after such Professional Fee Claims are Allowed by an order of the Bankruptcy Court; *provided*, however, that obligations with respect to Allowed Professional Fee Claims shall not be limited nor be deemed limited to funds held in the Professional Fee Escrow Account. When all Professional Fee Claims Allowed by the Bankruptcy Court have been irrevocably paid in full to the Professionals pursuant to one or more Final Orders of the Bankruptcy Court, any remaining

funds held in the Professional Fee Escrow Account shall promptly be paid to the Reorganized Debtors without any further notice to or action, order or approval of the Bankruptcy Court.

3. Final Fee Applications.

All final requests for payment of Professional Fee Claims must be filed with the Bankruptcy Court by the Professional Fees Bar Date. Such requests shall be filed with the Bankruptcy Court and served as required by the Case Management Order. The objection deadline relating to the final requests shall be 4:00 p.m. (prevailing Eastern Time) on the date that is fourteen calendar days after the filing deadline. If no objections are timely filed and properly served in accordance with the Case Management Order with respect to a given request, or all timely objections are subsequently resolved, such Professional shall submit to the Bankruptcy Court for consideration a proposed order approving the Professional Fee Claim as an Allowed Administrative Expense Claim in the amount requested (or in the amount otherwise agreed), and the order may be entered without a hearing or further notice to any party. The Allowed amounts of any Professional Fee Claims subject to unresolved timely objections shall be determined by the Bankruptcy Court at a hearing to be held no sooner than ten (10) calendar days after the objection deadline. All distributions on account of Allowed Professional Fee Claims shall be made as soon as reasonably practicable after such Claims become Allowed.

4. Payment of Interim Amounts.

Professionals shall be paid pursuant to the "Monthly Statement" process set forth in the Interim Compensation Order with respect to all calendar months ending prior to the Confirmation Date.

5. Post-Confirmation Date Fees.

Upon the Confirmation Date, any requirement that Professionals comply with sections 327 through 331 of the Bankruptcy Code in seeking retention or compensation for services rendered after such date shall terminate, and the Debtors and Reorganized Debtors may employ and pay all Professionals in the ordinary course of business (including with respect to the month in which the Confirmation Date occurred) without any further notice to, action by or order or approval of the Bankruptcy Court or any other party.

E. Priority Tax Claims

The legal, equitable and contractual rights of the Holders of Allowed Priority Tax Claims are unaltered by the Plan. On, or as soon as reasonably practicable after, the later of (i) the Initial Distribution Date if such Priority Tax Claim is an Allowed Priority Tax Claim as of the Effective Date or (ii) the date on which such Priority Tax Claim becomes an Allowed Priority Tax Claim, in full satisfaction, settlement, discharge and release of, such Allowed Priority Tax Claim, at the election of the Disbursing Agent, each Holder of such Allowed Priority Tax Claim shall receive: (a) Cash equal to the amount of such Allowed Priority Tax Claim; (b) such other less favorable treatment as to which the Disbursing Agent and the Holder of such Allowed Priority Tax Claim shall have agreed upon in writing; or (c) for every Priority Tax Claim, such other treatment that complies with section 1129(a)(9)(C) of the Bankruptcy Code and such that it will not be Impaired pursuant to section 1124 of the Bankruptcy Code. On the Effective Date, the Liens (if

any) securing any Priority Tax Claims shall be deemed released, terminated and extinguished, in each case without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order or rule or the vote, consent, authorization or approval of any Person.

F. Other Priority Claims

The legal, equitable and contractual rights of the Holders of Allowed Other Priority Claims are unaltered by the Plan. On, or as soon as reasonably practicable after, the later of (i) the Initial Distribution Date if such Other Priority Claim is an Allowed Other Priority Claim as of the Effective Date or (ii) the date on which such Other Priority Claim becomes an Allowed Claim, in full satisfaction, settlement, discharge and release of, such Allowed Other Priority Claim, at the election of the Disbursing Agent, each Holder of such Allowed Other Priority Claim shall receive: (x) Cash equal to the amount of such Allowed Other Priority Claim; or (y) such other less favorable treatment as to which the Disbursing Agent and the Holder of such Allowed Other Priority Claim shall have agreed upon in writing.

G. DIP Claims

1. Allowance of DIP Claims

All DIP Claims shall be deemed Allowed as of the Effective Date in an aggregate amount due and owing under the DIP Credit Agreement including, for the avoidance of doubt, (a) the principal amounts outstanding under the DIP Facility on such date; (b) all interest accrued and unpaid thereon through and including the date of payment; and (c) all accrued fees, costs, expenses, and indemnification obligations payable under the DIP Facility Documents. For the avoidance of doubt, the DIP Claims shall not be subject to any avoidance, reduction, setoff, recoupment, recharacterization, subordination (equitable or contractual or otherwise), counterclaim, defense, disallowance, impairment, objection or any challenges under applicable law or regulation.

2. Treatment.

On the Effective Date, or as soon as reasonably practicable thereafter, each Holder of an Allowed DIP Claim shall receive: (x) Cash equal to the amount of such Allowed DIP Claim; or (y) such other less favorable treatment as to which the Disbursing Agent and the Holder of such Allowed DIP Claim shall have agreed upon in writing.

3. Release of Liens and Discharge of Obligations.

Distributions to the Holders of Allowed DIP Claims shall be deemed completed when made to or at the direction of the DIP Agents. Contemporaneously with the foregoing payment, the DIP Facility and the DIP Facility Documents shall be deemed terminated, all Liens on the property of the Debtors and Reorganized Debtors arising out of or related to the DIP Facility shall automatically terminate, all obligations of the Debtors and/or the Reorganized Debtors arising out of or related to the DIP Claims shall be automatically discharged and released and all collateral subject to such Liens shall be automatically released, in each case without further action by the DIP Agents or DIP Lenders. The DIP Agents and the DIP Lenders shall take all

actions necessary to effectuate and confirm such termination, release and discharge as reasonably requested by the Debtors or the Reorganized Debtors including, for the avoidance of doubt, executing any termination and release of security interests. Notwithstanding any other provision of the Plan, (i) any provision of the DIP Facility Documents governing the DIP Facility that by their terms survive payoff and termination shall survive in accordance with the terms of the DIP Facility Documents and (ii) the provisions of the DIP Facility Documents shall survive to the extent necessary to preserve any rights of the DIP Agents against any money or property distributable to the Holder of Allowed DIP Claims and to appear and be heard in the Chapter 11 Cases or any related proceeding for the purposes of enforcing the obligations owed to the DIP Agent under the Plan.

4. Fees and Expenses.

To the extent not previously paid during the course of the Chapter 11 Cases, on the Effective Date and thereafter as invoiced, the Debtors shall pay all fees, expenses, disbursements, contribution or indemnification obligations, including without limitation, attorneys' and agents' fees, costs, expenses and disbursements incurred by the DIP Agents and the DIP Lenders. Such fees, costs, expenses, disbursements, contribution or indemnification obligations shall constitute Allowed Administrative Claims. Nothing in the Plan shall require the DIP Agents or DIP Lenders or their respective Professionals to file applications or proofs of claims, or otherwise seek approval of the Court as a condition to payment of such Allowed Administrative Claims.

5. Commitment Creditor Fees and Backstop Shareholder Fees.

To the extent not previously paid during the course of the Chapter 11 Cases, the Debtors agree that they shall pay to the Backstop Shareholders and Commitment Creditors the Backstop Shareholder Fees and the Commitment Creditor Fees, in each case to the extent properly invoiced, (i) upon Bankruptcy Court approval of each Backstop Agreement, such Backstop Shareholder Fees and Commitment Creditor Fees that are respectively accrued through the date of such approval in full in Cash upon such approval of each Backstop Agreement, (ii) following Bankruptcy Court approval of each Backstop Agreement, with respect to such Backstop Shareholder Fees and the Commitment Creditor Fees that are respectively due and payable, each month within 30 days of receiving an invoice from such Commitment Creditor or Backstop Shareholder (or their advisors) in full in cash, and (iii) on the Effective Date with respect to such Backstop Shareholder Fees and the Commitment Creditor Fees that are respectively due and payable in full in cash.

III.
BUSINESS DESCRIPTION AND REASONS FOR CHAPTER 11 FILING

A. Description of the Debtors' Business

LATAM is Latin America's leading airline group, with a history extending back more than ninety years, and boasting one of the largest route networks in the world. LATAM is primarily involved in the transportation of passengers and cargo. LATAM is the largest passenger airline group in South America and one of the largest airline groups in the world in

terms of network connections and, as such, integrates South America into the globalized economy. LATAM Parent is a publicly traded company incorporated in Chile.

B. Corporate History and Structure

The Chilean government originally founded LAN Airlines S.A. in 1929 ("LAN"). LAN was Chile's flagship air carrier and a founding member of the International Air Transport Association ("IATA"). In 1989, the Chilean government sold 51% of its stake in LAN to private investors and Scandinavian Airlines System. By 1994, 98.7% of LAN's shares were acquired by its largest shareholders, including the Cueto Group (as defined below) and other stakeholders. In 1997, LAN's shares began trading on the New York Stock Exchange in the form of American Depository Shares ("ADSs"), making it the first Latin American airline listed on the New York Stock Exchange.

In the decades after its privatization, LAN established different affiliate air carriers and significantly expanded the group's operations in Latin America beyond Chile, beginning with service to Perú in 1999, Ecuador in 2003, Argentina in 2005, Colombia in 2010 and Brazil, as well as Paraguay, in 2012.

In connection with a combination between LAN and TAM S.A. ("TAM") of Brazil in 2012 (the "Business Combination"), LAN Airlines S.A. was renamed LATAM Airlines Group S.A. Prior to the Business Combination, both Brazil and Chile experienced years of economic growth, resulting in an increase in air travel and competition among airlines.

C. LATAM's Route Network

LATAM is the only airline group in South America with a domestic presence in five markets as well as intraregional and long-haul operations to three continents (prior to the pandemic, the group operated to five continents). As of the Initial Petition Date, LATAM offered passenger transportation services with a fleet of 340 aircraft, which, as of December 31, 2019 included 145 different destinations in 26 countries, including domestic flights in Brazil, Chile, Colombia, Ecuador and Perú and international services within Latin America as well as to the United States, Europe, Oceania, Africa, Asia and the Caribbean. This included scheduled passenger service to seventeen destinations in Chile, twenty destinations in Perú, six destinations in Ecuador, thirteen destinations in Argentina, fourteen destinations in Colombia, forty-five destinations in Brazil, ten destinations in other Latin American countries and the Caribbean, seven destinations in North America, seven destinations in Europe, four destinations in Australasia, one destination in Asia and one destination in Africa.

As of December 31, 2019, LATAM, through various code-sharing agreements, also offered service to sixty-six destinations in North America, sixty-seven destinations in Europe, fifteen destinations in Australasia, twenty-two destinations in Asia and seven destinations in Africa.

D. Business Segments

LATAM is primarily involved in the transportation of passengers and cargo, which together account for the majority of its revenues. In 2019, LATAM generated over $10.1 billion in revenues and over $1 billion of operating cash flow after investments.

LATAM's network in Latin America connects the region with the world, allowing it to benefit from diversified revenue streams. Out of the $10.1 billion in revenues that LATAM generated in 2019, over $1 billion was generated in the United States (10% of total revenues), making it the third most relevant country in revenues by point of sale after Brazil (38%) and Chile (16%), and higher than the revenues generated in Peru (8%), Europe (7%), Argentina (6%), Colombia (4%), and Ecuador (2%). The remaining 9% of revenues came from other countries that LATAM serves with its global network.

Revenue from the passenger business primarily consists of ticket sales, along with ancillary revenue associated with passenger baggage fees, seat selection, and flight changes. Passenger revenue comprised approximately 89% of LATAM's revenue in 2019 and 52.9% in the first half of 2021.

Although the majority of LATAM's revenues have traditionally come from its passenger airline services, the cargo operations play a key role, accounting in 2019 for 10.2% of total revenues, growing in 2020 to 27.9%, and to 34.6% during the first nine months of 2021. LATAM's cargo and passenger operations are integrated, allowing the group to offer cargo transport within its entire passenger network, and supported by its dedicated cargo freighters, which also service exclusive cargo destinations amounting to a total of 151 destinations in 29 countries as of year-end 2019, and 125 destinations in 20 countries as of September 30, 2021. Throughout the COVID-19 pandemic, LATAM's cargo business remained strong and played a key role in transporting essential goods, guaranteeing supply chains and supporting certain export industries.

1. Passenger Operations

In 2019, LATAM's passenger airline operations provided safe and efficient service to more than seventy-four million passengers flying to approximately 145 destinations in 26 countries. As of September 30, 2021, LATAM flies to approximately 118 destinations in 16 countries. LATAM has a unique strength in the region in terms of its expansive network, and though affected by the pandemic, it has worked to quickly rebuild its network and to continue prioritizing its customers with flexible commercial policies, increased health safety measures, and a consistent operation. In 2018 and 2019, LATAM was awarded the title of the most punctual airline group in the world for the mega-airline category, which has been reinforced during the first nine months of 2021 when the airline was once again recognized by the Official Airline Guide (the "OAG") as the most punctual airline in the world. In recent years, LATAM

has also been recognized by passengers with several awards, including the Best Airline in South America.[7]

LATAM Parent's subsidiaries in Chile, Peru, and Ecuador were the largest domestic operators in their respective countries as of December 2019 with 57%, 63%, and 32% market share, respectively; in September 2021, the subsidiaries' market shares in Chile, Peru and Ecuador had grown to represent 58%, 72% and 59% market share, respectively.[8] Similarly, LATAM Parent's subsidiaries in Brazil, Argentina and Colombia were the second largest domestic operators in their respective countries as of the Initial Petition Date; as of September 2021, however, LATAM Airlines Brazil was the largest domestic operator (with 38% market share) and LATAM Airlines Colombia the second largest operator (with 27% capacity share) in their respective countries.[9] In addition to providing intracountry service to domestic passengers, the domestic routes of each LATAM affiliate play a vital role in transporting passengers to international airports for connecting service to destinations abroad.

In September 2019, LATAM and Delta Air Lines, Inc. ("Delta") announced a landmark framework agreement which contemplated entering into a joint business agreement (described in more detail herein), which will improve air connectivity and provide passengers and cargo customers a seamless travel experience between North and South America once all regulatory approvals have been obtained. As part of the transaction, in February 2020, LATAM relocated its operations at JFK from terminal eight to terminal four, where LATAM will be able to provide smoother connections with Delta to its passengers.

Prior to the pandemic, LATAM's international routes allowed for travel throughout Latin America, Europe, the Caribbean, Oceania, Africa, Asia and the United States, though some of the routes have been impacted by international and government travel restrictions. As of September 30, 2021, LATAM offered flights to 23 international destinations in 16 countries, in addition to its domestic destinations and international flights and connections between its domestic destinations. LATAM's frequent flyer program, LATAM Pass™, which as of September 30, 2021 has more than 38 million members, is the leading frequent flyer program in South America and the fourth largest in the world. Members earn miles based on the price paid for the ticket, class of ticket purchased and elite level; members also can earn miles by using the services of outside partners in the program. LATAM Pass™ members also can accrue and redeem miles for flights on other airlines with whom LATAM has bilateral commercial agreements, notably including Delta since April 2020.

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[7] As noted above, the Official Airline Guide as well as Cirium awarded LATAM the title of most punctual airline. In the 2021 edition of the OAG, it considered LATAM's on-time performance from January to September 2021. LATAM was awarded the title of Best Airline in South America by the Skytrax World Airline Awards, and the "Best Global Airline of South America" by the APEX Passenger Choice awards.

[8] Market share figures for Chile (from the Civil Aviation Board, or *Junta Aeronáutica Civil*) consider RPKs as of September 2021. Peru (from the General Directorate for Civil Aviation, *Dirección General de Aeronáutica Civil*) considers number of passengers carried as of September 2021. Ecuador (from Diio.net) considers ASKs for September 2021.

[9] Figures for Brazil (from the National Civil Aviation Agency, *Agência Nacional de Aviação Civil*) consider RPKs and capacity share figures for Colombia (from Diio.net) consider ASKs as of September 2021. LATAM Airlines Argentina ceased domestic operations in 2020.

2. Cargo Operations

In addition to passenger operations, LATAM has three cargo operators, LATAM Cargo Chile, LATAM Cargo Brazil and LATAM Cargo Colombia. Together with its cargo and passenger affiliates, LATAM operates a large and profitable cargo operation, which provided service to 151 destinations in 29 countries as of year-end 2019, and 125 destinations in 20 countries as of September 30, 2021. LATAM's extensive passenger network is a key competitive advantage for LATAM's cargo operations due to the synergies between passenger and cargo operations and, accordingly, the group utilizes belly space on passenger flights with the support of 11 dedicated freighter aircraft, which allowed for the transport of 784,600 tons of cargo in 2020. For its cargo operations, LATAM primarily utilizes passenger flights to and from gateway cities, complemented by dedicated freighter services.

Notably, the impact of COVID-19 on worldwide air travel largely spared cargo operations, which continued to be a robust and profitable business for the Debtors, delivering goods to customers in Latin America, the United States, Europe, and throughout the world. Following improved conditions in the industry, LATAM has taken a proactive response to increase its cargo dedicated capacity, recently announcing the conversion of ten 767 passenger aircraft into cargo freighters through 2023. Indeed, in response to the COVID-19 pandemic, LATAM undertook additional chartered cargo routes, including to transport much needed medical supplies from locations around the world, including Shanghai, China and New Delhi, India.

3. Fleet

As of the Initial Petition Date, LATAM's fleet comprised 340 aircraft, including aircraft from the Airbus A320 family and long-haul passenger planes including the Boeing 767-300ER, the Boeing 787-8, the Boeing 787-9, the Boeing 777-300ER and the Airbus A350-900.[10] The fleet consisted of passenger aircraft as well as twelve dedicated B767 freighter aircraft. Since the Debtors' filing for Chapter 11, LATAM has evaluated and redefined its fleet needs for the coming years and entered into negotiations with its fleet lessors in order to rightsize the fleet and obtain improved conditions.

As of September 30, 2021, LATAM's fleet comprised 302 aircraft, including 107 aircraft which are subject to operating leases, 144 aircraft which are subject to financial or tax leases, and 51 owned aircraft.[11] This change in LATAM's fleet is the result of the Debtors rejecting various leasing arrangements and returning 42 associated aircraft,[12] the incorporation of 16 new aircraft

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10 The 340 aircraft included 20 aircraft in the fleet of Affiliates who were not Initial Debtors.

11 The finance leases were with entities located in the Cayman Islands and Delaware (the "SPVs"), some of which were owned by LATAM Parent. Historically, the SPVs typically leased the planes to LATAM Parent, which then subleased the aircraft to or entered into interchange agreements with the other operating entities, including certain of the Debtors.

12 Includes 7 aircraft that have not been returned.

since the Initial Petition Date, the retirement of one aircraft, and excluding 11 B767s that have been reclassified as available for sale.[13]

The Debtors also use operating leases whereby the Debtors lease aircraft from third parties. As of September 30, 2021, the Debtors leased aircraft from, among others, AerCap Holdings N.V., Aircastle Holding Corporation Limited and Avolon Aerospace Leasing Ltd. Since the adoption of IFRS 16[14] in 2019, third-party leases are recognized on the balance sheet as liabilities (with a corresponding "right to use" asset). As of September 30, 2021, the Debtors had $2.6 billion in aircraft related operating lease liabilities, corresponding to 107 aircraft.

E. Summary of Prepetition Indebtedness

As of the Initial Petition Date, to support their operations and obligations, the Debtors had a complex capital structure, which included a secured revolving credit facility, a secured spare engine facility, a series of local unsecured bank loans, two series of unsecured international bonds, five series of domestic Chilean bonds, and a series of financings related to the acquisition of the Debtors' fleet.

1. Revolving Credit Facility

Pursuant to that certain Credit and Guaranty Agreement dated as of March 29, 2016 (as may be amended, restated, supplemented or otherwise modified from time to time, the "RCF Credit Agreement") by and among, for LATAM, LATAM Parent, acting through its Florida branch, as borrower, and LATAM Airlines Brazil, Transporte Aéreo, Lan Cargo, Tordo Aircraft Leasing Trust, Quetro Aircraft Leasing Trust and Caiquen Leasing LLC[15] as guarantors and (collectively, the "RCF Guarantors" and together with Connecta Corporation as "Pledgor", the "RCF Obligors"), and a syndicate of lenders (the "RCF Lenders"), Citibank N.A. ("Citibank") as administrative agent, Wilmington Trust Company, as collateral agent ("Wilmington"), Banco Citibank S.A as Brazilian collateral agent ("Banco Citibank" and together with Wilmington, the "RCF Collateral Agents" and the RCF Collateral Agents together with Citibank, the "RCF Agents"), the RCF Lenders provided a revolving credit facility of up to $600 million. Pursuant to the Collateral Documents (as defined in the RCF Credit Agreement), the RCF Obligors granted to the RCF Collateral Agents, for the benefit of the RCF Lenders, a lien on certain aircraft, engines and spare parts in the United States, Chile and Brazil (the "RCF Collateral").[16]

LATAM Parent drew approximately $505 million on the RCF Credit Agreement in March 2020, followed by approximately $95 million in April 2020. The total principal amount

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[13] LATAM has sold nine aircraft that are leased pursuant to leases supported by the EX-IM Facilities (as defined below), two of which have already been delivered to the buyer.

[14] IFRS 16 refers to the International Financial Reporting Standard promulgated by the Internal Accounting Standard Board in January 2016, which has been in effect since 2019.

[15] Tordo Aircraft Leasing Trust, Quetro Aircraft Leasing Trust and Caiquen Leasing LLC are wholly owned LATAM SPVs and Non-Debtor Affiliates.

[16] As of the Petition Date, the RCF Collateral includes twenty-six aircraft, fifteen engines and certain spare parts located in the United States, Brazil and Chile.

outstanding as of the Initial Petition Date was $600 million, such that the commitments under the RCF Credit Agreement were fully drawn.

2. Local Unsecured Bank Loans

LATAM Parent is the borrower under two long-term local unsecured bank loans, one with BTG Pactual Chile S.A. (the "BTG Unsecured Bank Loan") issued in September 2018 and maturing in September 2021 and one with Itaú Corpbanca (the "Itaú Unsecured Bank Loan") issued in September 2015. In addition, LATAM Parent is the borrower under a series of short term local unsecured bank loans provided by ScotiaBank Chile S.A., Banco del Estado de Chile, HSBC Bank (Chile), and Itaú Corpbanca (the "Short Term Bank Loans").

As of the Initial Petition Date, there was approximately $59.2 million[17] outstanding under the BTG Unsecured Bank Loan, approximately $9.8 million[18] outstanding under the Itaú Unsecured Bank Loan and approximately $146 million outstanding under the Short Term Bank Loans.

In addition, TAM Linhas Aereas S.A. ("LATAM Airlines Brazil") is the borrower on an unsecured loan facility from Banco do Brasil S.A. in the principal amount of $194 million[19], guaranteed by LATAM Parent. LATAM Airlines Brazil is also the borrower on an unsecured $55 million[20] loan facility and an unsecured $23 million[21] loan facility, both from Banco Bradesco, neither of which have a guarantor (the "Banco Bradesco Facilities"). LATAM Airlines Brazil is also the borrower on an unsecured loan facility in the principal amount of $943,000 from Atradius Dutch State Business which matures in the year 2022.

3. Unsecured International Bonds

As of the Initial Petition Date, certain Debtors had also issued two international, unsecured series of bonds:

i LATAM 2024 Bonds

Pursuant to the indenture dated April 11, 2017, by and among LATAM Finance Limited ("LATAM Finance") as issuer, LATAM Parent as guarantor and the Bank of New York Mellon Corporation ("BNYM") as trustee, registrar transfer agent and paying agent, LATAM Finance

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17 *Unidades de Fomento* ("UF") is the daily indexed Chilean peso-denominated monetary unit that takes into account the effect of the Chilean inflation rate. As used herein, conversion from UF assumes that one UF is equivalent to 28,716 Chilean Pesos, one U.S. Dollar is equivalent to 805 Chilean Pesos, thus one UF is equivalent to 35.7 U.S. Dollars, which is the approximate equivalent as of the Initial Petition Date. The loan is denominated in UF as UF 1,660,000.

18 The loan was denominated in UF as UF 275,304.

19 BRL 1.037 billion loan converted to USD at 5.3 BRL per one USD as of the Subsequent Petition Date.

20 BRL 293 million loan converted to USD at 5.3 BRL per one USD as of the Subsequent Petition Date.

21 BRL 123 million loan converted to USD at 5.3 BRL per one USD as of the Subsequent Petition Date.

issued 6.875% senior, unsecured notes due April 2024 in principal amount of $700 million (the "LATAM 2024 Bonds").

As of the Initial Petition Date, the outstanding principal amount of the LATAM 2024 Bonds was approximately $700 million plus unliquidated amounts including interest, fees, expenses, charges and other obligations.[22]

ii LATAM 2026 Bonds

Pursuant to the indenture dated February 11, 2019, by and among LATAM Finance as issuer, LATAM Parent as guarantor and BNYM as trustee, registrar transfer agent and paying agent, LATAM Finance issued 7% senior, unsecured notes due March 2026 in principal amount of $800 million (the "LATAM 2026 Bonds").[23]

As of the Initial Petition Date, the principal amount of the LATAM 2026 Bonds was approximately $800 million plus unliquidated amounts including interest, fees, expenses, charges and other obligations.[24]

4. Chilean Unsecured Bonds

On August 17, 2017,[25] LATAM Parent, as issuer, sold Chilean bonds on the Santiago Stock Exchange in an aggregate principal amount of approximately $310.3 million (the "Local Bonds").[26] The Local Bonds originally consisted of four series (the "Series A Local Bonds", the "Series B Local Bonds", the "Series C Local Bonds", and the "Series D Local Bonds"). On July 6, 2019, LATAM Parent issued an additional series of the Local Bonds (the "Series E Local Bonds") for an aggregate principal amount of approximately $178.3 million.[27] The Local Bonds are Chilean law-governed.

The Series A Local Bonds mature on June 1, 2028, and, as of the Initial Petition Date, the principal nominal amount of the Series A Local Bonds was $89.2 million[28] plus unliquidated amounts including interest, fees, expenses, charges and other obligations. The Series B Local Bonds mature on January 1, 2028, and, as of the Initial Petition Date, the principal nominal amount of the Series B Local Bonds was $89.2 million[29] plus unliquidated amounts including interest, fees, expenses, charges and other obligations. The Series C Local Bonds mature on June 1, 2022, and, as of the Initial Petition Date, the principal nominal amount of the Series C Local Bonds was $65.98 million[30] plus unliquidated amounts including interest, fees, expenses,

22 Reflects the nominal value.

23 In February 2019, LATAM first issued $600 million of the LATAM 2026 Bonds but then re-opened the issuance in June 2019 and issued an additional $200 million of the LATAM 2026 Bonds.

24 Reflects the nominal value.

25 The bond line subscription was July 26, 2017.

26 The Local Bonds were issued in UF in an aggregate principal amount of approximately UF 8,700,000.

27 The bond line subscription was July 26, 2017.

28 Denominated in UF as UF 2,500,000.

29 Denominated in UF as UF 2,500,000.

30 Denominated in UF as UF 1,850,000.

charges and other obligations. The Series D Local Bonds mature on January 1, 2028, and, as of the Initial Petition Date, the principal nominal amount of the Series D Local Bonds was $65.98 million[31] plus unliquidated amounts including interest, fees, expenses, charges and other obligations. The Series E Local Bonds mature in April 2029, and as of the Initial Petition Date, the principal nominal amount outstanding under the Series E Local Bonds was $178.3 million[32] plus unliquidated amounts including interest, fees, expenses, charges and other obligations.

5. Fleet Leasing and Financing

As discussed above, as of the Initial Petition Date, the Debtors' fleet was comprised of owned aircraft as well as aircraft under finance leases and operating leases. The aircraft subject to finance leases were generally owned by SPVs, the majority of which are non-affiliates of LATAM Parent. The initial lessee of the leased aircraft was typically LATAM Parent. With respect to the fleet subject to these finance leases, in order to finance the purchase of aircraft, the SPVs sometimes entered into long-term loan or bond arrangements via enhanced equipment trust certificates (the "Prepetition EETC Lease Financing"), arrangements guaranteed by the U.S. Export-Import Bank (the "EX-IM Facilities"), arrangements guaranteed by certain Export Credit Agencies (the "ECA Facilities") and arrangements with commercial lenders (the "Aircraft Bank Loans" and together with the Prepetition EETC Lease Financing, EX-IM Facilities, and ECA Facilities, the "SPV Financings").

As of the Initial Petition Date, each of the SPV borrowers under the Prepetition EETC Lease Financing were wholly-owned subsidiaries of LATAM Parent incorporated in the Cayman Islands. All borrowers under the EX-IM Facilities were SPVs incorporated in Delaware with no LATAM ownership, and, similarly, all borrowers under the ECA Facilities were SPVs incorporated in the Cayman Islands with no LATAM ownership.[33] The borrowers under the Aircraft Bank Loans typically were wholly-owned LATAM SPVs incorporated in Delaware and the Cayman Islands, although there were additional borrowers under these facilities that were SPVs with no LATAM ownership, each of which was incorporated in the Cayman Islands.

In these SPV Financings, the SPV generally pledged its owned aircraft to secure the applicable financing arrangement. The SPV Financings were secured by 171 aircraft owned by the SPVs and, as of the Initial Petition Date, the principal amount outstanding under the SPV Financings was approximately $3.3 billion. The SPV Financings had varying maturity dates ranging from as early as May 2020 up through December 2028.

i Tax Leases

As of the Initial Petition Date, there were sixteen aircraft subject to aircraft tax leasing structures through instruments styled as Japanese Operating Leases with Call Option ("JOLCO") (the "Tax Leases") contracted by LATAM Parent. LATAM was not a borrower under these

31 Denominated in UF as UF 1,850,000.

32 Denominated in UF as UF 5,000,000.

33 LATAM did at one point have ownership of the ECA and EX-IM SPVs but deconsolidated its ownership prior to the Initial Petition Date.

facilities. These aircraft, however, were leased directly to LATAM Parent and were subleased to and primarily operated by other Debtor affiliates. As of the Initial Petition Date, there was $594 million[34] outstanding under the Tax Leases.

As of the Initial Petition Date, four special purpose vehicles incorporated in Italy (the ("Italian SPVs") each owned one B777-300ER aircraft and leased such aircraft to LATAM Airlines Brazil. Each Italian SPV was the borrower pursuant to a loan agreement guaranteed by the Export-Import Bank of the United States and a Stretched Overall Amortization Repayment ("SOAR") loan funded by Natixis and CA-CIB and governed by New York law. As of the Subsequent Petition Date, there was approximately $144 million outstanding under these loans, all of which matured in 2020.[35]

Additionally, as of the Initial Petition Date, there were nine aircraft subject to tax lease agreements styled as Spanish Tax Operating Leases ("STOL"), and three aircraft subject to JOLCO agreements contracted by LATAM Airlines Brazil.

ii Spare Engine Facility

Pursuant to that certain Amended and Restated Loan Agreement, dated as of June 29, 2018 (as may be amended, restated, supplemented or otherwise modified from time to time, the "Spare Engine Facility Agreement") by and among LATAM Parent, acting through its Florida branch, as borrower (the "Spare Engine Facility Borrower") and Credit Agricole Corporate and Investment Bank ("CACIB"), as lender, arranger, agent and security agent and the other lenders party thereto (the "Spare Engine Facility Lenders" and together with the RCF Lenders, the "Prepetition Secured Lenders" and the Spare Engine Facility Lenders together with CACIB in its capacity as agent and security agent, the "Spare Engine Facility Secured Parties" and, together with the RCF Secured Parties, the "Prepetition Secured Parties") the Spare Engine Facility Lenders provided a loan of up to $275 million to the LATAM Parent (the "Spare Engine Facility" and together with the RCF Facility, the "Prepetition Secured Debt" and all agreements, documents, and instruments delivered or executed in connection with the Spare Engine Facility, the "Spare Engine Facility Documents", and, together with the RCF Facility Documents, the "Prepetition Secured Credit Documents"). As of the Initial Petition Date, the outstanding amount is $273.2 million with a total of forty-one spare engines pledged as collateral.

In addition, LATAM had a finance lease in place with RRPF Engine Leasing Limited and Rolls-Royce & Partners Finance Limited for the leasing of an engine model Trent XWB. As of the Initial Petition Date, the outstanding principal amount is $18.5 million.

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[34] This number does not include other amounts that may be claimed in the event of termination as such amounts are not accounted for as financial debt.

[35] On July 1, 2021, the Bankruptcy Court entered the *Order Authorizing the Debtors to Implement Certain Transactions, Including Entry Into Omnibus Amendment Agreements and a 777 Omnibus Amendment Agreement (the Ex-Im Fleet)*, ECF No. 2648 (the "Ex-Im Fleet Order"). The Ex-Im Fleet Order, among other things, approved the Debtors' entry into long term agreements for the aforementioned aircraft, and restructured the leases replacing the Italian SPVs with domestic lessors and new owners.

iii Pre-Delivery Payment Facility

Pursuant to aircraft purchase agreements with Airbus and Boeing, prior to the Initial Petition Date LATAM made certain deposits in relation to future aircraft deliveries ("Pre-Delivery Payments"). Pursuant to a Facility Agreement dated as of June 5, 2019, by and among Banco Santander S.A. ("Santander") as lender, Piquero Leasing Limited ("Piquero") as borrower and LATAM Parent as guarantor (the "Pre-Delivery Payment Facility"), Santander financed the Pre-Delivery Payments for twenty Airbus aircraft to be delivered in the future. The Pre-Delivery Payments were secured with a first priority lien over LATAM's rights under the purchase agreement and a first priority Cayman share charge agreement over the total issued share capital of Piquero. As of the Initial Petition Date, there was approximately $139 million outstanding under the Pre-Delivery Payment Facility, out of a total of $175 million paid to Airbus as deposits for the twenty aircraft. Pre-Delivery Payments to Boeing amount to $122 million and are not subject to any financing arrangements.[36]

Manufacturer's PDP (US$ Mn)	PDP Deposits	LATAM Cash	Santander Financed
Airbus	175	35	139
Boeing	122	122	
Total	297	157	139

6. Letters of Credit

Prior to the Initial Petition Date, in the ordinary course of business LATAM obtained letters of credit, with an unsecured obligation to reimburse the issuer if the letter is drawn, to guarantee the relevant Debtors' performance to a number of counterparties including governments and other administrative agencies, airports, airport authorities and lessors. Most of the letters of credit were denominated in U.S. dollars. The letters of credit were issued by various banks, including Citibank and Bank of America. As of the Initial Petition Date, the Debtors had letters of credit outstanding of approximately $345 million, of which approximately $160 million was issued by Banco de Crédito del Perú issued to guarantee certain potential obligations owed in favor of the Peruvian government agency responsible for customs and taxation. Many of the remaining letters of credit related to obligations owed to aircraft lessors.

F. Events Leading to the Commencement of the Chapter 11 Cases

At the beginning of 2020, LATAM was financially and operationally one of the strongest groups in Latin America and poised to continue its upward trajectory, projecting growth in all of its passenger segments, as well as its cargo business. Unfortunately, like so many businesses around the world, the unprecedented effects of the COVID-19 global pandemic significantly affected LATAM's operations and its business plan.

[36] Pursuant to a settlement among LATAM Parent, Santander and Piquero the current claim amount is $40 million. *See* ECF 3038.

1. COVID-19 Pandemic

On March 11, 2020, the World Health Organization declared the widespread outbreak of COVID-19 a global pandemic. In the subsequent weeks, countries around the world, including each of those in which the Debtors have their primary operations, announced severe travel restrictions and/or outright closure of their borders. The impact on the airline industry was almost instantaneous and has had profound, lasting effects. By April 1, 2020, IATA estimated that customers living in countries with severe travel restrictions accounted for 98% of global passenger revenue, and that more than 8,500 passenger aircraft—two-thirds of the world's overall fleet—had been grounded as a result. As a result, in April of 2020 LATAM only operated 5.7% of its capacity (measured in available seat kilometers, or "ASKs", [37] compared to 2019), with limited domestic flights and severely restricted international flights due to travel restrictions imposed by the governments in which LATAM operates. For example, as of the Initial Petition Date, LATAM's passenger flights were limited to domestic flights in Chile and Brazil and international flights from Santiago and São Paulo to Miami.

2. Liquidity Preserving Measures

The Debtors were quickly and severely affected by the impacts of the worldwide and regional shutdown and the heavy blow of COVID-19 on the airline industry as a whole. LATAM responded quickly to take all available steps to address the impact of the pandemic. For example, as of March 16, 2020, LATAM reduced the capacity of its total passenger operations by approximately 70%, representing 90% of all international operations and 40% of all domestic operations. As the shutdowns increased and were extended, LATAM's passenger business continued to dwindle. Throughout March 2020, LATAM continued to temporarily suspend international routes, leading to a system wide approximate 95% reduction by April 2020.

In this adverse scenario it was inevitable that LATAM would need to right-size its operations, and therefore, it was unable to avoid a restructuring of its current capital commitments and other obligations. Importantly, although passenger operations suffered in the wake of COVID-19, the cargo business remained very strong at that time.

For several months prior to the Initial Petition Date, LATAM took difficult, but necessary steps to protect the company, continue operations and meet its commitments to its employees, customers and other stakeholders. This included significant cost reduction and liquidity preservation in advance of the filing of these Chapter 11 Cases. For example, LATAM deferred or cancelled approximately $900 million in investments and worked to postpone delivery of new planes for its fleet. LATAM also implemented internal cost-cutting measures, including voluntary salary reductions throughout the year, starting from a 50% reduction during the second quarter to 15% by the fourth quarter, while guaranteeing double the minimum wage in each country. The initiative received support from the vast majority of employees and was accompanied by multiple bargaining processes with unions, which were successfully signed in order to reduce and variabilize costs. LATAM also implemented a broad early retirement and

[37] ASKs refers to the sum, across LATAM's network, of the number of seats made available for sale on each flight multiplied by the kilometers flown by the respective flight.

unpaid leave program, and engaged in targeted reductions in its workforce. Overall, LATAM has reduced its workforce from approximately 43,000 employees prior to the pandemic to approximately 28,700 as of September 30, 2021. In further efforts to preserve liquidity prior to the Initial Petition Date, LATAM engaged directly with its various creditors and counterparties to request accommodations based on current circumstances, including deferrals of upcoming payment obligations.

In the weeks leading up to the Initial Petition Date, LATAM successfully negotiated payment plans and payment deferrals with over 500 creditors and counterparties resulting in payment deferrals and payment plans of approximately $500 million worth of payments throughout the first three quarters of 2020. Although these deferrals have allowed LATAM to reduce its near-term cash expenditures and preserve existing liquidity, it necessarily resulted in an increase in the Debtors' prepetition accounts payable, including to critical vendors, taxing authorities, lien holders, foreign vendors and fuel suppliers. As discussed further below, through close coordination with certain holders of these accounts payable claims, the Debtors have been able to administer a substantial amount of these claims through relief previously provided by the Bankruptcy Court.

IV.
THE CHAPTER 11 CASES

A. Significant Events During the Bankruptcy Cases

1. Bankruptcy Filing

As noted above, the Initial Debtors filed for relief under Chapter 11 of the Bankruptcy Code on May 26, 2020 (the "Initial Chapter 11 Cases") and the Subsequent Debtors filed on July 7, 2020 and July 9, 2020 (the "Subsequent Chapter 11 Cases" and, together with the Initial Chapter 11 Cases, the "Chapter 11 Cases"). Since the Initial Petition Date and Subsequent Petition Date, as applicable, the Debtors have continued to operate as debtors-in-possession subject to the supervision of the Bankruptcy Court in accordance with the Bankruptcy Code. An immediate effect of the filing of the Debtors' bankruptcy petitions was the imposition of the automatic stay under section 362(a) of the Bankruptcy Code which, with limited exceptions, enjoined the commencement or continuation of all collection efforts by creditors, the enforcement of liens against property of the Debtors and the continuation of litigation against the Debtors.

2. Initial Debtors' First and Second Day Orders

Upon the commencement of the Initial Chapter 11 Cases, the Initial Debtors filed numerous motions seeking the relief provided by certain first day orders (the "First Day Orders"). First Day Orders are intended to ensure a seamless transition between a debtor's prepetition and postpetition business operations by approving certain normal business conduct that may not be specifically authorized under the Bankruptcy Code or as to which the Bankruptcy Code requires prior approval by the Bankruptcy Court.

On May 28, 2020, the Bankruptcy Court held a hearing to consider the relief requested in the motions and granted the relief requested, which was designed to stabilize the Initial Debtors'

business operations and business relationship with customers, vendors, employees, and others. The First Day Orders in the Initial Chapter 11 Cases authorized the Initial Debtors to, among other things:

- procedurally consolidate each of the Initial Chapter 11 Cases for ease of administration;[38]
- continue to pay critical and foreign vendors and service providers;
- continue to use the Initial Debtors' cash management system and to make and receive intercompany loans;
- pay certain prepetition employee wages, reimbursable expenses, and benefits;
- appoint of a foreign representative;
- continue to enter into certain derivative and hedging contracts in the ordinary course of business;
- enforce the automatic stay;
- pay certain prepetition amounts owed to fuel supply parties and to continue performing under such fuel supply arrangements;
- assume certain critical airline contracts in their discretion; and
- pay for goods and services ordered pre-petition but delivered post-petition.

Certain of the First Day Orders were entered on an interim basis and later approved on a final basis in the subsequent months.

Shortly following the commencement of the Initial Chapter 11 Cases, the Initial Debtors filed motions seeking additional relief ("Second Day Orders"). The Second Day Orders included orders authorizing rejection procedures for executory contracts and non-aircraft leases, a motion to authorize de minimis claims and judgment procedures and additional payments to employees for wages, severance and other compensation. The Second Day Orders also authorized the Initial Debtors to retain, as of the Initial Petition Date, various professionals and advisors to assist the Initial Debtors during the Chapter 11 Cases, including:

- Cleary Gottlieb Steen & Hamilton LLP as counsel;
- Togut, Segal & Segal, LLP as co-counsel;
- Claro & Cia as special counsel;
- Brigard Urrutia Abogados S.A.S. as special counsel;

[38] The order authorizing joint administration of the Initial Chapter 11 Cases was entered on May 27, 2020, prior to the first day hearing.

- FTI Consulting, Inc., as financial advisors;
- PJT Partners LP, as investment banker;
- Ocean Tomo LLC as intellectual property valuation consultants;
- PrimeClerk LLC as administrative advisor;[39] and
- Other professionals relied upon in the Debtors' ordinary course of business.

3. Subsequent Debtors' Filings

Upon commencement of the Subsequent Debtors' Subsequent Chapter 11 Cases, the Subsequent Debtors filed a motion seeking for certain orders in the Initial Chapter 11 Cases to be made applicable to the Subsequent Debtors (ECF No. 484, the "Bringdown Motion"). As with the First Day Orders, the Bringdown Motion was intended to ensure a seamless transition between the Subsequent Debtors' prepetition and postpetition business operations by approving certain normal business conduct that may not be specifically authorized under the Bankruptcy Code or as to which the Bankruptcy Code requires prior approval by the Bankruptcy Court.

Specifically, in order to stabilize the Subsequent Debtors' business operations and business relationship with customers, vendors, employees, and others, the Bringdown Motion sought to apply the First Day Orders, on an interim and final basis, to the Subsequent Debtors, including:

- the final order authorizing the Initial Debtors to pay certain taxes and fees;
- the interim order authorizing the Debtors to pay certain fuel supply parties;
- the interim order authorizing the Debtors to pay certain critical and foreign vendors; and
- the interim and final order authorizing the Debtors to continue to use the Initial Debtors' cash management system and to make and receive intercompany loans.

The Bringdown Motion requested the relief on an interim and final basis. It also requested certain of the monetary caps in the interim First Day Orders be amended to account for the addition of the Subsequent Debtors. The Subsequent Debtors separately filed a motion seeking to authorize employment of various professionals that already had been employed by the Initial Debtors, including:

- Cleary Gottlieb Steen & Hamilton LLP as counsel;
- Togut, Segal & Segal, LLP as co-counsel;
- FTI Consulting, Inc., as financial advisors;

[39] PrimeClerk LLC was also retained as claims and noticing agent pursuant to the First Day Orders.

- PJT Partners LP, as investment banker
- Ocean Tomo LLC as intellectual property valuation consultants; and
- PrimeClerk LLC as administrative advisor and claims and noticing agent.

The Subsequent Debtors separately moved for authorization to employ certain professionals, including Demarest Advogados as special counsel.[40]

4. Recognition of the Chapter 11 Cases

Due to the global nature of the Debtors' business operations, the ability of creditors to seize collateral in foreign jurisdictions, and the possibility that creditors and courts in foreign jurisdictions may not respect the automatic stay, the Debtors conducted an analysis of jurisdictions where it would be sensible to obtain recognition of these Chapter 11 Cases and enforcement of the automatic stay, or to commence parallel proceedings where remedies were then available under local law.

Therefore, the Debtors sought and obtained recognition or commenced parallel proceedings in three key jurisdictions: Chile, Colombia and the Cayman Islands. On May 27, 2020 and July 10, 2020, the Grand Court of the Cayman Islands granted the applications of certain of the 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 proceeding 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. Finally, on June 12, 2020, the Superintendence of Companies of Colombia granted recognition of certain Chapter 11 Cases in Colombia.

The recognition of these proceedings in these foreign jurisdictions has been critical to protecting the Debtors' various assets abroad.

5. Appointment of Creditors' Committee

On June 5, 2020, the U.S. Trustee appointed an official committee of unsecured creditors (the "Creditors' Committee") in the Initial Chapter 11 Cases. The Committee initially comprised (1) Bank of New York Mellon, as Indenture Trustee, (2) Compañia de Seguros de Vida Consorcio Nacional de Seguros S.A., (3) Aircastle Limited, (4) Sindicato de Empresa de Pilotos (5) Lufthansa Technik Aktiengesellschaft, (6) Repsol, S.A. and (7) AerCap Holdings, N.V. From time to time, certain members of the Creditors' Committee resigned. As of July 7, 2021, the Creditors' Committee comprised (1) Bank of New York Mellon, as Indenture Trustee, (2) Sindicato de Empresa de Pilotos, (3) Lufthansa Technik Aktiengesellschaft and (4) Repsol, S.A. *See* ECF No. 2664.

[40] The Debtors have since retained additional professionals, including, for example, Norton Rose Fulbright as special aviation counsel. *See* ECF No. 2729.

The Committee retained Dechert LLP counsel; Klestadt Winters Jureller Southard & Stevens LLP as conflicts counsel, Morales & Besa Ltda as Chilean counsel; UBS Securities LLC as investment banker and Conway MacKenzie, LLC as financial advisor.

6. Other Ad Hoc Groups and Constituencies in the Chapter 11 Cases

On June 29, 2020 an ad hoc group of certain Debtor creditors (the "Ad Hoc Creditor Group") appeared in the Chapter 11 Cases through their counsel, White & Case LLP. *See* ECF No. 400. The Ad Hoc Creditor Group initially included 15 members purporting to hold $575 million in claims. *Id.* The Ad Hoc Creditor Group's membership has changed over time and as of July 22, 2021, the Ad Hoc Creditor Group consisted of 26 members purporting to hold over approximately $1.551 billion in Claims or Equity Interests. *See* ECF No. 2774. The Ad Hoc Creditor Group's membership has declined since this time.

On June 30, 2021, an ad hoc group of certain LATAM Parent creditors appeared in the Chapter 11 Cases through their counsel, Kramer Levin Naftalis & Frenkel LLP (the "Parent GUC Ad Hoc Group"). *See* ECF No. 2634. The Parent GUC Ad Hoc Group initially included 9 members purporting to hold over approximately $2.662 billion in claims. *See* ECF No. 2680. The Parent GUC Ad Hoc Group's membership has changed over time and as of October 15, 2021, the Parent GUC Ad Hoc Group consisted of 15 members purporting to hold over approximately $4.832 billion approximately in Claims or Equity Interests. *See* ECF No. 3447.

On March 23, 2021, a purported individual holder of Existing Equity Interests in LATAM Parent requested the appointment of an official equity committee pursuant to 11 U.S.C. § 1102(a)(2) (ECF No. 2053, the "Equity Committee Motion"). Six other purported holders of Existing Equity Interests sent letters joining in the Equity Committee Motion. ECF Nos. 2103, 2146, 2147, 2158, 2197 and 2199. On April 15, 2021, the Debtors filed an objection to the Equity Committee Motion. ECF No. 2183. Each of the Creditors' Committee and the Ad Hoc Group also filed objections. ECF Nos. 2186 and 2188. Additionally, each of Qatar Airways Investments (UK) Ltd., Delta, and Costa Verde Aeronautica S.A. filed reservations of rights. Docket Nos. 2185, 2184 and 2189. At the April 22, 2021 hearing, after presenting his arguments to the Court and based on the Court's comments at the hearing, Mr. Barnes agreed to withdraw his motion without prejudice. Mr. Barnes transmitted a notice of withdrawal to the Court's chambers, which was docketed on April 28, 2021. *See* ECF No. 2255.

On May 19, 2021, an ad hoc committee of holders of Existing Equity Interests in LATAM Parent (the "Ad Hoc Equity Committee") appeared in the Chapter 11 Cases through their counsel, Glenn Agre Bergman & Fuentes LLP. *See* ECF No. 2369. While the Ad Hoc Equity Committee's membership has changed over time, as of August 17, 2021, the Ad Hoc Equity Committee consisted of at least 29 members (including various affiliated members) purporting to hold over approximately 3,505,402 in shares of Existing Equity Interests. *See* ECF No. 2964.

On August 25, 2021, holder of Existing Equity Interests Columbus Hill Capital Management L.P. ("Columbus Hill"), the manager of funds that beneficially own certain Existing Equity Interests in LATAM Parent appeared in the Chapter 11 Cases through its counsel, Hunton Andrews Kurth LLP. *See* ECF No. 3029. As of October 27, 2021, Columbus

Hill is the manager of funds that purports to beneficially own, among other claims, over twelve million (12,000,000) shares of Existing Equity Interests. *See* ECF No. 3443.

Since their respective appearances, each of these constituencies have appeared in connection with various matters during the Chapter 11 Cases.

7. The Recapitalization Motions

On November 20, 2020 and December 20, 2020, the Bankruptcy Court entered two orders approving the recapitalization of LATAM Airlines Peru and LATAM Airlines Ecuador. ECF Nos. 1404, 1516. The recapitalizations were a series of intercompany transactions involving the contribution of equity and the capitalization of certain intercompany accounts receivable that prevented Debtors LATAM Airlines Peru and LATAM Airlines Ecuador from suffering dissolution events under local law related to net equity falling below a certain threshold of paid-in capital stock. The transactions with respect to LATAM Airlines Peru also prevented the potential violation of a provision of Peruvian law, which requires that operating airlines must have at least 30% of their equity held by Peruvian persons or corporations.

On July 19, 2021, the Bankruptcy Court entered an Order approving a subsequent recapitalization of LATAM Airlines Peru, ECF No. 2750. Similar to the prior motion, LATAM Airlines Peru sought a recapitalization to prevent the potential violation of Peruvian law, which requires LATAM Airlines Peru to have its net equity be more than one-third of its paid in capital stock. The Bankruptcy Court authorized a two-step capital reduction whereby LATAM Airlines Peru adjusted the nominal value of its shares in July and September 2021 to offset accumulated losses.

8. Lease and Contract Assumptions and Rejections

Separate from the Debtors' fleet-related restructuring, discussed *infra*, through Bankruptcy Court orders or compliance with approved Bankruptcy Court procedures, the Debtors have rejected 93 executory contracts or nonresidential real property leases as of October 12, 2021. The Debtors have also assumed key contracts for their business needs, including assuming contracts with various airports including Miami International Airport, John F. Kennedy International Airport and Los Angeles International Airport for critical office and storage space.

9. Court-to-Court Cross Border Communications Protocol

On September 1, 2020, the Bankruptcy Court entered an order approving the Cross-Border Court-to-Court Communications Protocol (ECF No. 978, the "Protocol"), which was also adopted by the Grand Court of the Cayman Islands, the Second Civil Court of Santiago, Chile and the Superintendence of Companies of Colombia (collectively with the Bankruptcy Court, the "Recognizing Courts"). Under the Protocol, the Recognizing Courts are authorized to engage in court-to-court communications and conduct joint hearings. Additionally, under the Protocol, the Debtors are required to submit any reports provided to or requested by any of the Recognizing Courts to all the Recognizing Courts concurrently.

B. Secured Facilities

1. DIP Financing Facility

On June 28, 2020, the Initial Debtors filed *Debtors Motion for an Order (I) Authorizing the Debtors to (A) Obtain Postpetition Financing and (B) Grant Superpriority Administrative Expense Claims and (II) Granting Related Relief* (ECF No. 397, the "First DIP Motion") seeking authorization to enter into an agreement for postpetition financing (as may be amended or restated from time to time, the "Original DIP Credit Agreement"). The First DIP Motion sought authorization to obtain one tranche of financing (the "Tranche C DIP Loan"), though the Original DIP Credit Agreement contemplated a three-tranche structure. On July 9, 2020, the Debtors filed the *Debtors' Supplemental Motion for an Order (I) Authorizing the Debtors to (A) Obtain Postpetition Financing and (B) Grant Superpriority Administrative Expense Claims and (II) Granting Related Relief* (ECF No. 485, the "Second DIP Motion"), which sought authorization to obtain a total of up to $2.45 billion of financing including a second tranche of the financing, and attached a revised version of the Original DIP Credit Agreement.

As filed in connection with Second DIP Motion, the Original DIP Credit Agreement contemplated a total commitment of up to $2.45 billion of financing consisting of (i) a secured Tranche A facility in an aggregate principal amount of $1.3 billion to be provided by Oaktree Capital Management L.P., and one or more of its affiliates (the "Original Tranche A DIP Lender"); and (ii) a secured Tranche C facility in an aggregate maximum principal amount of at least $900 million (subject to the Debtors' ability to increase Tranche C up to an additional $250 million) to be provided by certain shareholders of LATAM Parent (the "Original Tranche C DIP Lenders").[41] The Original DIP Credit Agreement also contemplated that, at the Original Tranche C DIP Lenders' discretion, the Debtors could repay the Tranche C DIP Loan in cash or to require the Original Tranche C Lenders to purchase stock in the reorganized Debtors under a chapter 11 plan (the "Equity Subscription Election").

On July 13, 2020, July 20, 2020, and July 23, 2020, various parties filed objections to the Original DIP Credit Agreement including, among others, the Creditors' Committee, the Ad Hoc Creditor Group, and Knighthead Capital Management LLC ("Knighthead"). The Debtors and certain of the objecting parties engaged in extensive discovery that included document production and a number of fact and expert depositions. On July 29, 2020, the Debtors filed a further revised version of the Original DIP Credit Agreement which, among other modifications, changed the Equity Subscription Election so that it was now at the Debtors' election rather than the Original Tranche C DIP Lenders' election (ECF No. 708, the "Modified Equity Subscription Election").

On July 29, 2020, an evidentiary hearing on the Debtors' First DIP Motion and Second DIP Motion (the "DIP Hearing") commenced. At the conclusion of the testimony on July 30, 2020, the Court closed the record. On August 2, 2020, the parties simultaneously submitted

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[41] As ultimately approved by the Bankruptcy Court in the Amended First DIP Order (defined herein, *infra*), the Tranche C facility included an initial commitment of $1 billion with a $150,000,000 potential increase. *See* ECF No. 1454-1 at 54 (defining "Tranche C Increase Commitment" which provides that the "[t]he maximum aggregate amount of the Tranche C Increase Commitment shall be $150,000"); *see also id.* at page 221, Schedule 1.1(i).

post-hearing briefs as requested by the Court. On August 5, 2020, the parties made closing arguments and the hearing concluded.[42]

On September 10, 2020, the Court issued an initial ruling on the First DIP Motion and Second DIP Motion (ECF No. 1056, the "Initial DIP Decision"). The Court made several key findings, including that the Original DIP Credit Agreement satisfied the "entire fairness" test, that there were grounds under section 364(c) to authorize entry into the Original DIP Credit Agreement and that each of the Original Tranche A DIP Lender and Original Tranche C DIP Lenders were entitled to a "good faith" finding under section 364. However, the Court did not approve the Original DIP Credit Agreement in part due to the Modified Equity Subscription Election as well as certain other provisions of the Original DIP Credit Agreement.

Following the Initial DIP Decision, the Debtors engaged with the Original Tranche A DIP Lender and Original Tranche C DIP Lenders in order to obtain their agreement to further modify the Original DIP Credit Agreement. The Debtors also engaged in arm's length, good-faith negotiations with Knighthead and the Committee to resolve Knighthead's and the Committee's objections to the First DIP Motion and Second DIP Motion, as well as Jefferies Finance LLC which had previously provided an alternative Tranche C proposal.

As a result of these negotiations, the Debtors agreed to a revised credit agreement that removed the Modified Equity Subscription Election and made other revisions to account for the Initial DIP Decision (as may be amended, modified, or supplemented from time to time, the "DIP Credit Agreement"). The DIP Credit Agreement also took into account the inclusion of Knighthead and certain other lenders as lenders and participants in the proposed Tranche A and Tranche C financing. On September 17, 2020, the Debtors filed the *Supplemental Submission in Furtherance of Debtors' Motion for Order (I) Authorizing the Debtors to (A) Obtain Postpetition Financing and (B) Granting Superpriority Administrative Expense Claims and (II) Granting Related Relief* (ECF No. 1079, the "Supplemental DIP Motion") which sought authorization to enter into the DIP Credit Agreement. The Committee, the Ad Hoc Creditor Group and Knighthead agreed to withdraw their objections and the Court held a hearing on September 18, 2020 at which it approved the DIP Credit Agreement.

On September 19, 2020, the Court entered a final order authorizing the Debtors to, among other things, enter into the DIP Credit Agreement. *See Order (I) Authorizing the Debtors to (A) Obtain Postpetition Financing, and (B) Grant Superpriority Administrative Expense Claims, and (II) Granting Related Relief* (ECF No. 1091, the "First DIP Order"), as amended by the *Amended Order (I) Authorizing the Debtors to (A) Obtain Postpetition Financing, and (B) Grant Superpriority Administrative Expense Claims, and (II) Granting Related Relief* (ECF No. 1454, the "Amended First DIP Order"). The Amended First DIP Order approved the Debtors' ability to borrow under Tranches A and C of the DIP Facility, leaving the Debtors the flexibility to seek at a later date commitments from interest parties to fund the Tranche B facility. On October 30, 2020, the Debtors exercised their option to upsize the Tranche C Facility by an

[42] Also on August 5, 2020, the Debtors filed a revised version of the DIP Credit Agreement. *See* ECF No. 782-1.

additional $150 million. The additional funds were committed by certain additional shareholders through a public investment fund managed by Toesca S.A. on November 6, 2020.

On September 29, 2021, the Debtors filed the *Debtors' Motion for an Order (I) Authorizing the Debtors to (A) Obtain Tranche B Postpetition Financing and (B) Grant Superpriority Administrative Expense Claims and (II) Granting Relating Relief* (ECF No. 3243, the "Third DIP Motion") which sought approval of the final tranche in the DIP Credit Agreement: a Tranche B loan of $750 million. As of November 19, 2021, $1.85 billion of the total $3.2 billion DIP facility had been drawn, with $1.35 million of the committed funds remaining. In light of favorable market conditions, the Debtors explored the opportunity to obtain a lower-cost source of borrowing under the Tranche B structure, and secured a proposal for the Tranche B facility provided by Oaktree Capital Management, L.P. and Apollo Management Holdings. The Third DIP Motion was granted on October 18, 2021. *See* ECF No. 3378.

2. Adequate Protection Stipulations

Following extensive, arms'-length negotiations with counsel for CACIB, on August 25, 2020, the Debtors and CACIB executed the *Stipulation and Agreed Order Concerning Adequate Protection* (ECF No. 940, the "CACIB Adequate Protection Stipulation").

In the CACIB Adequate Protection Stipulation, the Debtors agreed, among other things, to provide certain adequate protection in exchange for CACIB and the CACIB Spare Engine Lenders' agreement not to seek other or further adequate protection or relief from the automatic stay with respect to the Spare Engine Collateral. Under the CACIB Adequate Protection Stipulation, the Debtors also agreed to provide certain forms of adequate protection in respect of the Spare Engine Collateral, consisting of (a) replacement liens on certain replacement collateral to the extent of certain diminution in value of the Spare Engine Collateral, (b) payment of certain of CACIB's reasonable and documented professional fees and expenses, (c) compliance with certain of the covenants, undertakings, and obligations in the CACIB Loan Agreement, (d) ongoing cash payments in the amount of all accrued and unpaid interest and fees due and payable under the CACIB Loan Agreement at the non-default rate provided for in the CACIB Loan Agreement, (e) the continued operation and maintenance of the Spare Engines Collateral, (f) the right of CACIB to inspect the Spare Engines Collateral and related assets at such times and dates reasonably requested by CACIB, and (g) compliance with all reasonable diligence requests of CACIB. The Court entered the CACIB Adequate Protection Stipulation on September 16, 2020, ECF No. 1072.

Following extensive, arms'-length negotiations with counsel for the RCF Agents, on November 4, 2020, the Debtors and the RCF Agents executed the *Stipulation and Agreed Order Concerning Adequate Protection*, ECF No. 1410 (the "RCF Adequate Protection Stipulation" and, together with the CACIB Adequate Protection Stipulation, the "Adequate Protection Stipulations"). In the RCF Adequate Protection Stipulation, the Debtors agreed to, among other things, provide certain adequate protection in exchange for the RCF Agents and the RCF Lenders' agreement not to seek other or further adequate protection or relief from the automatic stay with respect to the RCF Collateral. Under the RCF Adequate Protection Stipulation, the Debtors agreed to provide certain forms of adequate protection in respect of the RCF Collateral,

consisting of (a) replacement liens on certain replacement collateral to the extent of certain diminution in value of the RCF Collateral, (b) payment of certain of the RCF Agents' reasonable and documented professional fees and expenses, (c) compliance with most of the covenants, undertakings, and obligations in the RCF Credit Agreement (other than the requirement to pay down the loans to comply with the loan-to-value test set forth in the RCF Credit Agreement, (d) ongoing cash payments in the amount of all accrued and unpaid interest and fees due and payable under the RCF Credit Agreement at the non-default rate provided for in the RCF Credit Agreement, (e) the continued operation and maintenance of the RCF Collateral, (f) the right of the RCF Agents to inspect the RCF Collateral and related assets at such times and dates reasonably requested by the RCF Agents, and (g) compliance with all reasonable diligence requests of the RCF Agents. The Court entered the RCF Adequate Protection Stipulation on November 22, 2020.

C. Fleet Restructurings

The Debtors developed a comprehensive fleet restructuring plan designed to reduce operating costs by simplifying the fleet, accelerating the replacement of older, less efficient aircraft, restructuring current financing arrangements, and investing in premium service enhancements.

1. Aircraft and Aircraft Equipment Stipulations

As of the Initial Petition Date, the Debtors maintained a combined fleet of 340 aircraft, where the Initial Debtors maintained 320 of the aircraft and the Subsequent Debtors maintained twenty aircraft. Substantially all of the aircraft were leased or subject to various secured financing arrangements.

On or around the Initial Petition Date, the Initial Debtors sent the First Stipulation and Order Between Debtors and Aircraft Counterparties Concerning Certain Aircraft (each a "First Aircraft Stipulation") to the majority of their financial and operating aircraft lessors. On the Subsequent Petition Date, the Subsequent Debtors did the same with their financial and operating lease counterparties. The First Aircraft Stipulation essentially was a standstill agreement to provide the Debtors with the necessary additional time to consider their fleet strategy. The terms of the First Aircraft Stipulation provided a temporary reprieve from immediate economic obligations that otherwise would have made continued leasing burdensome or uneconomic for the Debtors, while giving certain protections to the counterparties. The First Aircraft Stipulations were executed by the various aircraft lessors, and the Initial Debtors on June 5, 2020 and signed by the Bankruptcy Court on June 21, 2020.[43] The First Aircraft Stipulations were executed by a majority of the aircraft lessors and the Subsequent Debtors on July 23, 2020, and signed by the Bankruptcy Court on August 12, 2020.

On July 7, 2020 and July 24, 2020, pursuant to the terms of the First Stipulation and as a result of discussions with a number of aircraft lessors and related agents (the "ECA Aircraft Counterparties"), the Debtors and the ECA Aircraft Counterparties negotiated and agreed to

[43] The Debtors made the business judgment to not seek a First Aircraft Stipulation with certain aircraft counterparties, including certain lessors of freighter aircraft critical to LATAM's cargo business.

enter into certain side letter agreements (the "Original ECA Side Letter Agreements"). On July 9, 2020 and July 30, 2020, the Debtors filed two Motions for an Order Approving Side Letter Agreements, *see* ECF Nos. 502, 728, which the Bankruptcy Court granted on August 6, 2020 and September 3, 2020, respectively, *see* ECF Nos. 839, 1055. The Original ECA Side Letter Agreements, among other things, established a period for which certain adjusted aircraft lease payments to the ECA Aircraft Counterparties would be made.

On September 18, 2020, pursuant to the terms of the First Stipulation and as a result of discussions with a number of aircraft lessors and related agents (the "EXIM Aircraft Counterparties"), the Debtors and the EXIM Aircraft Counterparties negotiated and agreed to enter into certain side letter agreements (the "Original EXIM Side Letter Agreements"). On October 28, 2020, the Debtors filed a Motion for an Order Approving Side Letter Agreements, *see* ECF No. 1266, which the Bankruptcy Court granted on November 18, 2020. *See* ECF No. 1395. The Original Exim Side Letter Agreements, among other things, established a period for which certain adjusted aircraft lease payments to the EXIM Aircraft Counterparties would be made.

On January 5 and 22, 2021, the Debtors filed the Second Stipulation and Orders Between the Debtors and Aircraft Counterparties Concerning Certain Aircraft (each a "Second Aircraft Stipulation"), which superseded the First Aircraft Stipulation. Among other things, the Second Aircraft Stipulation provides that during the Stipulation Period the Debtors shall pay as rent for any usage of the subject aircraft on a "power-by-the-hour" basis pursuant to the rates specified in the relevant stipulation. The Second Aircraft Stipulations were executed by a majority of the aircraft lessors and the Debtors on December 15, 2020 and January 20, 2021, and signed by the Bankruptcy Court on January 21, 2021, January 26, 2021, January 31, 2021 and February 5, 2021. *See* ECF Nos. 1721-1728, 1735-1754, 1793-1806 and 1824-1826.

On March 19, 2021, April 9, 2021 and June 4, 2021 the Debtors and their various engine lessors entered into the First Stipulation and Order Between Debtors and Aircraft Engine Counterparties Concerning Certain Equipment (each a "First Engine Stipulation"). The First Engine Stipulations were substantially similar to the First Aircraft Stipulations and Second Aircraft Stipulations in that they provided a temporary reprieve from certain economic obligations while providing certain protections to the engine counterparties. The First Engine Stipulations were signed by the Bankruptcy Court on June 9, 2021, June 10, 2021, July 23, 2021 and July 29, 2021. *See* ECF Nos. 2485, 2487, 2490-2495, 2498, 2506-2507, 2778, 2780 and 2815.

On April 8, 2021, the Debtors and the EXIM Aircraft Counterparties negotiated and agreed to amend the Original EXIM Side Letter Agreements to extend the time to make certain payments under the Original EXIM Side Letter Agreements (the "Amended EXIM Side Letter Agreements"). The Debtors filed a notice of presentment of stipulation to approve these Amended EXIM Side Letter Agreements. *See* ECF No. 2190. The stipulation was entered by the Bankruptcy Court on May 4, 2021. *See* ECF No. 2304.

On April 21, 2021, the Debtors and the ECA Aircraft Counterparties negotiated and agreed to amend the Original ECA Side Letter Agreements to extend the time to make certain payments under the Original ECA Side Letter Agreements (the "Amended ECA Side Letter

Agreements"). The Debtors filed a notice of presentment of stipulation to approve the Amended ECA Side Letter Agreements. *See* ECF No. 2238. The stipulation was entered by the Bankruptcy Court on May 4, 2021. *See* ECF No. 2311.

1. Aircraft Rejections and Assumptions

Throughout the pendency of the Chapter 11 Cases, the Debtors undertook a review of their existing fleet to develop and determine their fleet strategy to account both for current circumstances and expected future needs and larger business considerations. To that end, the Debtors have rejected 42 aircraft leases at various times from the Initial Petition Date through the date of this Disclosure Statement. In addition, since the Initial Petition Date the Debtors have also rejected eleven engine leases.

On June 30, 2021, the Court approved the assumption of sixty-five aircraft leases supported by the ECA Facilities. *See* ECF No. 2647. Prior to the assumption, three additional aircraft were removed from the ECA Facilities and were not assumed pursuant to this order.

On September 10, 2021, the Debtors filed a motion for the assumption of the fifteen Tritón, Centaurus and Vintage JOLCO aircraft leases. *See* ECF No. 3179. This assumption motion includes the three aircraft previously removed from the ECA Facilities referenced above. On October 12, 2021, the relevant aircraft counterparties filed objections to the pending assumption motion. The motion is currently scheduled to be heard at the November 30, 2021 omnibus hearing.

2. Aircraft Purchases

As explained above, the majority of the Debtors' fleet consists of leased and financed aircraft. During the pendency of the Chapter 11 Cases, the Debtors elected to acquire title to certain aircraft in their fleet on pricing terms favorable to the Debtors. In each case, under the applicable lease documents, title to the aircraft was to pass to LATAM Parent at the end of the lease term. Given the few payments left on the aircraft and the favorable pricing terms, the Debtors believed such purchases were consistent with their overall fleet goals. Accordingly, on September 29, 2020, the Court approved the Debtors' purchase of four Airbus A319 aircraft from Airbus Financial Services, ECF No. 1115, and on November 22, 2020, the Court approved the purchases of one Airbus A319-132 and two A320-232 aircraft from KfW IPEX-Bank, ECF No. 1408.

3. New Lease Agreements and Long Term Amendments

The Debtors have made good faith efforts to further restructure their fleet obligations by engaging in arm's length negotiations with numerous aircraft counterparties to reach agreements with respect to their leased and financed aircraft and entering into new lease agreements or lease amendments with respect to such aircraft.

i New Lease Agreements

After arm's length negotiations with various counterparties through the course of these Chapter 11 Cases, the Debtors entered into 17 new lease agreements for narrow body and wide

body aircraft, of which 16 had been delivered to LATAM as of September 30, 2021. The terms of these new aircraft lease agreements are fair and equitable and better align with the Debtors' future business plans than the alternatives available from its existing fleet arrangements or other market alternatives. In particular, the new leases provided for a favorable "power-by-the-hour"-based rent for a specified period of time after which the Debtors are paying favorable, fixed rent amounts. Notably, a number of the aircraft leased pursuant to these new lease agreements were previously leased to the Debtors pursuant to prepetition aircraft leases that were rejected, and the fixed rents payable under the new lease agreements are lower than the fixed rents due under the rejected aircraft leases.[44]

ii Long Term Amendments

As mentioned above, the Debtors also negotiated with their current lease counterparties regarding amendments to their existing aircraft lease agreements. Similar to the new lease agreements, these amendments locked in favorable "power-by-the-hour"-based rent for a specified period of time after which the Debtors are paying favorable, fixed rent amounts. Certain amendment agreements also provided for the extension of the lease term and more favorable lessee assignment or transfer provisions along with other beneficial commercial terms.

The amendments also either (i) set out the categories of permissible claims as well as the priority thereof, while preserving the Debtors' right to object to the amount of such claims or (ii) set an allowed amount of the counterparties' claim. The claims reconciliation process is described in more detail below.

The Debtors and the EXIM Bank also entered into certain amendment agreements to the EXIM Facilities and related lease documents (the "EXIM Amendments"), ECF Nos. 2534, 2648. As with the other long term lease amendments discussed above, the EXIM Amendments included favorable terms such as a power-by-the-hour payments for a period of time. The EXIM Amendments were negotiated alongside the Jetran Sale Motion and presented to the Court substantially contemporaneously therewith. On July 1, 2021, the Court entered an order approving the EXIM Amendments, ECF No. 2648.

The Debtors have similarly entered into long term amendments with certain of their engine lessors with respect to the continued use of certain engines on favorable terms. On November 4, 2021, the Court entered an order approving entry into engine lease amendments with Engine Lease Finance Corporation and resolving certain claims, ECF No. 3501.

[44] Notably, in connection with one of the new lease agreements that provided for the re-leasing of previously rejected aircraft, the Debtors and the applicable counterparties agreed to a claims stipulation that memorialized agreements with respect to various proofs of claim filed against the Debtors. This was an important part of the Debtors' larger efforts to reconcile thousands of proofs of claim filed in these Chapter 11 Cases. *See Debtors Motion for an Order Authorizing the Debtors to Implement Certain Transactions, Including Entry into Lease Agreements with Wilmington Trust Company Solely in its Capacity as Trustee*, ECF No. 1975.

4. Sales of Aircraft

i Delta Framework Agreement and Joint Venture Agreement

On September 26, 2019, LATAM Parent and Delta entered into a landmark alliance, including entry into a framework agreement (the "Framework Agreement"). The Framework Agreement contemplated the combination of the carriers' highly complementary route networks to provide customers with better service and greater connectivity to destinations worldwide. Following entry into the Framework Agreement several debtor entities entered into a joint-venture agreement with Delta (the "Joint Venture Agreement") which provides for the coordination of routes between the United States and Canada and certain countries within the South American region.

On November 6, 2019, LATAM Parent and Delta entered into an aircraft sale and purchase agreement (the "Aircraft Sale and Purchase Agreement"), pursuant to which Delta committed to purchase four A350 aircraft from LATAM. By an agreement dated May 25, 2020, LATAM and Delta terminated the Aircraft Sale and Purchase Agreement. In exchange for such termination, Delta agreed to pay and in fact did pay LATAM Parent $62 million, thereby providing additional liquidity to LATAM. Additionally, Delta agreed not to exercise any termination rights it may have under the Framework Agreement or the Joint Venture Agreement in the event that LATAM were to file for bankruptcy under Chapter 11, provided that LATAM Parent would file a motion seeking the Court's authorization to assume the Framework Agreement and Joint Venture Agreement (the "Delta Assumption Motion"). On November 24, 2020, the Court entered an order granting the Delta Assumption Motion, which authorized the Debtors to assume the Framework Agreement, the Joint Venture Agreement and other key commercial agreements with Delta, ECF No. 1421. The Joint Venture Agreement has already been granted approval by authorities in several countries, including Chile, Colombia, Brazil and Uruguay, while the review process continues in the United States.

ii Boeing Purchase Agreements

On April 29, 2021, LATAM Parent and Boeing entered into certain arrangements with respect to purchase agreements for certain B787 and B777 aircraft, whereby the parties agreed to terminate orders for four B787 and one B777F aircraft. As a result of the amendments, LATAM Parent will maintain its purchase orders in respect of two B787-9 aircraft, with proposed delivery dates in December 2021 or 2022, depending on Boeing's delivery program. These arrangements contemplate that LATAM Parent will have no further liability with regards to the terminated aircraft orders. The Bankruptcy Court approved the ratification and assumption of these agreements at the May 19 Omnibus Hearing. *See* ECF No. 2446.

iii Jetran Purchase Agreement

On July 13, 2021, the Court entered an order authorizing the Debtors to sell nine aircraft to Jetran LLC free and clear of all liens, claims and encumbrances (ECF No. 2685, the "Jetran Sale Motion"). The Aircraft were leased to LATAM Parent pursuant to certain leases supported by the EX-IM Facilities. Under the operative documents, LATAM Parent had the right to purchase the Aircraft either in advance or at the end of the lease term. The U.S. Export-Import

Bank ("EXIM") was made aware of the material terms of the transactions and consented to the sale of the aircraft.

iv Airbus Purchase Agreement

On August 4, 2021, LATAM Parent, Piquero Leasing Limited and Airbus entered into certain amendments with respect to three different purchase agreements for certain A320 aircraft (as amended, the "Airbus A320 Purchase Agreements"), which successfully postponed deliveries up to three years from the originally scheduled delivery dates and eliminated deliveries in 2020 and 2021. The Airbus A320 Purchase Agreements provide for, among other things, the delivery of seventy total aircraft including twenty-eight additional aircraft from the original order, with delivery dates scheduled through 2028. The terms for the purchase of the additional aircraft are favorable and align with the Debtors' overall fleet strategy. In connection with this transaction, Airbus, Santander, LATAM Parent and Piquero also agreed to certain amendments, and Santander, LATAM Parent and Piquero entered into a settlement agreement with respect to the pre-delivery payments that had already been made under the A350 Purchase Agreement.

The parties also agreed upon the terms for the termination of an A350 purchase agreement (the "Airbus A350 Purchase Agreement"), in line with LATAM's decision to retire its A350 fleet. On August 5, 2021, the Debtors filed the motion to (1) approve the amendments to the Airbus A320 Purchase Agreements, (2) approve the termination of the Airbus A350 Purchase Agreement and (3) authorize the assumption of the Airbus A320 Purchase Agreements as amended, ECF No. 2871.

In connection with the assumption, the Debtors did not pay any cure costs. On August 27, 2021, the Court entered an order approving the motion. *See* ECF No. 3037.

Notably, certain of the aircraft purchased pursuant to the Airbus A320 Purchase Agreement are subject to a sale lease back agreement with Sky Aero Management Limited. On August 5, 2021, the Debtors filed a motion seeking approval of the sale lease back term sheet. *See* ECF No. 2864. On August 21, 2021, the Court entered an order approving the term sheet. *See* ECF No. 3066.

B. Labor Cost Restructuring

As of April 1, 2020, the Initial Debtors had approximately 17,000 employees located primarily in Chile, Peru, Colombia, the United States and Ecuador. In addition, as of June 11, 2020, the Subsequent Debtors' workforce consisted of approximately 22,000 employees, almost entirely based in Brazil. Certain of the employees were members of labor unions. LATAM's employees include pilots, flight attendants, dispatchers, mechanics, aviation maintenance support personnel, supervisors, managers, administrative support staff and other personnel. As previously mentioned, the total number of LATAM's workforce decreased from approximately 43,000 employees prior to the pandemic to approximately 28,700 at the end of the third quarter of 2021, as a result of early retirements and layoffs, reducing the total expenses for wages and benefits in the third quarter of 2021 by 43.5% compared to the same period of 2019.

1. *Outsourcing of airport operations in Peru, Ecuador and Brazil* - During 2021, LATAM Airlines Brazil, LATAM Airlines Ecuador and LATAM

Airlines Peru have been in the process of outsourcing important parts of their airport operations in order to further improve efficiency. This mainly includes ground handling operations in Brazil (excluding certain airport hubs), passenger services in Peru (excluding certain airport hubs), and passenger services operations in Ecuador that they expect will impact approximately 2,000 employees. In addition to helping the group variabilize costs, it also allowed the group to reduce the cost associated with the airport operations.

2. *Labor Union Negotiations* - As of December 31, 2019, 46% of the group's employees, including administrative personnel, cabin crew, flight attendants, pilots and maintenance technicians were members of unions and had contracts and collective bargaining agreements which expire on a regular basis. As part of the Chapter 11 proceedings, the Debtors entered into negotiations and collective bargaining agreements with certain unions in order to agree upon wage reductions, an increase in the variable wage portion and overall increases in productivity by eliminating certain contractual conditions.

E. Other Cost Restructuring

During the Chapter 11 proceedings, LATAM has actively worked to further improve its cost structure through various restructuring processes, as detailed above. In addition to those of fleet and labor, LATAM is convinced that simplified processes and a lean cost structure are key in this industry.

1. *Insourcing of Maintenance Activities* – LATAM has state of the art Maintenance and Repair Operations (MRO) facilities in Santiago, São Paulo and San Carlos, which allow the group certain key competitive advantages including operational flexibility and cost savings. LATAM defined a plan that will allow for the insourcing of various maintenance and critical investment projects related to the operation including C-Checks and narrow-body retrofits, among others, which provides the group important savings related to labor, transport, and tax cost efficiencies.

2. *Digital Transformation* – LATAM is in the process of a digital transformation and has already rolled-out a new digital platform for customers. Through the implementation of the new digital platform, LATAM is increasing its direct passenger ticket sales, which allows it to significantly reduce the quantity of City Ticket Offices that the group operates, resulting in a more efficient sales process and cost reductions.

3. *Support functions restructuring* – The group has also worked to reduce the support function structure, starting from zero-base, eliminating certain

layers of functions, centralizing corporate functions, and reducing the employee headcount in support areas.

F. Claims

1. *Bar Dates*

On September 24, 2020, the Bankruptcy Court entered an order (ECF No. 1106, the "Bar Date Order") establishing December 18, 2020 at 4:00 p.m., prevailing Eastern Time as the last date and time for each person or entity to file proofs of claim based on prepetition Claims or on section 503(b)(9) of the Bankruptcy Code. Additionally, the Bar Date Order establishes separate Bar Dates for Claims arising from Debtors' rejection of executory contracts and unexpired leases and Claims that Debtors have amended in Debtors' Schedules (collectively, the "Bar Dates").

On September 30, 2020, the Debtors mailed a notice of the Bar Dates to the U.S. Trustee, the Committee, and other parties as required by the Bar Date Order. Additionally, in compliance with the Bar Date Order, the Debtors caused a notice to be published in the New York Times, the Wall Street Journal, USA Today, the Miami Herald and La Tercera, El Mercurio, El Tiempo, La Republica, O Estado de S. Paulo, Valor Econômico, El Comercio and El Universo.

Additionally, on December 17, 2020, the Bankruptcy Court entered an order (ECF No. 1503, the "Supplemental Bar Date Order") establishing February 5, 2021 at 4:00 p.m., prevailing Eastern Time as a supplemental bar date (the "Supplemental Bar Date") for certain parties to litigations in which the Debtors have been involved (the "Supplemental Bar Date Parties"). On December 24, 2020, the Debtors mailed a notice of the Supplemental Bar Date to the Supplemental Bar Date Parties in compliance with the Supplemental Bar Date Order.

2. *Claims Reconciliation Process*

As of November 19, 2021, approximately 6,411 proofs of claim had been filed against the Debtors, asserting approximately $124,917,737,866 in aggregate liquidated and unliquidated Claims.

The Debtors and their Professionals have undertaken the process of reconciling the amount and classification of the claims submitted in the Chapter 11 Cases. Additionally, the Debtors have made various objections to certain claims through the Bankruptcy Court in furtherance of their effort to ensure the claims register accurately reflects the Debtors obligations. As of November 19, 2021, the Debtors have expunged, reclassified, and reduced 2,861 Claims through orders of the Bankruptcy Court. The Debtors have satisfied at least 356 Claims in part or in full and are continuing to reconcile Claims to identify additional claims that have been previously satisfied. The Debtors also have resolved 754 Claims through joint stipulations and/or other consensual resolutions. The Debtors continue to reconcile their claims and expect to continue preparing, filing and resolving objections to Claims throughout the course of the Chapter 11 Cases.

Notably, a significant number of Claims have not yet been resolved, additional Claims could be filed and the actual ultimate aggregate amount of Allowed Claims may differ significantly from the amounts used for the purposes of the Debtors' estimates. The Debtors

continue to investigate differences between the claim amounts filed by Creditors and claim amounts determined by the Debtors. Certain Claims filed may be duplicative (particularly given the multiple jurisdictions), may be based on contingencies that have not occurred, or may be otherwise overstated, and would therefore be subject to revision or disallowance. Pursuant to the Plan, after the Effective Date, the Reorganized Debtors and the Disbursing Agent shall have the exclusive right to make and File objections to Claims, which shall be filed prior to the Claims Objection Deadline.

3. *Claims Objections*

The Debtors have filed thirty-eight omnibus Claims objections over the course of the Chapter 11 Cases. See ECF Nos. 1310, 1311, 1312, 1313, 1506, 1507, 1508, 1509, 1623, 1624, 1625, 1634, 1886, 1887, 1888, 1889, 1890, 1891, 2001, 2002, 2003, 2117, 2149, 2151, 2152, 2384, 2528, 2733, 2756, 2759, 2960, 2961, 3212, 3213[45], 3214, 3215, 3400 and 3626.

Of these thirty-eight omnibus Claims objections, seven omnibus Claim Objections sought to disallow claims on the grounds that the claims were partially or totally satisfied, and the Court has granted the relief sought in all such motions.

The Debtors also have filed ten standalone objections seeking to disallow, expunge or modify certain specific Claims. See ECF No. 2382, 2383, 2734, 2758, 3402, 3404, 3405, 3406, 3407, 3409.

4. *Alternative Dispute Resolution Procedures*

On February 10, 2021, the Debtors proposed alternate dispute resolution procedures (the "ADR Procedures") for certain claimants from Chile and Colombia (the "Designated Claimants"), ECF No. 1855. The ADR Procedures are designed to promote the resolution of certain claims without the time and potentially greater expense of a full-blown proceeding before the Bankruptcy Court while also providing each Designated Claimant with the opportunity to fairly prosecute and resolve its claim. The ADR Procedures allow claimants from those countries whose claims are less than $500,000 to submit their claims to alternative dispute resolution that include an offer exchange, mediation and arbitration. Claims that equal or exceed $500,000 or claims that are by claimants from countries other than Chile and Colombia, by aircraft lessors, by financial claimants, by governmental units, are governed by U.S. law or subject to dispute resolution in the U.S. or subject to an objection on the basis of section 502(e)(1) of the Bankruptcy Code are excluded from the ADR Procedures. The Debtors are also authorized, at their election, to use the settlement offer exchange and non-binding mediation portions of the ADR Procedures to resolve consensually all other disputed claims. The

[45] The omnibus Claims objections filed at ECF 3212 and 3213 were subsequently withdrawn (See ECF Nos. 3324 and 3325).

Bankruptcy Court entered an order approving the ADR Procedures on March 17, 2021, ECF No. 2037.

To date, two claims have been submitted to the ADR Procedures and both have been resolved successfully.

G. Request for Substantive Consolidation and Related Issues

On June 16, 2021, Banco del Estado de Chile ("Banco Estado") filed a motion seeking to set a briefing and discovery schedule (the "Scheduling Motion"), ECF No. 2529, in connection with Banco Estado's separate motion to substantively consolidate the estates of LATAM Parent, LATAM Finance Ltd. and Peuco Finance Ltd. (the "Substantive Consolidation Motion"). *See* ECF No. 2619. Generally speaking, the Substantive Consolidation Motion alleges that substantive consolidation of the relevant Debtors is warranted to prevent Holders of Allowed LATAM 2024 Bond Claims and LATAM 2026 Bond Claims, issued by LATAM Finance Ltd. and guaranteed by LATAM Parent, from recovering more under the Plan than Holders of Allowed General Unsecured Claims against LATAM Parent, which Banco Estado contends could result from the existence of certain assets of LATAM Finance Ltd., principally Intercompany Claims owed by Peuco Finance Ltd., as well as certain Intercompany Claims owed to Peuco Finance Ltd. by other Debtor entities. On June 23, 2021, the Debtors and the Ad Hoc Creditor Group each filed an objection to the Scheduling Motion, requesting that the motion be denied in full. *See* ECF Nos. 2566, 2568. The Creditors' Committee filed a limited objection, requesting that the Scheduling Motion be adjourned to the July omnibus hearing. *See* ECF No. 2567. Banco Estado filed a reply in response to the Debtors' and Ad Hoc Creditor Group's objections on July 19, 2021. *See* ECF No. 2745. The Bankruptcy Court denied the Scheduling Motion without prejudice at the July 22, 2021 omnibus hearing, and subsequently entered an order on July 28, 2021. *See* ECF No. 2818. The Creditors' Committee contends that the validity of the Intercompany Claims at issue raise complex, intricate and highly contentious issues that could materially affect the relative distributions of certain creditor groups, including holders of Local Bonds and LATAM 2024 and LATAM 2026 Bonds.

H. Standing Motions and Potential Avoidance Actions

On June 16, 2021, the Creditors' Committee filed two motions seeking derivative standing to assert certain purported avoidance claims, principally under section 548 of the Bankruptcy Code, held by the Debtors against (i) Qatar Airways Q.C.S.C. and certain of its affiliates ("Qatar") and (ii) Delta Air Lines, Inc. and certain of its affiliates ("Delta"). *See* ECF No. 2532 (the "Qatar Standing Motion"); ECF No. 2531 (the "Delta Standing Motion" and, together with the Qatar Standing Motion, the "Standing Motions"). In broad terms, the Qatar Standing Motion alleges that LATAM's April and May 2021 agreements to terminate certain subleases with Qatar prior to their stated term, in exchange for a cash payment, constitute avoidable transfers. The Delta Standing Motion alleges, in summary, that a May 25, 2021 termination agreement, which terminated an aircraft purchase agreement with Delta in exchange for, *inter alia*, Delta's cash payment of $62 million and waiver of termination rights under the Framework Agreement and Joint Venture Agreement, constitutes an avoidable transfer. Prior to the filing of the Standing Motions, the Debtors evaluated the putative avoidance claims identified by the Creditors' Committee, and the related claims made by the Creditors' Committee, and

determined that pursuit of the putative claims would not be in the best interests of the Debtors' Estates. Although the Debtors did not oppose the Standing Motions, they filed a response setting out their position with respect to the Standing Motions. *See* ECF No. 2667. Both Qatar and Delta have disputed the respective claims made against them in the Standing Motions. *See* ECF Nos. 2668, 2669. The Standing Motions remain pending.

I. The Mediation Orders

Upon the suggestion of the Bankruptcy Court that a mediator may facilitate resolution of the issues raised with respect to the Standing Motions, and after negotiating a form of mediation order with various stakeholders and parties in interest, on August 17, 2021, the Debtors filed a proposed order appointing the Honorable Allan L. Gropper (ret.) (the "Mediator") as mediator and establishing procedures for a mediation regarding the Standing Motions. ECF No. 2962 (the "Proposed Mediation Order"). On August 23, 2021, the Ad Hoc Equity Committee filed a limited objection to the Proposed Mediation Order, requesting the Court to direct the Debtors to include the Ad Hoc Equity Committee as party to the mediation. *See* ECF No. 3002. Columbus Hill, also submitted a limited objection to the Proposed Mediation Order. *See* ECF No. 3029. The Court overruled these limited objections at the August 26, 2021, hearing. On August 27, 2021, the Debtors submitted a revised Proposed Mediation Order reflecting informal comments from Banco Estado, among other revisions. *See* ECF No. 3036.

On August 31, 2021, the Bankruptcy Court issued an order directing certain parties to conduct a mediation regarding the Standing Motions before the Mediator. *See* ECF No. 3060 (the "Mediation Order"). The Mediation Order also contemplated that certain parties may seek to mediate "other shareholder matters that were raised at the July 30, 2021 hearing, if and when the Designated Parties [as defined therein] agree that such issues are ripe for mediation or as directed by the [Bankruptcy] Court; and (c) such other matters as the Designated Parties [as defined therein] may agree upon or the [Bankruptcy] Court may direct." *Id.* at ¶ 1. Mediation on the Standing Motions was conducted between September and October 2021. On October 15, 2021, the Mediator filed a report informing the Bankruptcy Court that mediation on the Standing Motions was not successful. *See* ECF No. 3371.

J. The Extensions of the Debtors' Exclusivity Periods

From time to time, the Debtors have sought and received extensions of the periods during which the Debtors have the exclusive right to file a plan or plans and the periods during which the Debtors have the exclusive right to solicit acceptance thereof (together, the "Exclusivity Periods"). *See* ECF Nos. 1139, 1760, 2796, 3231, and 3485.[46]

On November 1, 2021, the Bankruptcy Court entered an order extending the Debtors' exclusive period to file a plan of reorganization to November 26, 2021 and extending the period to solicit acceptances for that plan to January 26, 2022. *See* ECF No. 3485.

[46] Consistent with section 1121 of the Bankruptcy Code, the Subsequent Debtors may file a motion, solely with respect to the Subsequent Debtors, further extending the Exclusivity Periods to their statutory maximum.

K. The Debtors' Development of the Plan, the Plan Mediation and RSA

As detailed in each motion requesting extension of the Exclusivity Periods throughout the Chapter 11 Cases, the Debtors have worked to advance the Chapter 11 Cases by, among other things, right-sizing their fleet and executing their fleet strategy, refining their claims pool, and streamlining their prepetition agreements by rejecting executory contracts and leases and negotiating favorable postpetition and post-emergence agreements with key vendors across their business.

The Debtors also have worked steadily to develop a long term business plan, identify new sources of capital to support an exit strategy and to build consensus around the structure and terms of a plan of reorganization. In particular, in the spring and summer 2021, the Debtors worked to develop their five-year business plan, which was ultimately finalized in June 2021. The go-forward business plan contained information regarding the Debtors' business and their short-term and long-term operations. Beginning in June 2021, the Debtors' provided their business plan on a confidential basis to various of their stakeholders in order to enable them to engage with the Debtors on the form and structure of a plan of reorganization and exit strategy. Further to that engagement, the Debtors also negotiated over sixty non-disclosure agreements with certain qualified interest parties and their advisors. With those agreements in place, and in addition to providing the business plan, the Debtors engaged in a significant diligence process with multiple parties and groups, including providing non-public information regarding the Debtors' operations and forward-looking strategic goals and planning. Each non-disclosure agreement contained a deadline by which the Debtors would be required to publicly disclose any material, non-public information that had been provided to the agreement counterparties (subject to extension) (the "Blowout Deadline").

In August 2021 the Debtors distributed to certain interested parties subject to non-disclosure agreements an indicative term sheet for a plan of reorganization and associated exit funding for review and feedback. Between September and October 2021, the Debtors received non-binding and preliminary proposals from: (i) the Parent GUC Ad Hoc Group, (ii) the Ad Hoc Creditor Group, (iii) certain of the Debtors' large shareholders, comprising Costa Verde Aeronáutica S.A. and Inversiones Costa Verde Ltda y Cia, en Comandita por Acciones (together, "Costa Verde"), Delta and Qatar, each as advised in their individual capacity by Greenhill & Co., LLC, and separately advised by Wachtell, Lipton, Rosen & Katz, Davis Polk & Wardwell LLP and Alston & Bird LLP, respectively (the "Backstop Shareholders"),[47] and (iv) Andew Aerea SpA, Inversiones Pia SpA and Comercial Las Vertientes (the "Eblen Group").

The Debtors engaged with these parties regarding potential exit financing and related matters, and received various revised non-binding proposals.

In September 2021, the Debtors sought an extension of the Blowout Deadline from each of the non-disclosure agreement counterparties. Ultimately, certain parties did not agree to an extension. Accordingly, on September 9, 2021, the Debtors filed a material fact report that attached (i) an exit capital process letter; (ii) the Debtors' illustrative plan term sheet, (iii) a

[47] Delta, in its individual capacity, also has retained Perella Weinberg Partners, L.P. as its financial advisor, and Qatar, in its individual capacity, also has retained HSBC as its financial advisor.

modified version of the Debtors' five-year business plan that did not contain certain confidential or competitively sensitive information, (iv) an estimate of the Debtors' claims pool and (v) a non-binding term sheet proposal provided by the Ad Hoc Creditor Group, dated August 31, 2021.

As referenced above, on October 14, 2021, the Debtors' sought to further extend the Exclusivity Periods. *See* ECF No. 3485 (the "Fifth Exclusivity Motion"). Various parties in interest filed statements in support of the exclusivity period extensions. *See* ECF Nos. 3411, 3413. Although the Creditors' Committee and the Parent GUC Ad Hoc Group did not oppose the exclusivity extension, they filed responses which raised certain issues relating to economic and legal terms of a potential plan of reorganization and exit funding, as well as certain shareholder issues and Chilean law issues. In particular, the Parent GUC Ad Hoc Group requested that the Bankruptcy Court condition a further extension of the Exclusivity Periods on further mediation with the Mediator regarding potential plan, exit and shareholder issues. *See* ECF No. 3394. On October 25, 2021, the Debtors filed a reply in further support of their request to further extend the Exclusivity Periods, indicating their willingness to engage in further mediation. *See* ECF No. 3419. The Debtors also began discussions with various parties on the form and structure of such mediation. At the October 28, 2021, hearing, the Debtors announced that the Debtors and certain interested parties, including the Creditors' Committee, the Parent GUC Ad Hoc Group, Delta, Qatar, Costa Verde and Banco Estado, had reached an agreement on a construct to mediate certain shareholder and Chilean law issues and that the Fifth Exclusivity Motion was proceeding on an uncontested basis. The Court granted the Debtors' requested extension of the Exclusivity Periods, which extended the period of time to file a plan of reorganization to November 26, 2021, and the period of time to solicit acceptances to that plan to January 26, 2021. *See* ECF No. 3485.

Pursuant to the Mediation Order and as discussed at an October 28, 2021 hearing before the Bankruptcy Court, the Designated Parties,[48] together with Lozuy S.A. and Banco Estado (the "Mediation Parties") agreed to mediate certain shareholder issues, Chilean law issues, and other issues related thereto. *See* ECF No. 3457. The Debtors also notified the Mediator of Columbus Hill's, the Ad Hoc Equity Committee's and the RCF Lenders' requests to join the mediation and that the Mediator would decide whether to invite those groups to participate. The Debtors filed a notice of mediation regarding the subjects identified in paragraph 1(b) of the Mediation Order, which notice further indicated that the Mediator had the discretion to invite any additional parties that were not otherwise Designated Parties (as defined in the Mediation Order) to participate. *See* ECF No. 3457. The Mediation Parties commenced mediation on November 1, 2021 before the Mediator. The mediation included multiple in-person meetings, including meetings with key stakeholders' advisors and principals, and continued for several weeks. Ultimately, as a result of mediation, the Debtors, the Parent GUC Ad Hoc Group (as signatories to the RSA, the "Commitment Creditors"), and the each of the Backstop Shareholders and the Eblen Group

[48] As defined in the Mediation Order, the Designated Parties includes (a) the Debtors; (b) the Official Committee of Unsecured Creditors; and some or all of the following parties as applicable to the relevant Mediation Matter: (c) Delta Air Lines, Inc.; (d) Qatar Airways Group Q.C.S.C.; (e) the Ad Hoc Parent Creditor Group represented by Kramer Levin Naftalis & Frankel LLP; (f) the Ad Hoc Creditor Group represented by White & Case LLP; and (g) Costa Verde Aeronautica S.A. Mediation Order at ¶ 2.

reached an agreement on a comprehensive restructuring and recapitalization of the Debtors, ultimately memorialized in the RSA, attached hereto as Exhibit E.

The RSA reflects various agreements between the Debtors,[49] Commitment Creditors, the Backstop Shareholders and the Eblen Group, subject to obtaining the Subsequent Approvals (as defined in the RSA) with respect to the terms of an exit financing proposal and financial restructuring of the existing debt, existing equity interest in, and certain other obligations of the Debtors, as well as other settlements, to be effectuated pursuant to the Plan.

The RSA obligates the Commitment Parties (as defined in the RSA and subject to receipt of requisite approvals with respect to Lan Cargo S.A., the Backstop Shareholders and the Eblen Group) to, among other things, negotiate and support the approval and consummation, as applicable, of the Restructuring Documents (as defined in the RSA), including the Plan, Disclosure Statement, necessary backstop commitment agreements, and such other documents or agreements as may be reasonably necessary to implement the restructuring contemplated by the RSA, in accordance with the terms and conditions thereunder. The RSA also contains a series of milestones related to the solicitation, confirmation and implementation of the Plan.

L. Other Indications of Interest

At certain times during the Chapter 11 Cases, the Debtors have received certain non-binding expressions of interest and preliminary terms regarding potential restructurings. None of those proposals provided sufficient certainty or value to be viewed as superior to the restructuring contemplated by the Plan. On November 11, 2021, counsel for Azul S.A. sent a letter to counsel for the Debtors that proposed a general, non-binding and preliminary overview regarding certain terms relating to a potential transaction. The overview did not provide any process or timeline for the transaction and did not address various regulatory concerns or other value and execution risks if such transaction were pursued.

V. THE PLAN

THE FOLLOWING IS A SUMMARY OF SOME OF THE SIGNIFICANT ELEMENTS OF THE PLAN. THIS DISCLOSURE STATEMENT IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO THE MORE DETAILED INFORMATION SET FORTH IN THE PLAN.

A. Treatment of Claims

1. Classification of Claims

The following chart assigns a number to each Class of Claims and Equity Interests for purposes of identifying such Class. The classification and treatment of Classes of Claims and Equity Interests is consistent for each Debtor, but for certain of the Debtors, there are no Claims or Equity Interests, as applicable, in one or more Classes of Claims or Equity Interests.

[49] As noted above, Debtor Lan Cargo S.A.'s obligations under the RSA are conditioned on its receipt of certain shareholders' approvals.

Summary of Classification of Claims and Equity Interests			
Class	Claim	Status	Voting Rights Pursuant to Section 1126 of the Bankruptcy Code
1	RCF Claims	Unimpaired	Presumed to Accept
2	Spare Engine Facility Claims	Unimpaired	Presumed to Accept
3	Other Secured Claims	Unimpaired	Presumed to Accept
4	LATAM 2024/2026 Bond Claims	Unimpaired	Presumed to Accept
5	General Unsecured Claims against LATAM Parent	Impaired	Entitled to Vote
6	General Unsecured Claims against each Debtor other than LATAM Parent, Piquero Leasing Limited and LATAM Finance Ltd.	Unimpaired	Presumed to Accept
7	Pre-Delivery Payment Facility Claim	Impaired	Entitled to Vote
8	Litigation Claims	Unimpaired	Presumed to Accept
9	Intercompany Claims	Unimpaired	Presumed to Accept
10	Equity Interests in LATAM Parent	Impaired	Deemed to Reject
11	Equity Interests in each Debtor other than LATAM Parent	Unimpaired	Presumed to Accept

Except to the extent lesser treatment is agreed to in writing (email being sufficient) by the Reorganized Debtors and the Holder of such Allowed Claim or Allowed Equity Interest, as applicable, each Holder of an Allowed Claim or Allowed Equity Interest, as applicable, shall receive under the Plan the treatment described below in full and final satisfaction, settlement, release, and discharge of and in exchange for such Holder's Allowed Claim or Allowed Interest.

(a) *Class 1: RCF Claims*.

(i) *Classification*. Class 1 consists of RCF Claims against each RCF Obligor.

(ii) Treatment. Effective as of the later of (i) the Effective Date or, (ii) the date such Class 1 Claim becomes Allowed or as soon as reasonably practicable

thereafter, at the discretion of the Debtors or the Reorganized Debtors, (x) each Allowed Class 1 Claim shall be, refinanced or amended and extended pursuant to the terms of the Revised RCF Agreement; (y) each Holder of an Allowed Class 1 Claims shall receive such other less favorable treatment as to which the Administrative and Disputed Claims Agent and the Holder of such Allowed Class 1 Claim shall have agreed upon in writing; or (z) each Holder of an Allowed Class 1 Claims shall receive such other treatment such that the applicable Allowed Class 1 Claim will be rendered Unimpaired pursuant to section 1124 of the Bankruptcy Code.

(iii) *Voting*. Class 1 Claims are Unimpaired and the Holders of Allowed Class 1 Claims are conclusively presumed to have Accepted the Plan pursuant to section 1126 of the Bankruptcy Code and are therefore not entitled to vote.

(b) *Class 2: Spare Engine Facility Claims*.

(i) *Classification*. Class 2 consists of Spare Engine Facility Claims against the Spare Engine Facility Borrower.

(ii) Treatment. Effective as of the later of (i) the Effective Date or, (ii) the date such Class 2 Claim becomes Allowed or as soon as reasonably practicable thereafter, at the discretion of the Debtors or the Reorganized Debtors, (x) each Allowed Class 2 Claim shall be, Reinstated, refinanced, or amended and extended pursuant to the terms of the Revised Spare Engine Facility Agreement; (y) each Holder of an Allowed Class 2 Claims shall receive such other less favorable treatment as to which the Administrative and Disputed Claims Agent and the Holder of such Allowed Class 2 Claim shall have agreed upon in writing; or (z) each Holder of an Allowed Class 2 Claims shall receive such other treatment such that the applicable Allowed Class 2 Claim will be rendered Unimpaired pursuant to section 1124 of the Bankruptcy Code.

(iii) *Voting*. Class 2 Claims are Unimpaired and the Holders of Allowed Class 2 Claims are conclusively presumed to have Accepted the Plan pursuant to section 1126 of the Bankruptcy Code and are therefore not entitled to vote.

(c) *Class 3: Other Secured Claims*.

(i) *Classification*. Class 3 consists of Other Secured Claims against each Debtor.

(ii) Treatment. Effective as of the later of (i) the Effective Date or, (ii) the date such Class 3 Claim becomes Allowed or as soon as reasonably practicable thereafter, at the discretion of the Debtors or the Reorganized Debtors, (x) each Allowed Class 3 Claim shall be Reinstated as amended and extended; (y) each Holder of an Allowed Class 3 Claim shall receive such other less favorable treatment as to which the Administrative and Disputed Claims Agent and the Holder of such Allowed Class 3 Claim shall have agreed upon in writing; or (z) each Holder of an Allowed Class 3 Claim shall receive such other treatment such that the applicable Allowed Class 3 Claim will be rendered Unimpaired pursuant to section 1124 of the Bankruptcy Code.

(iii) *Voting*. Class 3 Claims are Unimpaired and the Holders of Allowed Class 3 Claims are conclusively presumed to have Accepted the Plan pursuant to section 1126 of the Bankruptcy Code and are therefore not entitled to vote.

(d) *Class 4: LATAM 2024/2026 Bond Claims Against LATAM Finance and LATAM Parent*.

(i) *Classification*. Class 4 consists of LATAM 2024 Bond Claims and LATAM 2026 Bond Claims against LATAM Finance and LATAM Parent.

(ii) *Treatment*. Effective as of the later of (i) the Effective Date or, (ii) the date such Class 4 Claim becomes Allowed or as soon as reasonably practicable thereafter, at the discretion of the Debtors or Reorganized Debtors, each Holder of an Allowed LATAM 2024 Bond Claim and LATAM 2026 Bond Claim shall receive, in full satisfaction, settlement, discharge and release of, its Allowed Class 4 Claim, (x) a distribution in Cash of its Pro Rata share of the LATAM International Bond Claim Amount; (y) such other less favorable treatment as to which the Administrative and Disputed Claims Agent and the Holder of such Allowed Class 4 Claim shall have agreed upon in writing or (z) such other treatment that the applicable Allowed Class 4 Claim will be rendered Unimpaired pursuant to section 1124 of the Bankruptcy Code.

(iii) *Voting*. Class 4 Claims are Unimpaired and the Holders of Allowed Class 4 Claims are conclusively presumed to have Accepted the Plan pursuant to section 1126 of the Bankruptcy Code and therefore not entitled to vote.

(e) *Class 5: General Unsecured Claims Against LATAM Parent*.

(i) *Classification*. Class 5 consists of General Unsecured Claims against LATAM Parent.

(ii) *Treatment*. On the Effective Date, on, or as soon as reasonably practicable after the Initial Distribution Date, each Holder of an Allowed General Unsecured Claim against LATAM Parent shall receive a distribution pursuant to Class 5a Treatment described below, unless an Eligible Holder elects to receive Class 5b Treatment in connection with the solicitation of this Plan. For the avoidance of doubt, such election to receive Class 5a Treatment or Class 5b Treatment shall apply to all of such Holder's General Unsecured Allowed Claims against LATAM Parent, consistent with the provisions below.

(iii) *Class 5a Treatment*. Effective as of the Effective Date, on, or as soon as reasonably practicable after the Initial Distribution Date, each Holder of Allowed General Unsecured Claims against LATAM Parent (excluding Participating Holders of General Unsecured Claims and Ineligible Holders) shall receive, in full satisfaction, settlement, discharge and release of, its Allowed Class 5 Claim (x) (A) its Pro Rata share of New Convertible Notes Class A, subject to reduction by the subscription and purchase of New Convertible Notes Class A by Eligible Equity Holders during the New Convertible Notes Preemptive Rights Offering Period, and (B) its Pro Rata share of the New Convertible Notes Class A Preemptive Rights Proceeds (if any) in an amount up to the Allowed Class 5a Treatment Cash Amount; or (y) such other less favorable treatment as to which the Administrative and Disputed Claims Agent and the

Holder of such Allowed Class 5 Claim shall have agreed upon in writing. Each Holder of an Allowed General Unsecured Claim against LATAM Parent that is an Ineligible Holder shall receive, in lieu of the above, a distribution of cash in respect of their Allowed Class 5 Claim equal to their Pro Rata share of the Net Sale Proceeds in respect of the New Convertible Notes Class A such Ineligible Holder would be entitled to receive under this Plan if it were not an Ineligible Holder. No more than ninety (90) days after the Effective Date, New Convertible Notes Class A that would otherwise be distributed to Ineligible Holders will be sold by the Sales Agent in one or more block trades or otherwise in an manner intended to maximize the sale proceeds from such sale and such sale proceeds shall be distributed for Ineligible Holders Pro Rata as soon as practical thereafter.

(iv) *Class 5b Treatment*. Effective as of the Effective Date, on, or as soon as reasonably practicable after the Initial Distribution Date, each Participating Holder of General Unsecured Claims shall receive, in full satisfaction, settlement, discharge and release of, its Allowed Class 5 Claim (x) its share of New Convertible Notes Class C, subject to reduction by the subscription and purchase of New Convertible Notes Class C by the Eligible Equity Holders in the New Convertible Notes Preemptive Rights Offering Period, in accordance with the following waterfall:

1. First, [[50]]% of the New Convertible Notes Class C shall be allocated to the New Convertible Notes Class C Backstop Parties for purchase, to the extent available after the conclusion of New Convertible Notes Preemptive Rights Offering Period (the "Direct Allocation Amount"). The New Convertible Notes Class C Backstop Parties shall subscribe to the Direct Allocation Amount with an amount of Allowed Claims (and related new money) equal to approximately [[50]]% of the Allowed Claims held by the New Convertible Notes Class C Backstop Parties;

2. Second, the remainder shall be allocated to the New Convertible Notes Class C Unsecured Creditors and the New Convertible Notes Class C Backstop Parties as described below (the "Unused Allocation Amount");

or (y) such other less favorable treatment as to which the Administrative and Disputed Claims Agent and the Holder of such Allowed Class 5 Claim shall have agreed upon in writing.

The Unused Allocation Amount shall be subscribed as follows:

1. The New Convertible Notes Class C Unsecured Creditors shall subscribe to the Unused Allocation Amount with an amount of Allowed Claims (and related new money) equal to approximately 35.37%[50] of the Allowed Claims that are held by the New Convertible Notes Class C Unsecured Creditors.

[50] Subject to revision prior to the Effective Date based on ongoing claims reconciliation process.

2. The New Convertible Notes Class C Backstop Parties shall subscribe to the Unused Allocation Amount with an amount of Allowed Claims (and related new money) equal to approximately 70.74%[51] of the Unused Allowed Claims held by the New Convertible Notes Class C Backstop Parties that remain after reduction by Allowed Claims used in the Direct Allocation Amount.

3. Any Unused Allocation Amount of New Convertible Notes Class C that remains unsubscribed after such applications shall be allocated to and subscribed by the New Convertible Notes Class C Backstop Parties in accordance with their New Convertible Notes Class C Backstop commitment.

To the extent of any Allowed Claims held by Participating Holders of General Unsecured Claims which have not been provided as consideration for the Direct Allocation Amount or the Unused Allocation Amount (including with respect to the New Convertible Notes Class C backstop commitment) (the "Unused Allowed Claims"), each Participating Holder of General Unsecured Claims shall receive in respect of such Unused Allowed Claims, (x) their Pro Rata share of Convertible Notes Class A to the extent of any of its Unused Allowed Claims, and their Pro Rata share of New Convertible Notes Class A Preemptive Rights Proceeds up to the Allowed Class 5a Treatment Cash Amount or (y) such other less favorable treatment as to which the Administrative and Disputed Claims Agent and the Holder of such Allowed Class 5 Clam shall have agreed upon in writing. For the avoidance of doubt, the treatment of such Unused Allowed Claims shall be on the same terms and Conversion Ratio applicable to non-Participating Holders of General Unsecured Claims. The consideration provided by the New Convertible Notes Class C Backstop Parties for the Direct Allocation Amount and the consideration provided by Participating Holders of General Unsecured Claims for the Unused Allocation Amount (including with respect to the New Convertible backstop commitment) shall comprise $0.921692 of new money for each $1 of Allowed General Unsecured Claims against LATAM Parent.

For the avoidance of doubt, no Ineligible Holder shall be able to become a Participating Holder of a General Unsecured Claim.

(v) *Voting*. Class 5 Claims are Impaired and the Holders of Allowed Class 5 Claims are entitled to vote.

(f) *Class 6*: *General Unsecured Claims Against Debtors Other Than LATAM Parent, Piquero Leasing Limited and LATAM Finance*.

(i) *Classification*. Class 6 consists of General Unsecured Claims against Debtors other than LATAM Parent, Piquero Leasing Limited and LATAM Finance.

(ii) *Treatment*. Effective as of the Effective Date, on, or as soon as reasonably practicable after the Initial Distribution Date, each Holder of an Allowed General Unsecured Claim against a Debtor other than LATAM Parent, Piquero Leasing Limited or

[51] Subject to revision prior to the Effective Date based on ongoing claims reconciliation process.

LATAM Finance shall receive, in full satisfaction, settlement, discharge and release of its Allowed Class 6 Claim (x) Cash equal to the amount of such Allowed Class 6 Claim; (y) such other less favorable treatment as to which the Administrative and Disputed Claims Agent and the Holder of such Allowed Class 6 Claim shall have agreed upon in writing, or (z) such other treatment such that the applicable Allowed Class 6 Claim will be rendered Unimpaired pursuant to section 1124 of the Bankruptcy Code.

(iii) *Voting*. Class 6 Claims are Unimpaired and the Holders of Allowed Class 6 Claims are conclusively presumed to have Accepted the Plan pursuant to section 1126 of the Bankruptcy Code and are therefore not entitled to vote.

(g) *Class 7:Pre-Delivery Payment Facility Claims*.

(i) *Classification*. Class 7 consists of Pre-Delivery Payment Facility Claims.

(ii) *Treatment*. Effective as of the Effective Date, on, or as soon as reasonably practicable after the Initial Distribution Date, each Holder of Pre-Delivery Payment Facility Claims shall receive, in full satisfaction, settlement, discharge and release of both Pre-Delivery Payment Facility Claims, the treatment provided to Allowed General Unsecured Claims against LATAM Parent (with the right to receive recovery solely for a single Allowed Claim.)

(iii) *Voting*. Class 7 Claims are Impaired and the Holders of Allowed Class 7 Interests are entitled to vote.

(h) *Class 8: Litigation Claims Against All Debtors*.

(i) *Classification*. Class 8 consists of Litigation Claims against each Debtor.

(ii) *Treatment*. On, or as soon as reasonably practicable after, the Initial Distribution Date if such Class 8 Claim is Allowed on the Effective Date or otherwise the date on which such Class 8 Claim becomes Allowed, (i) each Allowed Class 8 Claim shall be Reinstated and paid in the ordinary course if and when finally resolved under applicable local law or (ii) each Holder of an Allowed Class 8 Claim shall receive such other less favorable treatment as to which the Administrative and Disputed Claims Agent and the Holder of such Allowed Class 8 Claim shall have agreed upon in writing. For the avoidance of doubt, the Reinstatement of Allowed Class 8 claims shall be without prejudice to the rights, claims and defenses of the Debtors and/or Reorganized Debtors pursuant to all applicable non-bankruptcy law.

(i) *Voting*. Class 8 Claims are Unimpaired and the Holders of Allowed Class 8 Claims are conclusively presumed to have Accepted the Plan pursuant to section 1126 of the Bankruptcy Code and are therefore not entitled to vote.

(j) *Class 9: Intercompany Claims*.

(i) *Classification*. Class 9 consists of Intercompany Claims at each Debtor.

(ii) *Treatment*. On the Effective Date or, if such Claim is subsequently Allowed, then the date such Class 9 Claim becomes Allowed or as soon as reasonably practicable thereafter, each Allowed Class 9 Claim shall be Reinstated.

(iii) *Voting*. Class 9 Claims are Unimpaired and the Holders of Allowed Class 9 Claims are deemed to have Accepted the Plan pursuant to section 1126 of the Bankruptcy Code and are therefore not entitled to vote.

(k) *Class 10: Existing Equity Interests in LATAM Parent*.

(i) *Classification*. Class 10 consists of Existing Equity Interests in LATAM Parent.

(ii) *Treatment*. Existing Equity Interests in LATAM Parent shall be retained and reinstated subject to the dilution referred to below. No distribution shall be made under the Plan in respect of Existing Equity Interests in LATAM Parent. On the Effective Date, holders of Existing Equity Interests in LATAM Parent shall be substantially diluted by the issuance of ERO New Common Stock and the New Convertible Notes Back-Up Shares pursuant to the Plan, including any conversion of the New Convertible Notes into equity, and by the Management Incentive Plan, such that they hold no more than 0.1% of the common stock in LATAM Parent.

(iii) *Voting*. Class 10 Claims are Impaired and the Holders of Allowed Class 10 Interests are deemed to Reject the Plan pursuant to section 1126 of the Bankruptcy Code and are therefore not entitled to vote.

(l) *Class 11: Equity Interests in Debtors Other Than LATAM Parent*.

(i) *Classification*. Class 11 consists of Equity Interests in Debtors other than LATAM Parent.

(ii) *Treatment*. Effective as of the Effective Date, (i) Equity Interests in Debtors other than LATAM Parent shall be preserved and Reinstated so as to maintain the organizational structure of the Debtors as such structure exists on the Effective Date or (ii) each Holder of an Allowed Class 11 Claim shall receive such other less favorable treatment as to which the Administrative and Disputed Claims Agent and the Holder of such Allowed Class 11 Interest shall have agreed upon in writing.

Voting. Class 11 Claims are Unimpaired and the Holders of Allowed Class 11 Claims are conclusively presumed to have Accepted the Plan pursuant to section 1126 of the Bankruptcy Code and are therefore not entitled to vote.

2. Special Provision Regarding Unimpaired Claims

Except as otherwise provided in the Plan, nothing under the Plan shall affect the Debtors' rights in respect of any Unimpaired Claims, including, without limitation, all rights with respect to legal and equitable defenses, including setoff or recoupment, against any such Unimpaired Claim.

B. Means for Implementation of the Plan

1. No Substantive Consolidation

The Plan is being proposed as a joint plan of reorganization of the Debtors for administrative purposes only. The Plan is not premised upon the substantive consolidation of the Debtors with respect to the Classes of Claims or Interests set forth in the Plan.

2. General Settlement of Claims and Interests

Pursuant to section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, and in consideration for the classification, distributions, releases, and other benefits provided under the Plan, on the Effective Date, the provisions of the Plan shall constitute a good faith compromise and settlement of all Claims and Interests and controversies resolved pursuant to the Plan.

3. Management Incentive Plan

The Debtors' management will be able to participate in a Management Incentive Plan the terms of which shall be agreed by the Debtors and the Commitment Parties at the time of the execution of the Backstop Agreements and which shall be consummated and implemented on the Effective Date.

At the time of the execution of the Backstop Agreements, the Debtors will seek to amend and assume up to approximately forty (40) executives' existing employment agreements, which amended agreements shall include management protection provisions (the "Management Protection Provisions") in the amount of no less than $35 million in the aggregate.

4. Corporate Existence

Except as otherwise provided in the Plan, each Debtor shall continue to exist after the Effective Date as a separate corporate Entity, limited liability company, partnership, or other form, as the case may be, with all the powers of a corporation, limited liability company, partnership, or other form, as the case may be, pursuant to the applicable law in the jurisdiction in which each applicable Debtor is incorporated or formed and pursuant to the respective certificate of incorporation and bylaws (or other formation documents) in effect prior to the Effective Date, except to the extent such certificate of incorporation and bylaws (or other formation documents) are amended by the Plan or otherwise, and to the extent such documents are amended, such documents are deemed to be amended pursuant to the Plan and without any further notice to or action, order, or approval of the Bankruptcy Court or any other court of competent jurisdiction (other than any requisite filings required under applicable state, provincial, or federal law).

5. Issuance of the Plan Securities

Pursuant to Article VI of the Plan, and following all necessary shareholder, board and other corporate approvals as set forth in the Rights Offering Procedures and New Convertible Notes Offering Procedures or as otherwise required under applicable law, Reorganized LATAM Parent is authorized to sell, issue, place and distribute, or cause to be distributed, the Plan Securities, including the ERO New Common Stock, the New Convertible Notes and any and all other securities, notes, stock, instruments, certificates and other documents or agreements required to be issued, executed or delivered pursuant to the Plan (collectively, the "New Securities and Documents") in accordance with the terms and conditions of the Restructuring Documents. Except as otherwise set forth in the Plan, the issuance of the Plan Securities shall be authorized, as of the Effective Date, without the need for any approvals, authorizations, or consents except for those expressly required pursuant to the Plan, the Restructuring Documents or required under the Debtors' or Reorganized Debtors' applicable corporate documents or applicable foreign nonbankruptcy law.

6. Effectuating Documents; Further Transactions

Except as otherwise set forth in the Plan, including Article VI of the Plan, each of the matters provided for by the Plan involving the corporate structure of the Debtors or corporate or related actions to be taken by or required of the Reorganized Debtors, whether taken prior to or as of the Effective Date, shall be authorized without the need for any approvals, authorizations, or consents except for those expressly required pursuant to the Plan or required under the Debtors' or Reorganized Debtors' applicable corporate documents or applicable foreign nonbankruptcy law consistent with the terms and conditions of the Plan and the other Restructuring Documents (as applicable). Such actions may include, without limitation, (i) the appointment of any officers or directors of any Reorganized Debtor, (ii) the authorization, issuance and distribution of ERO New Common Stock, the New Convertible Notes and any other securities to be authorized, issued and distributed pursuant to the Plan, and (iii) the consummation and implementation of the Exit Financing.

On and after the Effective Date, the Reorganized Debtors, and the officers and members of the boards of directors thereof, are authorized to and may issue, execute, deliver, file, or record such contracts, securities, instruments, releases, and other agreements or documents and take such actions as may be necessary or appropriate to effectuate, implement, and further evidence the terms and conditions of the Plan and the securities issued pursuant to the Plan in the name of and on behalf of the Reorganized Debtors, without the need for any approvals, authorizations, or consents except for those expressly required pursuant to the Plan or required under the Debtors' or Reorganized Debtors' applicable corporate documents or applicable foreign nonbankruptcy law consistent with the terms and conditions of the Plan and the other Restructuring Documents (as applicable).

7. Restructuring Transactions

On, prior to, or after the Effective Date, the Debtors or the Reorganized Debtors, as applicable, may enter into any transaction (each a "Restructuring Transaction") and take any actions as may be necessary or appropriate to effectuate the Plan and the Restructuring Support

Agreement that are consistent with and pursuant to the terms and conditions of the Plan, including, without limitation, conducting the ERO Rights Offering, conducting the New Convertible Notes Offering, obtaining the Exit Financing, and all other steps necessary to effectuate the Plan pursuant to any corporate governance obligation from any of the Debtors; provided that, for the avoidance of doubt, the Restructuring Transaction and documentation with respect to the Restructuring Transactions shall be consistent with the terms and conditions of the Plan and the other Restructuring Documents (as applicable).

The actions to effectuate the Restructuring Transactions may include (i) the execution and delivery of appropriate agreements, amendment of by-laws, or other documents containing terms that are consistent with the terms of the Plan and the Restructuring Support Agreement and that satisfy the applicable requirements of applicable law and such other terms to which the applicable entities may agree; (ii) the execution and delivery of appropriate instruments of transfer, assignment, assumption or delegation of any asset, property, right, liability, duty or obligation on terms consistent with the terms of the Plan and having such other terms to which the applicable entities may agree; (iii) the filing of appropriate certificates pursuant to applicable law; (iv) pledging, granting of liens or security interests over, assuming or guarantying obligations or taking such similar actions as may be necessary to preserve the rights and collateral interests of the Holders of Secured Claims of the Debtors and their subsidiaries at all times prior to the effectiveness and consummation of the Plan; and (v) the payment, transfer or assignment of intercompany debt among the Debtors as may be necessary to comply with the term of the Plan and (vi) all other actions that the applicable entities determine to be necessary or appropriate to effectuate the Restructuring Transactions, including making filings or recordings that may be required by applicable law in connection with such transactions (including without limitation, any filings that may be required with the CMF and the Chilean stock exchanges) consistent with the terms and conditions of the Plan and the other Restructuring Documents (as applicable).

The Confirmation Order shall and shall be deemed to, pursuant to sections 363 and 1123 of the Bankruptcy Code, authorize, among other things, all actions as may be necessary or appropriate to effect any transaction described in, approved by, contemplated by, or necessary to effectuate the Plan, including the Restructuring Transactions consistent with the terms and conditions of the Plan and the other Restructuring Documents (as applicable).

8. Exit Financing

On the Effective Date, the Exit Financing shall become effective. From and after the Effective Date, the Reorganized Debtors, subject to any applicable limitations set forth in any post-Effective Date financing documentation, shall have the right and authority without further order of the Bankruptcy Court to raise additional capital and obtain additional financing as the boards of directors of the applicable Reorganized Debtors deem appropriate.

9. Secured Aircraft

The aircraft and equipment securing the Exit Financing (if any) shall be retained by the Debtors and the Reorganized Debtors.

10. Sources of Consideration for Plan Distributions

The Debtors and Reorganized Debtors, as applicable, shall fund distributions under the Plan with: (i) Cash on hand, including Cash from operations or asset dispositions; (ii) Cash proceeds from the subscription of ERO New Common Stock pursuant to the ERO Rights Offering Procedures (including the subscription of ERO New Common Stock by Eligible Equity Holders during the Preemptive Rights Offering Period), (iii) the New Convertible Notes Class A, (iv) the New Convertible Notes Class C, (v) the Cash proceeds from the subscription of the New Convertible Notes (including any Cash proceeds from the subscription of the New Convertible Notes Class A and New Convertible Notes Class C by Eligible Equity Holders during the New Convertible Notes Preemptive Rights Offering Period above the Allowed Class 5a Cash Amount), and (vi) the proceeds of the Exit Financing. Each distribution and issuance referred to in the Plan shall be governed by the terms and conditions set forth in the Plan applicable to such distribution or issuance and by the terms and conditions of the instruments or other documents evidencing or relating to such distribution or issuance, which terms and conditions shall bind each Entity receiving such distribution or issuance.

11. Vesting of Assets in the Reorganized Debtors

Except as otherwise set forth in the Plan, in the Plan Supplement or in the Confirmation Order, as of the Effective Date, all property of each of the Estates, including, without limitation, all Causes of Action (unless released pursuant to Section 11.3(a) of the Plan shall vest and revest in each of the appropriate Reorganized Debtors free and clear of all Claims, Liens, encumbrances and Equity Interests. From and after the Effective Date, the Reorganized Debtors are authorized to operate their businesses and use, acquire and dispose of property and settle and compromise Claims, Equity Interests, or Causes of Action without supervision by the Bankruptcy Court and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules, other than those restrictions expressly imposed by the Plan and the Confirmation Order consistent with the terms and conditions of the Plan and the other Restructuring Documents (as applicable). Without limiting the generality of the foregoing, the Reorganized Debtors may, without application to or approval by the Bankruptcy Court, pay fees that they incur after the Effective Date for professional fees and expenses.

The Plan shall be conclusively deemed to be adequate notice that Liens, Claims, charges and other encumbrances are being extinguished. Any Person having a Lien, Claim, charge or other encumbrance against any of the property vested in accordance with the foregoing paragraph shall be conclusively deemed to have consented to the transfer, assignment and vesting of such property to or in the Reorganized Debtors free and clear of all Liens, Claims, charges or other encumbrances by failing to object to confirmation of the Plan, except as otherwise provided in the Plan.

12. Closing of the Chapter 11 Cases

At any time following the Effective Date, the Reorganized Debtors shall be authorized to file a motion for the entry of a final decree closing the Chapter 11 Cases pursuant to section 350 of the Bankruptcy Code.

13. Cancellation of Notes, Instruments and Debentures

On the Effective Date, except to the extent otherwise provided in the Plan, all notes, instruments, certificates, and other documents including credit agreements and indentures, shall be canceled, and the Debtors' obligations thereunder or in any way related thereto shall be deemed satisfied in full and discharged, *provided, however* that Existing Letters of Credit, Existing Surety Bonds, insurance bonds, financial assurances, Cartas Fianzas, Boletas Bancarias, Boletas Garantía, Seguros de Caución, seguro garantia, fiança bancária, fiança de qualquer natureza, cartas de crédito, and other similar instruments (as amended, restated, renewed, modified, supplemented, extended, confirmed, or counter guaranteed from time to time) issued by various banks and other financial institutions to the Debtors on an unsecured or secured basis in the various countries where the Debtors operate shall not be canceled, satisfied or discharged; provided that nothing shall limit the Debtors' ability to object to or seek a discharge of any contingent claims arising prior to the Effective Date, provided further, any indenture or agreement that governs the rights of the Holder of a Claim shall continue in effect solely for purposes of (i) allowing Holders to receive distributions under the Plan, and (ii) allowing and preserving the rights of the Local Bond Trustees and LATAM 2024/LATAM 2026 Bond Trustees.

14. Exemption from Registration

All Plan Securities shall be registered with the CMF and listed on the Santiago Stock Exchange, and the ERO New Common Stock and New Convertible Notes shall be freely transferrable in Chile by affiliates and non-affiliates as of the Effective Date.

The offer, issuance, sale and/or distribution (as applicable) of Plan Securities will be made in reliance on exemptions from registration under the Securities Act of 1933 (the "Securities Act"), including (but not limited to) Section 4(a)(2) and Regulation S under the Securities Act.

Securities issued in reliance on the exemptions provided by Section 4(a)(2) and Regulation S will become eligible for resale within the time periods set forth in Rule 144 and Regulation S, respectively or pursuant to other valid exemptions from the Securities Act.

The Registration Rights Agreement shall include (i) customary registration rights that will include an agreement to re-sale shelf registration rights and/or piggy back registration rights, (ii) agreement regarding reinstating the ADRs in the U.S., and (iii) a determination regarding whether the common stock will be listed on the New York stock exchange/NASDAQ or other applicable "national securities market" and Chile.

All documents, agreements and instruments entered into and delivered prior to, on or as of the Effective Date contemplated by or in furtherance of this Plan, and any other agreement or document related to or entered into in connection with same, shall become, and shall remain, effective and binding in accordance with their respective terms and conditions upon the parties thereto, in each case without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order or rule or the vote, consent, authorization or approval of any Person or Entity (other than as expressly required by such applicable agreement, the

Debtors' or Reorganized Debtors' applicable corporate documents or applicable foreign non-bankruptcy law.).

15. Settlement of Qatar and Delta Fraudulent Conveyance Claims

Pursuant to Bankruptcy Rule 9019, as of the Effective Date, for good and valuable consideration including, without limitation, that provided in connection with the Plan, the Restructuring Support Agreement, Backstop Shareholder Backstop Commitment Agreements, and other Restructuring Documents, the adequacy of which is hereby confirmed, any purported avoidance, fraudulent conveyance claims and other claims referenced in (i) the *Motion of the Official Committee of Unsecured Creditors for (I) Leave, Standing, and Authority to Commence and Prosecute Certain Claims and Causes of Action On Behalf of the Debtors' Estates Against Delta Air Lines, Inc. and Its Affiliates and (II) Non-Exclusive Settlement Authority Regarding Such Claims* (ECF No. 2531) and (ii) the *Motion of the Official Committee of Unsecured Creditors for (I) Leave, Standing, and Authority to Commence and Prosecute Certain Claims and Causes of Action On Behalf of the Debtors' Estates Against Qatar Airways Q.C.S.C. and Its Affiliates and (II) Non-Exclusive Settlement Authority Regarding Such Claims* (ECF No. 2532) held by the Debtors that may exist against Qatar Airways Q.C.S.C. and Delta Air Lines, Inc. under Sections 544, 548, 550 of the Bankruptcy Code and analogous laws shall be deemed forever released, waived and discharged conclusively, absolutely, unconditionally and irrevocably by the Debtors, the Debtors' Estates and the Reorganized Debtors to the maximum extent permitted by applicable law.

16. Intercompany Claims and Subsidiary Equity Interests

Notwithstanding anything in the Plan to the contrary, on the Effective Date, the Intercompany Claims shall be Reinstated.

Notwithstanding anything in the Plan to the contrary, on the Effective Date, the Subsidiary Equity Interests shall be preserved and Reinstated.

17. Intercompany Account Settlement

The Debtors and the Reorganized Debtors, and their respective Affiliates, will be entitled to transfer funds between and among themselves consistent with the terms of the Cash Management Order, provided that upon emergence the provisions of the Cash Management Order will not have any effect. Any changes in intercompany account balances resulting from such transfers will be accounted for and settled in accordance with the ordinary course intercompany account settlement practices and will not violate the terms of the Plan.

C. Rights Offering and New Convertible Notes

1. ERO New Common Stock

Reorganized LATAM Parent shall conduct the ERO Rights Offering in accordance with the ERO Rights Offering Procedures and the Restructuring Support Agreement. As more fully set forth in the ERO Rights Offering Procedures and the Restructuring Support Agreement, the

ERO Rights Offering shall be open to all Eligible Equity Holders and shall comply with all Chilean law requirements, including the provision of preemptive rights.

LATAM Parent will issue $800 million of ERO New Common Stock, $400 million of which shall be backstopped by the Commitment Creditors in their capacity as ERO New Common Stock Backstop Parties in exchange for an aggregate 20% backstop payment payable in cash on the Effective Date and $400 million of which shall be backstopped by the Backstop Shareholders (up to the Backstop Shareholders Cap) without requiring the payment of a fee.

Backstop Shareholders shall use their preemptive rights during the ERO Preemptive Rights Offering Period to subscribe to the ERO New Common Stock up to the full amount of such preemptive rights, provided that the total number of Reorganized LATAM Parent Stock issued to Backstop Shareholders (inclusive of the Backstop Shareholders' equity ownership in Reorganized LATAM Parent on an as converted basis with respect to New Convertible Notes Class B) is no greater than 27% (the "Backstop Shareholders Cap") (the apportionment of which among the Backstop Shareholders shall be determined by the Backstop Shareholders in their sole discretion) of the total amount of Reorganized LATAM Parent Stock.

In the event not all ERO New Common Stock is subscribed and purchased during the ERO Preemptive Rights Offering Period, there shall be a second, substantially concurrent, round of subscription and purchase in which, Eligible Equity Holders (including, without limitation, the Backstop Shareholders and the Non-Backstop Shareholders) that subscribed for the ERO New Common Stock during the ERO Preemptive Rights Offering Period shall have the option of subscribing and purchasing any unsubscribed ERO New Common Stock on a Pro Rata basis (based on the amount subscribed by such subscribing holders), provided that the amount of Reorganized LATAM Parent Stock issued to the Backstop Shareholders (inclusive of the Backstop Shareholders' equity ownership in Reorganized LATAM Parent on an as converted basis with respect to New Convertible Notes Class B) following the purchase of any such unsubscribed ERO New Common Stock is no greater than the Backstop Shareholders Cap. If any shares of ERO New Common Stock remain unsubscribed following the second round of subscription and purchase, the ERO New Common Stock Backstop Parties shall subscribe and purchase any remaining unsubscribed ERO New Common Stock.

2. New Convertible Notes

i Authorization

Subject to Section 6.2(b) of the Plan, Reorganized LATAM Parent shall be authorized to issue and distribute the New Convertible Notes as set forth in Article III of the Plan, the Restructuring Support Agreement, and the ERO Rights Offering Procedures.

ii Compliance with Non-Bankruptcy Laws

As more fully set forth in the Restructuring Support Agreement and as contemplated by the New Convertible Notes Offering Procedures, LATAM Parent shall conduct the New Convertible Notes Offering in compliance with all Chilean law requirements, including first offering the New Convertible Notes to Eligible Equity Holders pursuant to preemptive rights

offerings in accordance with Chilean law. As provided for herein, New Convertible Notes Class A, to the extent not subscribed and purchased by Eligible Equity Holders during the New Convertible Notes Preemptive Rights Offering Period, shall be distributed to Holders of General Unsecured Claims against LATAM Parent *except* (i) on account of Allowed General Unsecured Claims against LATAM Parent (other than Unused Allowed Claims) held by Participating Holders of General Unsecured Claims and (ii) on account of General Unsecured Claims against LATAM Parent held by Ineligible Holders. In addition, New Convertible Notes Class C, to the extent not subscribed and purchased by Eligible Equity Holders during the New Convertible Notes Preemptive Rights Offering Period, shall be distributed to New Convertible Notes Class C Backstop Parties and the other Participating Holders of General Unsecured Claims as provided under Class 5 with respect to Class 5b Treatment.

iii Class 5b Treatment Opt-in

The Holders of Allowed General Unsecured Claims against LATAM Parent that agree to be Participating Holders of General Unsecured Claims will be eligible to purchase their Pro Rata share of $3.269 billion[52] in New Convertible Notes Class C, subject to the preemptive rights of Eligible Equity Holders and provided that each Holder of an Allowed General Unsecured Claim against LATAM Parent will only be able to subscribe and purchase New Convertible Notes Class C by providing consideration of $0.921692 of new money for each $1 of Allowed General Unsecured Claims held against LATAM Parent. To the extent any Participating Holder of General Unsecured Claims that elected to receive Class 5b Treatment does not receive a full allocation on account of its Allowed Class 5 Claim, the remaining amount of such Allowed Class 5 Claim shall receive Class 5a Treatment and shall receive New Convertible Notes Class A and New Convertible Notes Class A Preemptive Rights Proceeds with respect to such amount (as an Unused Allowed Claim). Further, any Holder of an Allowed Class 5 Claim who agrees to be a Participating Holder of General Unsecured Claims but does not timely comply with all applicable requirements of the New Convertible Notes Offering Procedures, including by delivering the necessary cash consideration for its purchase of New Convertible Notes Class C and New Convertible Notes Class A Preemptive Rights Proceeds, shall be treated as having not elected Class 5b Treatment, and shall receive New Convertible Notes Class A with respect to its Allowed Claim and shall not have any right to purchase or to receive an allocation of Convertible Notes Class C.

D. Provisions Governing Distributions

1. Distributions for Claims Allowed as of the Effective Date

Except as otherwise provided in the Plan or as ordered by the Bankruptcy Court, distributions to be made on account of Claims that are Allowed Claims as of the Effective Date shall be made on the Initial Distribution Date or as soon thereafter as is practicable.

Notwithstanding anything to the contrary herein, on the Initial Distribution Date, or as soon thereafter as is reasonably practicable, the Disbursing Agent will distribute to (i) the RCF

[52] The total amount of distributions and new money contributions is subject to change based on Holders of General Unsecured Claims that opt into Class 5b Treatment.

Agent and Spare Engine Facility Agent, the treatment accorded to Holders of Allowed Class 1 and 2 Claims in Article III of the Plan, (ii) each Holder of an Allowed Claim in Classes 3, 5, 6 and 11, the treatment accorded to such Holder in Article III of the Plan; and (iii) the LATAM 2024/2026 Bond Trustees, the treatment accorded to the Class 4 Claims.

Any distribution to be made pursuant to the Plan shall be deemed to have been made on the Effective Date. Any payment or distribution required to be made under the Plan on a day other than a Business Day shall be made on the next succeeding Business Day. Distributions on account of Disputed Claims that first become Allowed Claims after the Effective Date shall be made pursuant to Article IX of the Plan.

2. Disbursing Agent

Except as otherwise provided in the Plan, all Cash distributions and other distributions to be made by the Debtors or the Reorganized Debtors, under the Plan or otherwise in connection with the Chapter 11 Cases (including, without limitation, professional compensation and statutory fees) shall be made by the Disbursing Agent. The Disbursing Agent shall not be required to give any bond or surety or other security for the performance of its duties unless otherwise ordered by the Bankruptcy Court. The Disbursing Agent may employ or contract with other entities to assist in or make the distributions required by the Plan.

3. Delivery of Distributions and Undeliverable or Unclaimed Distributions

i Delivery of Distributions to Holders of Allowed Claims in General.

Unless otherwise agreed to between the Debtors or the Reorganized Debtors, as applicable, and the Holder of an Allowed Claim, the Debtors shall cause distributions to be made to the Holders of Allowed Claims in the same manner and to the same addresses as such payments are made in the ordinary course of the Debtors' businesses, unless another address is listed on the Holder's proof of claim form, in which case such address will be used.

No distributions shall be made on a Disputed Claim until and unless and until such Disputed Claim becomes an Allowed Claim.

In order to permit distributions under the Plan, Reorganized Debtors may, but will not be required to, establish reasonable reserves for Disputed Claims.

Physical certificates representing the New Convertible Notes will not be issued pursuant to the Plan. Physical certificates representing the ERO New Common Stock will be issued pursuant to the requirements of applicable law. The ERO New Common Stock and the New Convertible Notes will be registered with the CMF and on the Bolsa de Comercio de Santiago, Bolsa de Valores, and Bolsa Electrónica de Chile, Bolsa de Valores.

ii Undeliverable, Unnegotiated and Unclaimed Distributions.

(a) *Holding of Undeliverable, Unnegotiated and Unclaimed Distributions.*

If the distribution to any Holder of an Allowed Claim is returned to the Disbursing Agent or the Debtors as undeliverable or is otherwise unclaimed or not negotiated, no further distributions shall be made to such Holder unless and until the Disbursing Agent is notified in writing of such Holder's then-current address.

(b) *After Distributions Become Deliverable.*

The Disbursing Agent shall make all distributions that have become deliverable or have been claimed since the Initial Distribution Date as soon as practicable after such distribution has become deliverable or has been claimed.

(c) *Failure to Claim Undeliverable or Unnegotiated Distributions.*

Any Holder of an Allowed Claim (or any successor or assignee or other Person or Entity claiming by, through, or on behalf of, such Holder) that does not assert a claim pursuant to the Plan for an undeliverable or unclaimed distribution within six months after the later of the Effective Date or the date such distribution was made shall be deemed to have forfeited its Claim for such undeliverable or unclaimed distribution and shall be forever barred and enjoined from asserting any such Claim for an undeliverable or unclaimed distribution against the Debtors or their Estates, the Reorganized Debtors or their property. In such cases, (a) any Cash for distribution on account of such Claims for undeliverable or unclaimed distributions shall become the property of the Reorganized Debtors free of any restrictions thereon and notwithstanding any federal or state escheat laws or other applicable local laws to the contrary and (b) any New Securities and Documents held for distribution on account of such Claim shall be converted into equity (if applicable) and sold by Reorganized LATAM Parent in a manner consistent with applicable law and the applicable Reorganized Debtor's governing documents, and the proceeds of such sale shall become the property of the Reorganized Debtors free of any restrictions thereon. Nothing contained in the Plan shall require the Debtors, the Reorganized Debtors, or the Disbursing Agent to attempt to locate any Holder of an Allowed Claim.

(d) *Non-Complying Holders.*

Any Non-Complying Holder that fails to cure its non-compliance with the New Convertible Notes Offering Procedures within thirty (30) days after the Effective Date shall be deemed to have forfeited its Claim for distributions on account of its General Unsecured Claim against LATAM Parent and shall be forever barred and enjoined from asserting any such Claim for distributions against the Debtors or their Estates, the Reorganized Debtors or their property. In such cases, (a) any Cash for distribution on account of such General Unsecured Claim against LATAM Parent shall become the property of the Reorganized Debtors free of any restrictions thereon and notwithstanding any federal or state escheat laws or other applicable local laws to the contrary and (b) any New Securities and Documents held for distribution on account of such General Unsecured Claim against LATAM Parent shall be converted into equity (if applicable)

and sold by Reorganized LATAM Parent in a manner consistent with Reorganized LATAM Parent's governing documents, and the proceeds of such sale shall become the property of the Reorganized Debtors free of any restrictions thereon.

(e) *No Effect on Cash Distributions.*

Any Holder of an Allowed Claim (or any successor or assignee or other Person or Entity claiming by, through, or on behalf of, such Holder) entitled to receive both a distribution of Cash and a distribution of Plan Securities may receive such Cash distribution even if its distribution of Plan Securities has not yet occurred, is returned to the Disbursing Agent as undeliverable, or is otherwise unclaimed.

4. Distribution Record Date

On the Distribution Record Date, the Claims Register shall be closed and the Disbursing Agent shall be authorized and entitled to recognize only those Holders listed on the Claims Register as of the close of business on the Distribution Record Date. Notwithstanding the foregoing, if a Claim is transferred less than twenty days before the Distribution Record Date, the Disbursing Agent shall make distributions to the transferee only to the extent practical and in any event only if the relevant transfer form contains an unconditional and explicit certification and waiver of any objection to the transfer by the transferor.

5. Cash Payments

At the Debtors' discretion, payments made pursuant to the Plan shall be made by the Disbursing Agent in Cash and by (i) checks drawn on the Disbursing Agent, (ii) wire transfer from a bank selected by the Disbursing Agent or (iii) any other customary payment method. Any Cash distributions required under the Plan to foreign Creditors may be made, at the option of the Disbursing Agent, by such means as are necessary or customary in a particular foreign jurisdiction. Any check issued by the Disbursing Agent shall be null and void if not negotiated within ninety days. Any Cash distributions required under the Plan in respect of Allowed RCF Claims, Allowed Spare Engine Facility Claims, and Allowed Local Bond Claims shall be paid by the Disbursing Agent to the RCF Agents, Spare Engine Facility Agent, or Local Bond Trustees (as applicable) by federal funds wire transfer on the Initial Distribution Date.

6. Limitation on Recovery

No Holder of an Allowed Claim shall receive in respect of such Claim any distribution in excess of the Allowed amount of such Claim including, without limitation, distributions from more than one Debtor due to guarantees, undertakings, or joint and several obligations. In the event that the sum of distributions from several Debtors' Estates with respect to an Allowed Claim would be in excess of one hundred percent (100%) of the applicable Holder's Allowed Claim, then the proceeds remaining to be distributed to such Holder in excess of such one hundred percent (100%) shall be redistributed to other Holders of Allowed Claims against such Debtor or Debtors, or shall revest in the Reorganized Debtors, in accordance with the provisions of the Plan and the Bankruptcy Code. Further, to the extent that an Allowed Claim arises in whole or in part of out of a guarantee or other form of co-liability between multiple Debtors and any other Allowed Claim asserted in respect of such co-liability is Unimpaired, so long as the

aggregate disbursement on account of such Allowed Claims results in the Holder(s) recovering the full value to which they are entitled on account of such Unimpaired Allowed Claim(s), the Debtors or Reorganized Debtors shall retain the discretion to determine how to allocate such aggregate recovery across such multiple Allowed Claims, including, for the avoidance of doubt, the extent of such Holder(s)' eligibility to participate in the New Convertible Notes Offering.

7. Withholding and Reporting Requirements

In connection with the Plan and all distributions in the Plan, the Reorganized Debtors shall comply with all withholding and reporting requirements imposed by any U.S. federal, state or local taxing authority or foreign taxing authority and all distributions in the Plan shall be subject to any such withholding and reporting requirements. The Reorganized Debtors shall be authorized to take any and all actions that may be necessary or appropriate to comply with such withholding and reporting requirements. All Persons holding Claims shall be required to provide any information necessary to effectuate information reporting and the withholding of such taxes. Notwithstanding any other provision of the Plan to the contrary, (a) each Holder of an Allowed Claim shall be liable for any tax obligations imposed by any governmental unit, including income, withholding and other tax obligations, on account of such distribution, (b) any amounts deducted or withheld from any distribution to a Holder by the Reorganized Debtors in respect of any tax shall be treated as if distributed to such Holder in connection with the Plan, and (c) at the discretion of the Reorganized Debtors, no distribution shall be made to or on behalf of such Holder pursuant to the Plan unless and until such Holder has made arrangements satisfactory to the Reorganized Debtors for the payment and satisfaction of such tax obligations. Any Cash, New Securities and Documents and/or other consideration or property to be distributed pursuant to the Plan shall, pending the implementation of such arrangements, be treated as an unclaimed distribution pursuant to Section 7.3(b) of the Plan.

8. Setoffs

The Reorganized Debtors may, pursuant to section 553 of the Bankruptcy Code and applicable non-bankruptcy law, but shall not be required to, set off against any payments or other distributions to be made pursuant to the Plan in respect of an Allowed Claim, claims of any nature whatsoever that the Debtors or the Reorganized Debtors may have against the Holder of such Claim; provided, however, that neither the failure to do so nor the allowance of any Claim in the Plan shall constitute a waiver or release by the Reorganized Debtors of any claim that the Debtors or the Reorganized Debtors may have against such Holder.

9. No Fractional Shares

There shall be no distribution of fractional shares. Where a fractional share, or fractional warrant would otherwise be called for, the actual issuance shall reflect a rounding down of such fraction.

10. Compliance with Hart-Scott-Rodino and Similar Requirements

Any shares of Reorganized LATAM Parent to be distributed under the Plan to any entity required to file a Premerger Notification and Report Form under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, or to meet any similar requirements under applicable

non-U.S. law, shall not be distributed until the notification and waiting periods applicable under such law to such entity shall have expired or been terminated.

E. Treatment of Executory Contracts and Unexpired Leases

1. Contracts and Leases Entered into after the Petition Date

Contracts and leases entered into after the Petition Date by any Debtor will be performed by the applicable Debtor or Reorganized Debtor, as the case may be, liable thereunder in the ordinary course of its business or as authorized by the Bankruptcy Court. Accordingly, such contracts and leases (including any assumed executory contracts and unexpired leases) will survive and remain unaffected by entry of the Confirmation Order, and, on the Effective Date, shall revest in and be fully enforceable by the applicable Reorganized Debtor in accordance with its terms, except as such terms may have been modified by order of the Bankruptcy Court.

2. Assumption, Rejection and Assignment of Executory Contracts and Unexpired Leases

Except as otherwise provided for in the Plan, on the Effective Date, all executory contracts and unexpired leases of the Debtors will be deemed automatically rejected in accordance with and subject to the provisions and requirements of sections 365 and 1123 of the Bankruptcy Code without the need for any further notice to or action, order or approval of the Bankruptcy Court, unless such executory contracts and unexpired leases are (i) identified on Exhibit D to the Plan as Assumed Contracts or Exhibit E to the Plan as Assigned Contracts and not removed from such exhibit prior to the Effective Date, (ii) previously assumed by order of the Bankruptcy Court, or (iii) the subject of a motion to assume filed with the Bankruptcy Court on or before the Effective Date; provided that the Debtors reserve the right to seek, following entry of the Confirmation Order, assumption of an executory contract or unexpired lease that was deemed rejected. The amendment of an executory contract or unexpired lease after the Petition Date shall not, by itself, constitute the assumption of such executory contract or unexpired lease. For the avoidance of doubt, an executory contract or unexpired lease may be deemed automatically rejected even if not specifically listed on Exhibit C to the Plan.

With respect to Aircraft Leases that were not previously assumed, had not previously expired or terminated pursuant to their terms, or are not subject to a motion to assume or assume and assign filed on or before the date the Confirmation Order is entered, the Debtors shall assume only those Aircraft Leases and related executory contracts that are designated specifically as an unexpired lease or executory contract on Exhibit D to the Plan. For the avoidance of doubt, any executory contracts or unexpired leases that are ancillary to Aircraft Leases that have been previously assumed or are being assumed under the Plan shall be deemed assumed. To the extent certain of the Debtors' finance leases that were amended during the course of these Chapter 11 Cases, the debt associated with such leases shall be provided the treatment agreed between the applicable Debtor(s) and the lease counterparties in the applicable governing amendment documents.

The assumption of Executory Contracts and Unexpired Leases under the Plan may include the assignment of certain of such contracts to Affiliates. Each Assigned Contract shall

be listed on Exhibit E to the Plan, along with the proposed counterparty to such Assigned Contract.

Each Rejected Contract shall be rejected only to the extent that it constitutes an executory contract or unexpired lease.

Without amending or altering any prior order of the Bankruptcy Court approving the assumption, assignment or rejection of any executory contracts and unexpired leases, entry of the Confirmation Order shall constitute approval of the assumptions, assignments and rejections as applicable, provided in the Plan, pursuant to sections 365(a), 365(f) and 1123 of the Bankruptcy Code. To the extent any provision in any executory contracts and unexpired leases assumed or assigned pursuant to the Plan (including, without limitation, any "change of control" provision) conditions, restricts or prevents, or purports to restrict or prevent, or is breached or deemed breached by, the applicable assumption or assignment of such executory contract or unexpired lease, or that terminates or modifies such executory contract or unexpired lease or allows the counterparty to such executory contract or lease to terminate, modify, recapture, impose any penalty, condition renewal or extension, or modify any term or condition upon any such assumption or assignment, then such provision shall be deemed void and of no force or effect such that the transactions contemplated by the Plan shall not entitle the non-debtor party thereto to terminate or modify such executory contract or unexpired lease or to exercise any other default-related rights with respect thereto. Confirmation of the Plan and consummation of the transactions contemplated thereby shall not constitute a change of control under any executory contract or unexpired lease assumed by the Debtors on or prior to the Effective Date.

3. Insurance Policies and Indemnification Obligations

Notwithstanding anything to the contrary in the Plan or in the Plan Supplement, each of the insurance policies of the Debtors, including all director and officer insurance policies in place as of or subsequent to the Petition Date, are deemed to be and treated as executory contracts under the Plan. Unless listed on Exhibit C to the Plan, on the Effective Date, the Debtors shall be deemed to have assumed all insurance policies, including all director and officer insurance policies in place as of the Petition Date, provided, that the Reorganized Debtors shall not indemnify officers, directors, equity holders, agents, or employees, as applicable, of the Debtors for any claims or Causes of Action arising out of or relating to any act or omission that is a criminal act or constitutes intentional fraud, gross negligence, or willful misconduct.

In addition, after the Effective Date, all current and former officers, directors, agents, or employees who served in such capacity at any time before the Effective Date shall be entitled to the full benefits of any D&O Policy (including any "tail" policy) for the full term of such policy regardless of whether such officers, directors, agents, and/or employees remain in such positions after the Effective Date, in each case, to the extent set forth in such policies. In addition, after the Effective Date, the Reorganized Debtors shall not terminate or otherwise reduce the coverage under any D&O Policy (including any "tail" policy) in effect as of or subsequent to the Petition Date; provided, that, for the avoidance of doubt, any insurance policy, including tail insurance policies, for directors', members', trustees', and officers' liability to be purchased or maintained

by the Reorganized Debtors after the Effective Date shall be subject to the ordinary-course corporate governance of the Reorganized Debtors.

Notwithstanding anything in the Plan, any Indemnification Obligation to indemnify current and former officers, directors, members, managers, agents, sponsors, or employees with respect to all present and future actions, suits, and proceedings against the Debtors or such officers, directors, members, managers, agents, or employees based upon any act or omission for or on behalf of the Debtors shall (i) remain in full force and effect, (ii) not be discharged, impaired, or otherwise affected in any way, including by the Plan, the Plan Supplement, or the Confirmation Order, (iii) not be limited, reduced or terminated after the Effective Date, and (iv) survive unimpaired and unaffected irrespective of whether such Indemnification Obligation is owed for an act or event occurring before, on or after the Petition Date; provided, that the Reorganized Debtors shall not indemnify officers, directors, members, or managers, as applicable, of the Debtors for any claims or Causes of Action that are not indemnified by such Indemnification Obligation. All such obligations shall be deemed and treated as executory contracts to be assumed by the Debtors under the Plan and shall continue as obligations of the Reorganized Debtors, and, if necessary to effectuate such assumption under local law, Reorganized LATAM Parent shall contractually assume such obligations. Any claim based on the Debtors' obligations under the Plan shall not be a Disputed Claim or subject to any objection, in either case, by reason of section 502(e)(1)(B) of the Bankruptcy Code.

4. Intellectual Property Licenses and Agreements

Notwithstanding anything to the contrary in the Plan or in the Plan Supplement, all intellectual property contracts, licenses, royalties, or other similar agreements to which the Debtors have any rights or obligations in effect as of the date of the Confirmation Order shall be deemed and treated as executory contracts pursuant to the Plan and shall be assumed by the Debtors and Reorganized Debtors, as applicable, and shall continue in full force and effect unless any such intellectual property contract, license, royalty, or other similar agreement otherwise is listed on Exhibit C to the Plan, specifically rejected pursuant to a separate order of the Bankruptcy Court or is the subject of a separate rejection motion filed by the Debtors. Unless otherwise noted in the Plan, all other intellectual property contracts, licenses, royalties, or other similar agreements shall vest in the Reorganized Debtors and the Reorganized Debtors may take all actions as may be necessary or appropriate to ensure such vesting as contemplated in the Plan.

5. Compensation and Benefit Programs; Other Employee Obligations

Notwithstanding anything to the contrary in the Plan or in the Plan Supplement, all employment, confidentiality, and non-competition agreements (including, for the avoidance of doubt, any agreements with third-party personnel vendors or any agreements with independent contractors), collective bargaining agreements, offer letters (including any severance set forth therein), bonus, gainshare and incentive programs, vacation, holiday pay, paid-time off, leaves, severance, retirement, supplemental retirement, indemnity, executive retirement, pension, deferred compensation, medical, dental, vision, life and disability insurance, flexible spending account, and other health and welfare benefit plans, programs, agreements and arrangements, and all other wage, compensation, employee expense reimbursement, unemployment insurance, workers' compensation, and all other benefit obligations (including, for the avoidance of doubt,

letter agreements with respect to certain employees' rights and obligations in the event of certain terminations of their employment in connection with and following the implementation of the Restructuring Transactions) (collectively, the "Compensation and Benefits Plans") are deemed to be, and will be treated as, Executory Contracts under the Plan and, on the Effective Date, will be deemed assumed pursuant to sections 365 and 1123 of the Bankruptcy Code (in each case, as amended prior to or on the Effective Date); unless any such Compensation and Benefit Plan is listed on Exhibit C to the Plan, specifically rejected pursuant to a separate order of the Bankruptcy Court or is the subject of a separate rejection motion filed by the Debtors; provided, that no employee equity or equity-based incentive plans, or any provisions set forth in any Compensation and Benefits Plans that provide for rights to acquire equity interests in any of the Debtors will be assumed, or deemed assumed, by the Reorganized Debtors.

6. Intercompany Agreements

Notwithstanding anything to the contrary in the Plan or in the Plan Supplement, all contracts, unexpired leases and other agreements solely between a Debtor and (i) any other Debtor or (ii) any subsidiary or Affiliate of a Debtor (each, an "Intercompany Agreement" and collectively, the "Intercompany Agreements") are deemed to be, and will be treated as, Executory Contracts under the Plan and, on the Effective Date, will be deemed assumed pursuant to sections 365 and 1223 of the Bankruptcy Code (in each case, as amended prior to or on the Effective Date) unless any such Intercompany Agreement is listed on Exhibit C to the Plan, specifically rejected pursuant to a separate order of the Bankruptcy Court or is the subject of a separate rejection motion filed by the Debtors.

7. Critical Airline Agreements

Notwithstanding anything to the contrary in the Plan or in the Plan Supplement, all agreements with or administered by the International Air Transport Association and any bilateral interline agreements with other airlines (including interline agreements related to the Debtors' cargo business) along with all related clearinghouse agreements are deemed to be, and will be treated as, Executory Contracts under the Plan and, on the Effective Date, will be deemed assumed pursuant to sections 365 and 1123 of the Bankruptcy Code (in each case, as amended prior to or on the Effective Date) unless any such agreement or contract is listed on Exhibit C to the Plan, specifically rejected pursuant to a separate order of the Bankruptcy Court or is the subject of a separate rejection motion filed by the Debtors. Furthermore, all reciprocal and unilateral code share agreements, lounge access agreements, special prorate agreements and frequent flyer program agreements, as well as all related clearinghouse agreements, are deemed to be, and will be treated as, Executory Contracts under the Plan and, on the Effective Date, will be deemed assumed pursuant to sections 365 and 1123 of the Bankruptcy Code (in each case, as amended prior to or on the Effective Date) unless any such agreement or contract is listed on Exhibit C to the Plan, specifically rejected pursuant to a separate order of the Bankruptcy Court or is the subject of a separate rejection motion filed by the Debtors.

8. Preexisting Obligations to the Debtors Under Rejected Contracts

Rejection of any Rejected Contract pursuant to the Plan shall not constitute a termination of pre-existing obligations owed to the applicable Debtor(s) under such Rejected Contract. In

particular, notwithstanding any non-bankruptcy law to the contrary, the Reorganized Debtors expressly reserve and do not waive any right to receive, or any continuing obligation of a counterparty to provide, warranties or continued maintenance obligations on goods previously purchased by the contracting Debtors or Reorganized Debtors, as applicable, from counterparties to any Rejected Contract.

9. Subsequent Modifications, Amendments, Supplements or Restatements

Unless otherwise provided by the Plan or by separate order of the Bankruptcy Court, each executory contract and unexpired lease that is assumed, whether or not such executory contract or unexpired lease relates to the use, acquisition or occupancy of real property, shall include (a) all modifications, amendments, supplements, restatements or other agreements made directly or indirectly by any agreement, instrument or other document that in any manner affects such executory contract or unexpired lease and (b) all executory contracts or unexpired leases appurtenant to the premises, if any, including all easements, licenses, permits, rights, privileges, immunities, options, rights of first refusal, powers, and uses, unless any of the foregoing agreements has been or is rejected pursuant to an order of the Bankruptcy Court or is otherwise rejected as part of the Plan. Modifications, amendments, supplements and restatements to prepetition executory contracts and unexpired leases that have been executed by the Debtors during the Chapter 11 Cases and actions taken in accordance therewith (i) do not alter in any way the prepetition nature of the executory contracts and unexpired leases, or the validity, priority or amount of any Claims against the Debtors that may arise under the same, (ii) are not and do not create postpetition contracts or leases, (iii) do not elevate to administrative expense priority any Claims of the counterparties to the executory contracts and unexpired leases against any of the Debtors, and (iv) do not entitle any entity to a Claim under any section of the Bankruptcy Code on account of the difference between the terms of any prepetition executory contracts or unexpired leases and subsequent modifications, amendments, supplements or restatements.

10. Reservation of Rights

The Debtors reserve their right, on or before **4:00 p.m. (prevailing Eastern Time)** on the Business Day immediately before the Confirmation Hearing, as may be rescheduled or continued, to (i) amend Exhibit C, Exhibit D and Exhibit E to the Plan to delete or add any unexpired lease or executory contract. The counterparty to any executory contracts or unexpired leases first listed on or removed from Exhibit C, Exhibit D or Exhibit E, as applicable, on or before the date that is five calendar days before the Confirmation Hearing, shall have five calendar days from the date of such amended Exhibit to file a Treatment Objection. The counterparty to any executory contract or unexpired lease first listed on or removed from Exhibit C, Exhibit D or Exhibit E, as applicable, later than the date that is five calendar days before the Confirmation Hearing, shall have until the Confirmation Hearing to file a Treatment Objection. The counterparty to any executory contracts or unexpired leases first listed on or removed from in Exhibit C, Exhibit D or Exhibit E, as applicable, on or after the date of the Confirmation Hearing, shall have ten calendar days from the service of such amended Exhibit to file a Treatment Objection.

If the Debtors, in their discretion, determine that the amount asserted to be the necessary "cure" amount would, if ordered by the Bankruptcy Court, make the assumption and/or

assignment of the executory contract or unexpired lease imprudent, then the Debtors may elect to (i) reject the relevant executory contract or unexpired lease or (ii) request an expedited hearing on the resolution of the "cure" dispute, exclude assumption or rejection of the contract or lease from the scope of the Confirmation Order, and retain the right to reject the executory contract or unexpired lease pending the outcome of such dispute.

If the Debtors, in their discretion, determine that the amount asserted to be the necessary rejection damages amount would, if ordered by the Bankruptcy Court, make the rejection of the executory contract or unexpired lease imprudent, then the Debtors may elect to (i) assume the relevant executory contract or unexpired lease, (ii) assume and assign the relevant executory contract or unexpired lease, or (iii) request an expedited hearing on the resolution of the rejection damages dispute, exclude assumption or rejection of the contract or lease from the scope of the Confirmation Order, and retain the right to assume or assume and assign the executory contract or unexpired lease pending the outcome of such dispute.

Neither the exclusion nor inclusion of any contract or lease in Exhibit C, Exhibit D or Exhibit E to the Plan, nor anything contained in the Plan, shall constitute an admission by the Debtors that any such contract or lease is in fact an executory contract or unexpired lease or that the Reorganized Debtors have any liability thereunder.

11. Rejection Damages for Rejected Contracts; Cure of Defaults of Assumed Executory Contracts and Unexpired Leases

All executory contracts and unexpired leases that are not expressly assumed shall be deemed rejected as of the Effective Date. Unless otherwise provided for in the Plan, in Exhibit C to the Plan, or in the Plan Supplement, the rejection damages for each Rejected Contract shall be zero. In the event that the rejection of an executory contract or unexpired lease in the Plan results in damages to the other party or parties to such contract or lease, any Claim for such damages shall be classified and treated as a General Unsecured Claim against the applicable Debtor(s), and may be objected to in accordance with the provisions of Section 8.12 of the Plan and the applicable provisions of the Bankruptcy Code and Bankruptcy Rules. Such Claim shall be forever barred and unenforceable against any Debtor or Reorganized Debtor, their respective Affiliates, successors or assigns or the property of any of them, unless a proof of Claim is filed with the Bankruptcy Court and served upon counsel for the Debtors by the later of (i) the date of entry of an order of the Bankruptcy Court approving such rejection, (ii) entry of the Confirmation Order, and (iii) the effective date of the rejection of such executory contract or unexpired lease.

With respect to any Assigned Contracts and Assumed Contracts, other than those assumed pursuant to Sections 8.1, 8.3, 8.4, 8.5 or 8.6 in the Plan, at least ten (10) days before the deadline to object to confirmation of the Plan, the Debtors shall serve a notice on parties to all Assigned Contracts and Assumed Contracts reflecting the Debtors' intention to potentially assume or assume and assign the Assumed Contract or Assigned Contract in connection with the Plan and, where applicable, setting forth the proposed cure amount (the "Cure Amount") (if any) (the "Assumption Notice"). Except as otherwise provided for in the Plan or in the Assumption Notice or as may be otherwise agreed in writing by the applicable Debtor and counterparty, the Cure Amount for each Assigned Contract and Assumed Contract shall be zero. All Cure

Amounts shall be satisfied, pursuant to section 365(b)(1) of the Bankruptcy Code, by payment in Cash in the amounts set forth in the Assumption Notice, or on such other terms as the parties to each such executory contract or unexpired lease may otherwise agree in writing, on or as soon as practicable following the Effective Date or on such other terms as the parties to each such executory contract or unexpired lease may otherwise agree. Pursuant to section 365(b)(2)(D) of the Bankruptcy Code, no counterparty to an executory contract or unexpired lease shall be allowed a Claim, as part of its Cure Amount, for a default rate of interest or any other form of late payment penalty.

In the event of a dispute pertaining to assumption, assignment, or the Cure Amount set forth in the Assumption Notice, the cure payments required by section 365(b)(1) of the Bankruptcy Code shall be made following the resolution of the dispute in accordance with Section 8.12 of the Plan. Pending the resolution of such dispute, the executory contract or unexpired lease at issue shall be deemed conditionally assumed by the relevant Reorganized Debtor unless otherwise ordered by the Bankruptcy Court. To the extent that any Person fails to timely File an objection to the assumption, assumption and assignment, or the Cure Amount listed in the Assumption Notice or otherwise as set forth in Section 8.12 of the Plan, such Person is deemed to have consented to such Cure Amounts and the assumption or assumption and assignment of such executory contracts or unexpired leases pursuant to the Plan. The Cure Amounts set forth in the Assumption Notice shall be final and binding on all non-debtor parties (including any successors and designees) to such executory contracts or unexpired leases set forth in the Assumption Notice, and shall not be subject to further dispute or audit based on performance prior to the time of assumption, irrespective of the terms and conditions of such executory contract or unexpired lease. Each counterparty to an assumed or assumed and assigned executory contract or unexpired lease, whether entered before or after the Petition Date, shall be forever barred, estopped, and permanently enjoined from (i) asserting against any Reorganized Debtor, its Affiliates, successors or assigns or the property of any of them, any default existing as of the Effective Date or any counterclaim, defense, setoff or any other interest asserted or assertable against the Debtors; and (ii) imposing or charging against any Reorganized Debtor any accelerations, assignment fees, increases or any other fees as a result of any assumption or assignment pursuant to the Plan.

Upon the assignment of any Assigned Contract, no default shall exist thereunder and no counterparty to any such Assigned Contract shall be permitted to declare a default by the Debtors or the Reorganized Debtors thereunder or otherwise take action against the Reorganized Debtors, their Affiliates, successors or assigns or the property of any of them, as a result of any of the Restructuring Transactions, or any Debtor's financial condition, bankruptcy or failure to perform any of its obligations under such Assigned Contract prior to the Effective Date. Any provision in any Assigned Contract that is assigned under the Plan which prohibits or conditions the assignment or allows the counterparty thereto to terminate, recapture, impose any penalty, condition on renewal or extension, or modify any term or condition upon such assignment, constitutes an unenforceable anti-assignment provision that is void and of no force and effect.

12. Objections to Rejection, Assumption, Assignment or Cure

Except as provided by Section 8.10 of the Plan regarding amendments to Exhibit C, Exhibit D and Exhibit E to the Plan, responses or objections, if any, to the (i) rejection, including

any applicable rejection damages, (ii) assumption, (iii) assumption and assignment, or (iv) any Cure Amount related to any contracts or leases to be assumed or assumed and assigned under the Plan (each a "Treatment Objection"), shall be Filed, together with proof of service, with the Clerk of the United States Bankruptcy Court, Southern District of New York, One Bowling Green, New York, NY 10004, and served such that the responses or objections are actually received no later than **4:00 p.m. prevailing Eastern Time) on [●]** (the "Confirmation Objection Deadline") by each of the following parties:

(i) counsel to the Debtors, Cleary Gottlieb Steen & Hamilton LLP, One Liberty Plaza, New York, New York 10006, Attention: Richard J. Cooper, Esq., Lisa M. Schweitzer, Esq., Luke A. Barefoot, Esq. and Thomas S. Kessler, Esq.;

(ii) the Office of the United States Trustee, U.S. Department of Justice, 201 Varick Street, Room 1006, New York, NY 10014, Attention: Brian Masumoto, Esq.;

(iii) counsel to the Committee, Dechert LLP, 1095 Avenue of the Americas, New York, NY 10036, Attention: Allan S. Brilliant, Esq., Craig P. Druehl, Esq. and David H. Herman, Esq.; and

(iv) counsel to the Commitment Creditors Kramer Levin Naftalis & Frankel LLP, 1177 Avenue of the Americas, New York, New Yord 10036, Attn: Kenneth H. Eckstein, Esq. and Rachael L. Ringer, Esq.;

(v) counsel to each of the Backstop Shareholders and the Eblen Group: (i) Davis Polk & Wardwell LLP, 450 Lexington Ave, New York, NY 10017, Attn: Marshall Huebner, Esq, Lara Samet Buchwald, Esq., Adam L. Shpeen, Esq. and Gene Goldmintz, Esq.; (ii) Alston & Bird LLP, 90 Park Avenue, New York, NY 10016, Attn: Gerard S. Catalanello, Esq. and James J. Vincequerra, Esq.; and (iii) Wachtell, Lipton, Rosen & Katz, 51 West 52nd Street, New York, NY 10019, Attn: Richard G. Mason, Esq. and Angela K. Herring, Esq.; and

(vi) any non-Debtor parties to such executory contract or unexpired lease.

Any objection to the proposed Cure Amount or to the proposed rejection damages shall state with specificity the cure amount or rejection damages amount, as applicable, the objecting party believes is required and provide appropriate documentation in support thereof. If any Treatment Objection is not timely Filed and served before the Confirmation Objection Deadline, each counterparty to an assumed, assumed and assigned, or rejected executory contract or unexpired lease, whether entered before or after the Petition Date, shall be forever barred from (i) objecting to the rejection, assumption, assignment, rejection damages amount, and/or Cure Amount provided in the Plan, and shall be precluded from being heard at the Confirmation Hearing with respect to such objection; (ii) asserting against any Reorganized Debtor, its

Affiliates, successors or assigns or the property of any of them any default existing as of the Effective Date or any counterclaim, defense, setoff or any other interest asserted or assertable against the Debtors; and (iii) imposing or charging against any Reorganized Debtor any accelerations, assignment fees, increases or any other fees as a result of any assumption or, assumption and assignment or rejection pursuant to the Plan.

On and after the Effective Date, the Reorganized Debtors may, in their sole discretion, settle Treatment Objections without any further notice to or action by the Bankruptcy Court or any other party (including by paying any agreed "cure" amounts).

For each executory contract or unexpired lease as to which a Treatment Objection is timely Filed and properly served and that is not otherwise resolved by the parties on or before the date of the Confirmation Hearing, the Debtors, subject to the availability of the Bankruptcy Court, may schedule a hearing on such Treatment Objection and provide at least twenty-one calendar days' notice of such hearing to the party filing such Treatment Objection.

Unless the Bankruptcy Court expressly orders or the parties agree otherwise, any assumption, rejection, or assignment approved by the Bankruptcy Court notwithstanding a Treatment Objection shall be effective as of the effective date originally proposed by the Debtors or specified in the Plan or the Confirmation Order. Any cure shall be paid as soon as reasonably practicable following the entry of a Final Order resolving a Cure Amount or assumption or assignment dispute unless the Debtors elect to reject the executory contract or unexpired lease as described above.

F. Procedures for Resolving Disputed Claims

1. Resolution of Disputed Claims

Unless otherwise ordered by the Bankruptcy Court after notice and a hearing, the Reorganized Debtors and the Disbursing Agent shall have the exclusive right to make and File objections to Claims (other than Administrative Expense Claims and Professional Fees Claims to which other parties may object as set forth in Section 3.1 and Section 13.5 of the Plan) and shall serve a copy of each objection upon the Holder of the Claim to which the objection is made as soon as practicable, but in no event later than ninety days after the Effective Date (the "Claims Objection Deadline") or such later date as is established by the filing of a notice by the Reorganized Debtors prior to the expiration of the then current Claims Objection Deadline. Notwithstanding any authority to the contrary, an objection to a Claim shall be deemed properly served on the Holder thereof if service is effected in any of the following manners: (a) in accordance with Rule 4 of the Federal Rules of Civil Procedure, as modified and made applicable by Bankruptcy Rule 7004; (b) by e-mail or first class mail, postage prepaid, on the signatory on the proof of claim or interest or other representative identified in the proof of claim or interest or any attachment thereto; (c) by e-mail or first class mail, postage prepaid, on any counsel that has appeared on the Holder's behalf in the Chapter 11 Cases or (d) any other method that may be agreed by the Debtors and the Holder. Pursuant to Bankruptcy Rule 9019(a), the Debtors may compromise, settle and resolve all Disputed Claims up to the Effective Date. After the Effective Date, any such right shall pass to the Reorganized Debtors without the need for further approval of the Bankruptcy Court.

2. No Distributions Pending Allowance

Notwithstanding any other provision of the Plan to the contrary, no payments or distributions of any kind or nature shall be made with respect to all or any portion of a Disputed Claim unless and until all objections to such Disputed Claim have been settled or withdrawn or have been determined by Final Order and the Disputed Claim has become an Allowed Claim.

3. Distributions on Account of Disputed Claims Once They Are Allowed

If a Disputed Claim becomes an Allowed Claim after the Initial Distribution Date, the Disbursing Agent shall be authorized to cause a distribution to be made on account of such Disputed Claim on the date of Allowance or as soon as reasonably practicable thereafter. Such distributions will be made pursuant to the applicable provisions of Article VII of the Plan, subject to Section 9.5 of the Plan.

4. Estimation of Claims

The Debtors or the Reorganized Debtors may at any time request that the Bankruptcy Court estimate any contingent Claim, unliquidated Claim or Disputed Claim pursuant to section 502(c) of the Bankruptcy Code regardless of whether any of the Debtors or the Reorganized Debtors previously objected to such Claim or whether the Bankruptcy Court has ruled on any such objection, and the Bankruptcy Court will retain jurisdiction to estimate any Claim at any time during litigation concerning any objection to such Claim, including, without limitation, during the pendency of any appeal relating to any such objection. In the event that the Bankruptcy Court estimates any contingent Claim, unliquidated Claim or Disputed Claim, the amount so estimated shall constitute either the Allowed amount of such Claim or a maximum limitation on such Claim, as determined by the Bankruptcy Court. If the estimated amount constitutes a maximum limitation on the amount of such Claim, the Debtors or the Reorganized Debtors may pursue supplementary proceedings to object to the allowance of such Claim. All of the aforementioned objection, estimation and resolution procedures are intended to be cumulative and not exclusive of one another. Claims may be estimated and subsequently compromised, settled, withdrawn or resolved by any mechanism approved by the Bankruptcy Court.

5. Disputed Claims Reserve

On the Effective Date, the Disbursing Agent in coordination with Reorganized LATAM Parent (to the extent the Disbursing Agent is not Reorganized LATAM Parent) shall reserve in the Disputed Claims Reserve the amount of Cash and Plan Securities that the Reorganized Debtors determine would likely have been distributed to the Holders of all Disputed Claims if such Disputed Claims had been Allowed on the Effective Date. The amount of such Disputed Claims is to be determined, solely for the purposes of establishing reserves and for maximum distribution purposes, to be the lesser of (a) the asserted amount of the Disputed Claim filed with the Bankruptcy Court as set forth in the non-duplicative Proof of Claim, or (if no proof of such Claim was filed) listed by the Debtors in the Schedules, (b) the amount, if any, estimated by the Bankruptcy Court pursuant to section 502(c) of the Bankruptcy Code or ordered by other order of the Bankruptcy Court, or (c) the amount otherwise agreed to by the Debtors or the

Reorganized Debtors, as applicable, in consultation with the Holder of such Disputed Claim for distribution purposes. With respect to all Disputed Claims that are unliquidated or contingent and/or for which no dollar amount is asserted on a Proof of Claim, the Debtors will reserve Cash equal to the amount reasonably determined by the Debtors or Reorganized Debtors. With respect to any Plan Securities reserved pursuant to Section 9.5 of the Plan, the Debtors and the Disbursement Agent shall have the right, in their sole discretion, to sell such Plan Securities (including following conversion of any New Convertible Notes to Reorganized LATAM Common Stock) at prevailing market rates, with any cash proceeds of such sale held in the Disputed Claims Reserve in accordance with Section 9.5 of the Plan.

The Disbursing Agent may, at the direction of the Debtors or the Reorganized Debtors, adjust the Disputed Claims Reserve to reflect all earnings thereon (net of any expenses relating thereto, and net of taxes calculated at the applicable combined highest marginal tax rates imposed on a corporation in the jurisdiction in which the Disbursing Agent maintains all or a portion of the Disputed Claims Reserve, for federal, state and local tax purposes in each of the relevant jurisdictions on the amount of all such earnings recognized by the Debtors or Reorganized Debtors for federal, state or local tax purposes in each of the relevant jurisdictions) to be distributed on the Distribution Dates, as required by the Plan. The Disbursing Agent shall hold in the Disputed Claims Reserve all dividends, payments and other distributions made on account of, as well as any obligations arising from, the property held in the Disputed Claims Reserve, to the extent that such property continues to be so held at the time such distributions are made or such obligations arise. To the extent that dividends are issued on the Plan Securities that the Disbursing Agent holds in reserve, the Disbursing Agent will also distribute such dividends in accordance with Section 9.5 of the Plan when distributions are made on Disputed Claims.

After any reasonable determination by the Reorganized Debtors that the Disputed Claims Reserve should be adjusted downward in accordance with Section 9.5 of the Plan, the Disbursing Agent shall, at the direction of the Debtors or the Reorganized Debtors, effect a distribution to the Reorganized Debtors in the amount of such adjustment as required by the Plan (an "Adjustment Distribution").

After all Disputed Claims have become either Allowed or disallowed and all distributions required pursuant to Article VII of the Plan have been made, the Disbursing Agent shall, at the direction of the Reorganized Debtors, distribute the Cash remaining in the Disputed Claims Reserve to the Reorganized Debtors.

6. No Amendments to Claims

A Claim may be amended before the Confirmation Date only as agreed upon by the Debtors and the holder of such Claim, or as otherwise permitted by the Bankruptcy Court, the Bankruptcy Rules or applicable non-bankruptcy law. On or after the Confirmation Date, the holder of a Claim (other than an Administrative Expense Claim or a Professional Fees Claim) must obtain prior authorization from the Bankruptcy Court or Reorganized Debtors to file or amend a Claim. Any new or amended Claim (other than Rejection Claims) filed after the Confirmation Date without such prior authorization will not appear on the Claims Register and will be deemed disallowed in full and expunged without any action required of the Debtors or the Reorganized Debtors and without the need for any court order.

7. No Late-Filed Claims

In accordance with the Bar Date Order, the Supplemental Bar Date Order and section 502(b)(9) of the Bankruptcy Code, any Entity that failed to file a proof of Claim by the applicable Bar Date or was not otherwise permitted to file a proof of Claim after the applicable Bar Date by a Final Order of the Bankruptcy Court is and shall be barred, estopped and enjoined from asserting any Claim against the Debtors (a) in an amount that exceeds the amount, if any, that is identified in the Schedules on behalf of such Entity as undisputed, noncontingent and liquidated; or (b) of a different nature or a different classification than any Claim identified in the Schedules on behalf of such Entity.

All Claims filed after the applicable Bar Date and for which no Final Order has been entered by the Bankruptcy Court determining that such Claims were timely filed shall be disallowed and expunged without any further action required by the Debtors, the Reorganized Debtors or the Bankruptcy Court. Any Distribution on account of such Claims shall be limited to the amount, if any, listed in the applicable Schedules as undisputed, noncontingent and liquidated. The Debtors or the Reorganized Debtors have no obligation to review or respond to any Claim filed after the applicable Bar Date unless: (y) the filer has obtained an order from the Bankruptcy Court authorizing it to file such Claim after the Bar Date; or (z) the Reorganized Debtors have consented to the filing of such Claim in writing.

G. Miscellaneous Provisions

1. Insurance Preservation

Nothing in the Plan, including any releases, shall diminish or impair the enforceability of any insurance policies or other policies of insurance that may cover insurance Claims or other Claims against the Debtors or any other Person.

2. Exemption from Transfer Taxes

Pursuant to section 1146(a) of the Bankruptcy Code, (a) the issuance, Transfer or exchange (or deemed issuance, Transfer or exchange) of the Plan Securities; (b) the creation of any mortgage, deed of trust, Lien, pledge or other security interest; (c) the making or assignment of any lease or sublease; or (d) the making or delivery of any deed or other instrument of transfer under, in furtherance of, or in connection with the Plan (including, without limitation, any merger agreements, agreements of consolidation, restructuring, disposition, liquidation, dissolution, deeds, bills of sale and transfers of tangible property) will not be subject to any stamp tax, recording tax, personal property tax, real estate transfer tax, transaction privilege tax, privilege taxes, or other similar taxes in the United States. Unless the Bankruptcy Court orders otherwise, all sales, transfers and assignments of owned and leased property approved by the Bankruptcy Court on or prior to the Effective Date shall be deemed to have been in furtherance of or in connection with the Plan.

3. Bar Dates for Administrative Expense Claims

Holders of asserted Administrative Expense Claims (other than Professional Fees Claims) not paid prior to the Effective Date shall submit proofs of Claim on or before the Administrative

Expense Claims Bar Date or forever be barred from doing so, unless such alleged Administrative Expense Claim is incurred in the ordinary course of business by any Debtor and is not yet past-due, in which case the applicable Administrative Expense Claims Bar Date shall be thirty days after such due date or as otherwise ordered by the Bankruptcy Court. The Debtors and the Reorganized Debtors shall have one year from the later of (i) the Effective Date and (ii) the date of the proof of Claim (or such longer period as may be allowed by order of the Bankruptcy Court) to review and File objections to such Administrative Expense Claims, if necessary. In the event an objection is Filed as contemplated by Section 13.5 of the Plan, the Bankruptcy Court shall determine the Allowed amount of such Administrative Expense Claim.

4. Administrative Claims Reserve

On the Effective Date, the Disbursing Agent shall reserve in the Administrative Claims Reserve Account the amount of Cash that the Debtors determine will be required after the Effective Date to satisfy Allowed Administrative Expense Claims (the "Administrative Claims Reserve").

The Disbursing Agent may, at the direction of the Debtors or the Reorganized Debtors, adjust the Administrative Claims Reserve to reflect all earnings thereon (net of any expenses relating thereto, and net of taxes calculated at the applicable combined highest marginal tax rates imposed on a corporation resident in New York for federal, state and local tax purposes on the amount of all such earnings recognized by the Debtors or Reorganized Debtors for federal, state or local tax purposes), to be distributed on the Distribution Dates, as required by the Plan. The Disbursing Agent shall hold in the Administrative Claims Reserve all payments and other distributions made on account of, as well as any obligations arising from, the property held in the Administrative Claims Reserve, to the extent that such property continues to be so held at the time such distributions are made or such obligations arise.

After any reasonable determination by the Reorganized Debtors that the Administrative Claims Reserve should be adjusted downward in accordance with Section 13.6 of the Plan, the Disbursing Agent shall, at the direction of the Debtors or the Reorganized Debtors, effect an Adjustment Distribution, and any date of such distribution shall be an Interim Distribution Date.

Pursuant to Bankruptcy Rule 9019(a), the Debtors may compromise, settle and resolve all Administrative Expense Claims up to the Effective Date. After the Effective Date, any such right shall pass to the Reorganized Debtors without the need for further approval of the Bankruptcy Court. After all Administrative Expense Claims have become either Allowed or disallowed and all distributions required pursuant to Article VII of the Plan have been made, the Disbursing Agent shall, at the direction of the Reorganized Debtors, effect a final distribution of the Cash remaining in the Administrative Claims Reserve. Any amounts remaining in such reserve or reserves shall revest in the Reorganized Debtors.

5. Payment of Statutory Fees

All fees payable pursuant to section 1930 of title 28, United States Code, as determined by the Bankruptcy Court, shall be paid for each quarter (including any fraction thereof) until the Chapter 11 Cases are converted, dismissed or closed, whichever occurs first.

6. Amendment or Modification of the Plan

Subject to section 1127 of the Bankruptcy Code and, to the extent applicable, sections 1122, 1123 and 1125 of the Bankruptcy Code, the Debtors reserve the right to alter, amend or modify the Plan at any time prior to or after the Confirmation Date but prior to the substantial consummation of the Plan consistent with the terms and conditions of the Plan and other Restructuring Documents. A Holder of a Claim that has Accepted the Plan shall be presumed to have Accepted the Plan, as altered, amended or modified, if the proposed alteration, amendment or modification does not materially and adversely change the treatment of the Claim of such Holder.

7. Severability of Plan Provisions

If, prior to the Confirmation Date, any term or provision of the Plan is determined by the Bankruptcy Court to be invalid, void or unenforceable, the Bankruptcy Court will have the power to alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void or unenforceable, and such term or provision will then be applicable as altered or interpreted. Notwithstanding any such holding, alteration or interpretation, the remainder of the terms and provisions of the Plan will remain in full force and effect and will in no way be affected, impaired or invalidated by such holding, alteration or interpretation. The Confirmation Order will constitute a judicial determination and will provide that each term and provision of the Plan, as it may have been altered or interpreted in accordance with the foregoing, is valid and enforceable pursuant to its terms.

8. Tax Reporting and Compliance

Reorganized LATAM Parent is hereby authorized, on behalf of each of the Debtors, to request an expedited determination under section 505(b) of the Bankruptcy Code of the tax liability of the Debtors for all taxable periods ending after the Petition Date through and including the Effective Date.

VI.
CONFIRMATION OF THE PLAN OF REORGANIZATION

A. Solicitation of Votes

In accordance with sections 1126 and 1129 of the Bankruptcy Code, the Claims in Classes 5 and 7 of the Plan are Impaired, and only the Holders of Allowed Claims in 5 and 7 are allowed to vote to Accept or Reject the Plan. The Claims in Classes 1, 2, 3, 4, 6, 8, 9 and 11 are Unimpaired and are conclusively presumed to have Accepted the Plan, and the solicitation of Acceptances with respect to such Classes is not required under section 1126(f) of the Bankruptcy Code.

As to Classes of Claims entitled to vote on the Plan, section 1126(c) of the Bankruptcy Code defines Acceptance of a plan by a Class of creditors as Acceptance by Holders of at least two-thirds in amount and more than one-half in number of the Claims of that Class that have timely voted to Accept or Reject a plan. As to Classes of Equity Interests entitled to vote on the

Plan, section 1126(d) of the Bankruptcy Code defines Acceptance of a Plan by a Class of Holders of interests as Acceptance by Holders of at least two-thirds in amount of the interests of a Class that have timely voted to Accept or Reject a Plan. Any Class of Claims that is not occupied as of the commencement of the Confirmation Hearing by an Allowed Claim or a Claim temporarily Allowed under Bankruptcy Rule 3018, shall be deemed eliminated from the Plan for purposes of voting to Accept or Reject the Plan and for purposes of determining Acceptance or rejection of the Plan by such Class pursuant to section 1129(a)(8) of the Bankruptcy Code. If no votes to Accept or Reject the Plan are received with respect to a Class whose votes have been solicited under the Plan (other than a Class that is deemed eliminated pursuant to Section 4.4(a) of the Plan), such Class shall be deemed to have voted to Accept the Plan.

A vote may be disregarded if the Bankruptcy Court determines, after notice and a hearing, that Acceptance or rejection was not solicited or procured in good faith or in accordance with the provisions of the Bankruptcy Code.

Unless otherwise agreed by the Debtors, any Holder of a Claim that is scheduled by the Debtors as unliquidated, disputed or contingent is not entitled to vote unless the Holder of such Claim has obtained an order of the Bankruptcy Court temporarily allowing such Claim for the purpose of voting on the Plan.

In addition to voting to Accept or Reject the Plan, the Ballot will provide the opportunity for eligible Holders of Class 5 Claims to elect to opt into Class 5b treatment, which election must be made by the Voting Record Date.

1. Solicitation Package

Accompanying this Disclosure Statement for the purpose of soliciting votes on the Plan are copies of (i) the Plan; (ii) the notice of among other things, the time for submitting Ballots to Accept or Reject the Plan, the date, time, and place of the Confirmation Hearing; and, as applicable, (iii) a Ballot or Ballots (and return envelope(s) that you may use in voting to Accept or Reject the Plan), or a notice of non-voting status, (collectively the "Solicitation Package"). Only Holders eligible to vote in favor of or against the Plan will receive a Ballot or Ballots as part of their Solicitation Package. Such Holders will only receive a Ballot in respect of each Class in which such Holder holds a Claim. If you did not receive a Ballot and believe that you should have, please contact the Solicitation Agent at the address or telephone number listed below:

LATAM Ballot Processing Center
c/o Prime Clerk LLC
850 Third Avenue, Suite 412
Brooklyn, NT 11232

US: (877) 606-3609
International: (929) 955-3449

2. Voting Instructions

After carefully reviewing the Plan, this Disclosure Statement, all related Exhibits, and the instructions accompanying your Ballot, please indicate your Acceptance or rejection of the Plan by voting in favor of or against the Plan on the enclosed Ballot. Please complete and sign your Ballot and return it in the envelope provided, or following the instructions on your Ballot submit your customized electronic Ballot via the E-Balloting Portal, which is accessible at https://cases.primeclerk.com/latam. Your ballot must be RECEIVED by the Solicitation Agent on or before the Plan voting deadline of [●], at [●] prevailing Eastern Time (the "Voting Deadline") as set forth on the Ballot.

Any person signing a Ballot in a fiduciary or representative capacity, including but not limited to those acting as a trustee, executor, administrator, guardian, attorney-in-fact, or officer of a corporation, should indicate such capacity when signing and, unless otherwise determined by the Debtors, submit proper evidence satisfactory to Debtors of authority to so act.

B. The Confirmation Hearing

Section 1128(a) of the Bankruptcy Code requires the Bankruptcy Court, after notice, to hold a hearing to consider confirmation of a proposed plan. The Bankruptcy Court has scheduled the Confirmation Hearing for [●] at [●], prevailing Eastern Time, before the Honorable James L. Garrity, Jr. United States Bankruptcy Judge for the Southern District of New York, at the United States Bankruptcy Court for the Southern District of New York, One Bowling Green, New York, New York 10004. The Bankruptcy Court may adjourn the Confirmation Hearing from time to time without further notice except for the announcement of adjournment at the Confirmation Hearing, or at any subsequent adjourned Confirmation Hearing.

Section 1128(b) of the Bankruptcy Code provides that any party in interest may object to confirmation of the plan. Any objection to the Confirmation of the Plan must: (i) be made in writing; (ii) state the name and address of the objecting party and the nature of the Claim or interest of such party; (iii) state with particularity the legal and factual basis and nature of any objection to the Plan; and (iv) be filed with the Bankruptcy Court, together with proof of service, and served so that they are received **on or before [●], at 4:00 p.m. prevailing Eastern Time** by the Debtors, the Plan Proponents and the other parties set forth in the Disclosure Statement Order, and certain other parties. THE BANKRUPTCY COURT MAY NOT CONSIDER OBJECTIONS TO CONFIRMATION OF THE PLAN IF ANY SUCH OBJECTIONS HAVE NOT BEEN TIMELY SERVED AND FILED IN COMPLIANCE WITH THE DISCLOSURE STATEMENT ORDER.

C. Confirmation

At the Confirmation Hearing, the Bankruptcy Court will consider the terms of the Plan and determine whether the terms satisfy the requirements set out in section 1129 of the Bankruptcy Code. The Debtor believes that the Plan satisfies or will satisfy the following applicable requirements of section 1129, certain of which are discussed in more detail below:

- The Plan complies with the applicable provisions of the Bankruptcy Code.

- The Debtors, as proponents of the Plan, have complied with the applicable provisions of the Bankruptcy Code.

- The Plan has been proposed in good faith and not by any means forbidden by law.

- Any payment made or promised by the Debtors or by a person acquiring property under the Plan for services or costs and expenses in, or connection with, the Chapter 11 Cases, or in connection with the Plan and incident to the Chapter 11 Cases, has been disclosed to the Bankruptcy Court, and any such payment (i) made before the Confirmation of the Plan is reasonable; or (ii) is subject to the approval of the Bankruptcy Court as reasonable, if such payment is to be fixed after confirmation of the Plan.

- Each Holder of an Impaired Claim or Equity Interest either has Accepted the Plan or will receive or retain under the Plan, on account of such Holder's Claim or Equity Interest, property of a value as of the Effective Date that is not less than the amount such Holder would receive or retain if the applicable Debtor was liquidated on the Effective Date under Chapter 7 of the Bankruptcy Code.

- Except to the extent the Plan meets the requirements of section 1129(b) of the Bankruptcy Code, each Class of Claims or Equity Interests either has Accepted the Plan or is not an Impaired Class under the Plan.

- Except to the extent that the Holder of a particular Claim or Equity Interest has agreed to a different treatment of such Claim or Equity Interest, the Plan provides that Allowed Administrative Expense Claims, Allowed Priority Tax Claims, Allowed Other Priority Claims, and Allowed Intercompany Facility Claims will be paid in full as required by the Bankruptcy Code.

1. Acceptance

The Bankruptcy Code requires, as a condition to Confirmation, that, except as described in the following section, each Class of Claims or Equity Interests that is Impaired under the Plan Accepts the Plan. A Class that is not impaired under the Plan is deemed to have Accepted the Plan and solicitation of Acceptances with respect to such a Class is therefore not required. A Class is Impaired unless the Plan: (a) leaves unaltered the legal, equitable, and contractual rights to which the Claim or interest entitles the holder of that Claim or Equity Interest; or (b) notwithstanding any contractual provision or applicable law that entitles the holder of such Claim or interest after the occurrence of a default – (1) cures any such default that occurred before or after the commencement of the case under this title, other than a default of a kind specified in Bankruptcy Code section 365(b)(2) of this title or of a kind that Bankruptcy Code section 365(b)(2) expressly does not require to be cured; (2) reinstates the maturity of such Claim or interest as such maturity existed before such default; (3) compensates the holder of such Claim or interest for any damages incurred as a result of any reasonable reliance by such holder on such contractual provision or such applicable law; (4) if such Claim or such interest arises from any failure to perform a nonmonetary obligation, other than a default arising from failure to operate a nonresidential real property lease subject to Bankruptcy Code section 365(b)(1)(A), compensates the holder of such Claim or such interest (other than the debtor or an

insider) for any actual pecuniary loss incurred by such holder as a result of such failure; and (5) does not otherwise alter the legal, equitable, or contractual rights to which such Claim or interest entitles the holder of such Claim or interest.

2. Confirmation Without Acceptance by All Impaired Classes

Bankruptcy Code section 1129(b) allows the Bankruptcy Court to confirm a plan even if an Impaired Class entitled to vote on the Plan has not Accepted it, provided that at least one Impaired Class has Accepted the Plan. To obtain such confirmation, also known as a "cram down," the Plan proponents must demonstrate that the Plan "does not discriminate unfairly" and is "fair and equitable" with respect to each Impaired, non-Accepting Class. Section 1129(b) Bankruptcy Code provides a non-exclusive definition of the phrase "fair and equitable." The Bankruptcy Code provides that a plan is "fair and equitable" with respect to a class of creditors or equity holders if:

- Secured Creditors. Either (i) each impaired secured creditor retains its liens securing its secured claim and receives on account of its secured claim deferred cash payments having a present value equal to the amount of its allowed secured claim, (ii) each impaired secured creditor realizes the "indubitable equivalent" of its allowed secured claim or (iii) the property securing the claim is sold free and clear of liens with such liens to attach to the proceeds of the sale and the treatment of such liens on proceeds to be as provided in subclause (i) or (ii) of this subparagraph.

- General Unsecured Creditors. Either (i) each impaired unsecured creditor receives or retains under the plan property of a value equal to the amount of its allowed claim or (ii) the holders of claims and equity interests that are junior to the claims or equity interests of the non-accepting class will not receive or retain any property under the plan on account of such claims and equity interests.

- Equity Interests. Either (i) each holder of an equity interest will receive or retain under the plan property of a value equal to the greatest of the fixed liquidation preference to which such holder is entitled, the fixed redemption price to which such holder is entitled or the value of its equity interest or (ii) the holder of an interest that is junior to the non-accepting class will not receive or retain any property under the plan on account of such equity interest.

A plan of reorganization does not "discriminate unfairly" with respect to a non-accepting class if the value of the cash and/or securities to be distributed to the non-accepting class is equal to, or otherwise fair when compared to, the value of the distributions to other classes whose legal rights are the same as those of the non-accepting class.

3. Feasibility

In connection with confirmation of the Plan, the Bankruptcy Court must determine that the Plan is feasible pursuant to section 1129(a)(11) of the Bankruptcy Code, which means that the Confirmation of the Plan is not likely to be followed by the need for further financial reorganization or liquidation of the Debtor.

To demonstrate the feasibility of the Plan, the Debtors have prepared the Projections through fiscal year 2026 as set forth in Exhibit C to this Disclosure Statement. The Projections indicate that the Debtors should have sufficient cash flow to pay and service their debt obligations and to fund their operations. Accordingly, the Debtors believe that the Plan satisfies the feasibility requirement. As noted in the Projections, however, the Debtors caution that no representations can be made as to the accuracy of the Projections or as to the Debtors' ability to achieve the projected results. The Projections, while presented with numerical specificity, are necessarily based on a variety of estimates and assumptions which, though considered reasonable at the time they were made, may not be achieved and are inherently subject to significant business, economic, competitive, industry, regulatory, market and financial uncertainties and contingencies, many of which are outside the control of the Debtors. Some assumptions inevitably will not materialize, and events and circumstances occurring after the date on which the Projections were prepared may be different from those assumed or may be unanticipated, and may adversely affect the Debtors' financial results. Therefore, the actual results may vary from the projected results and the variations may be material and adverse. See Section IX (*Certain Risk Factors To Be Considered*) of this Disclosure Statement, for a discussion of certain risk factors that may affect financial feasibility of the Plan.

4. Best Interests Test

i Generally

Notwithstanding Acceptance of the Plan by each Impaired Class, in order to confirm the Plan, the Bankruptcy Court must determine that the Plan is in the best interests of each Holder of a Claim or Equity Interest in any such Impaired Class who has not voted to Accept the Plan. Accordingly, if an Impaired Class does not unanimously Accept the Plan, the best interests test requires the Bankruptcy Court to find that the Plan provides to each member of such Impaired Class a recovery on account of the Class member's Claim or Equity Interest that has a value, as of the Effective Date, at least equal to the value of the distribution that each such Class member would receive if the Debtors were liquidated under Chapter 7 of the Bankruptcy Code on such date.

ii Liquidation Analysis

To estimate what members of each Impaired Class of unsecured Creditors and Equity Interest Holders would receive if the Debtors were liquidated under Chapter 7, the Bankruptcy Court must first determine the aggregate dollar amount that would be generated from each Debtor's assets if each of the Chapter 11 Cases were converted to a Chapter 7 case under the Bankruptcy Code and the assets were liquidated by a trustee in bankruptcy (the "Liquidation Value" of such assets). The Liquidation Value for a Debtor would consist of the net proceeds from the disposition of that Debtor's assets and would be augmented by any cash held by that Debtor.

As detailed in the liquidation analysis prepared by FTI Consulting, Inc. from information provided by the Debtors and other sources, a copy of which is attached hereto as Exhibit B, the Liquidation Value of each Debtor's assets available to general Creditors would be reduced by the costs and expenses of the liquidation, as well as other administrative expenses that would have

been incurred in the hypothetical Chapter 7 cases. Each Debtor's costs of liquidation under Chapter 7 would include the compensation of a trustee or trustees, as well as counsel and other professionals retained by the trustee(s), disposition expenses, all unpaid expenses incurred by that Debtor during its Chapter 11 Cases (such as compensation for attorneys and accountants) which are allowed in the Chapter 7 proceedings, and litigation costs and Claims against that Debtor arising from its business operations during the pendency of the Chapter 11 Cases and Chapter 7 liquidation proceedings. These costs, expenses and Claims would be paid out of that Debtor's liquidation proceeds before the balance would be made available to pay unsecured Claims.

Once the percentage recoveries in liquidation of secured claimants, priority claimants, general unsecured Creditors and Equity Interest Holders are ascertained, the value of the distribution available out of the Liquidation Value is compared with the value of the property offered to each Class of Claims and Equity Interests under the Plan to determine whether the Plan is in the best interests of each such Class. The Debtors believe that the Plan satisfies this best interest test because, if the Plan is not confirmed and, instead, the Chapter 11 Cases are converted to Chapter 7 liquidation proceedings, the value of each Debtor's estate would diminish because (i) each estate would need to pay fees and other costs to any Chapter 7 trustee and (ii) each estate would incur increased professional fee costs associated with supporting the Chapter 7 proceedings and associated litigation costs and Claims. Comparing the recoveries to Claims in Section II.G of this Disclosure Statement with the liquidation analysis attached hereto as Exhibit B, the Debtors believe that distributions under the Plan will provide a higher recovery to Holders of Allowed Claims against or Equity Interests in each of the Debtors on account of such Allowed Claims or Equity Interests compared to distributions by a Chapter 7 trustee. Conversion to a case under Chapter 7 would also likely delay the liquidation process and the ultimate distributions to Creditors and Equity Interest Holders.

5. Consummation of the Plan

Upon confirmation of the Plan by the Bankruptcy Court, the plan will be deemed consummated on the Effective Date. Distributions to Holders of Claims and Equity Interests receiving a distribution pursuant to the terms of the Plan will follow consummation of the Plan.

D. Conditions Precedent to the Confirmation, Effective Date, and Consummation of Plan

1. Conditions to Confirmation of the Plan

Subject to Section 10.3 of the Plan, the conditions precedent to the confirmation of the Plan are that (i) each of the Plan, Disclosure Statement, and Plan Supplement (including, with respect to any amendments, modifications, supplements and exhibits thereto related to the foregoing) shall be in form and substance reasonably satisfactory to the Debtors; (ii) the Confirmation Order shall have been entered and not stayed; and (iii) all governmental or other approvals required to effectuate the terms of this Plan (including, without limitation, the registration of all Plan Securities with the CMF) shall have been obtained.

2. Conditions to Effective Date

Subject to Section 10.3 of the Plan, each of the following is a condition precedent to the occurrence of the Effective Date:

i the Confirmation Order (including any amendment or modification thereof) shall (i) have been entered by the Bankruptcy Court in form and substance acceptable to the Debtors, the Backstop Shareholders and the Requisite Commitment Creditors, and (ii) not have been stayed, vacated or set aside;

ii all actions, documents, certificates, and agreements necessary to implement the Plan shall have been effected or executed and delivered to the required parties and, to the extent required, filed with the applicable government units in accordance with applicable law;

iii all shareholder approvals and board approvals necessary to implement the Plan and issue the New Convertible Notes and ERO New Common Stock and amend the bylaws of LATAM Parent shall have been obtained;

iv to the extent that the Debtors seek recognition of the Plan in Chile or Colombia , the Plan shall have been granted recognition or its equivalent status in Chile or Colombia, as the case may be, provided, however, that if the Debtors seek such recognitions or equivalent status, any failure or delay in obtaining such recognition or equivalent status shall not be a condition precedent to the extent then-remaining Restructuring Transactions may be consummated in Chile and Colombia by the Effective Date;

v the Plan shall have been granted approval in the joint provisional liquidator proceeding pending in the Cayman Islands;

vi all of the conditions precedent for effectiveness of the Exit Financing shall have been satisfied or waived in accordance with the terms thereof;

vii notice of the projected Effective Date shall have been provided to the Committee, or its counsel, no later than five (5) Business Days prior to the projected Effective Date; and

viii all government and regulatory filings and approvals necessary to implement the Plan shall have been completed or received, as applicable, including, without limitation, anti-trust filings (to the extent required) and registration of Plan Securities with the CMF;

ix the Plan and the Disclosure Statement, and the Restructuring Documents have not been amended or modified other than in a manner in form and substance consistent in all material respects with the Restructuring Term Sheet and otherwise acceptable to the Debtors, the Requisite Commitment Creditors and acceptable to the Backstop Shareholders;

x the Restructuring Support Agreement is in full force and effect and no Termination Event (as defined in the Restructuring Support Agreement) has occurred and is continuing;

xi all outstanding Commitment Creditor Fees and Backstop Shareholder Fees that are due and payable have been paid in full by the Debtors in Cash to the extent invoiced in advance of the Effective Date; and

xii there shall be no ruling, judgment or order issued by any Governmental Unit making illegal, enjoining or otherwise preventing or prohibiting the consummation of the Restructuring Transactions unless such ruling, judgment or order has been stayed, reversed or vacated.

3. Waiver of Conditions

Each of the conditions set forth in Sections 10.1 and 10.2 of the Plan may be waived in whole or in part by the Debtors with the consent of the Commitment Parties, without any other notice to parties in interest or notice to or order of the Bankruptcy Court and without a hearing. The failure to satisfy or waive a condition to the Effective Date may be asserted by the Debtors regardless of the circumstances giving rise to the failure of such condition to be satisfied. The failure of a Debtor to exercise any of the foregoing rights shall not be deemed a waiver of any other rights and each right shall be deemed an ongoing right that may be asserted at any time.

4. Notice of Effective Date

Upon satisfaction of all the conditions to the Effective Date set forth in Section 10.2 of the Plan, or if waivable, waiver pursuant to Section 10.3 of the Plan, or as soon thereafter as is reasonably practicable thereafter, the Reorganized Debtors shall File with the Bankruptcy Court the "Notice of Effective Date" in a form reasonably acceptable to the Reorganized Debtors in their sole discretion, which notice shall constitute appropriate and adequate notice that has become effective; provided, however, that the Debtors shall have no obligation to notify any Person. The Plan shall be deemed to be effective as of 12:01 a.m., prevailing Eastern Time, on the Effective Date. A courtesy copy of the Notice of Effective Date may be sent by e-mail, United States mail, postage prepaid (or at the Debtors' option, by courier or facsimile) to those Persons who have Filed with the Bankruptcy Court requests for notices pursuant to Bankruptcy Rule 2002.

5. Consequences of Non-Occurrence of Effective Date

If the Effective Date does not occur with respect to any of the Debtors, then, with respect to any such Debtor, the Confirmation Order will be deemed vacated by the Bankruptcy Court without further notice or order. If the Confirmation Order is vacated pursuant to this Section, then (a) the applicable Debtor(s) shall File a notice to this effect with the Bankruptcy Court, (b) this Plan shall be null and void in its entirety solely with respect to such Debtor(s), (c) any settlement of Claims provided for hereby shall be null and void without further order of the Bankruptcy Court, and (d) the time within which the Debtors may assume, assume and assign or reject all executory contracts and unexpired leases shall be extended for a period of sixty days after the date the Confirmation Order is vacated; provided, however, that the Debtors retain their rights to seek further extensions of such deadline in accordance with, and subject to, section 365 of the Bankruptcy Code, and nothing contained in the Plan or Disclosure Statement shall (x) constitute a waiver or release of any Claims, Equity Interests, or Causes of Action, (y) prejudice in any manner the rights of any Debtor or any other Entity or (z) constitute an admission, acknowledgement, offer or undertaking of any sort by any Debtor or any other Entity.

E. Effect of Plan Confirmation

1. Binding Effect; Plan Binds All Holders of Claims and Equity Interests

On the Effective Date, and effective as of the Effective Date, the Plan, the Plan Supplement and the Confirmation Order shall, and shall be deemed to, be binding upon the Debtors and all present and former Holders of Claims against and Equity Interests in any Debtor, and their respective Related Persons, regardless of whether any such Holder of a Claim or Equity Interest has voted or failed to vote or been deemed or presumed to Accept or Reject this Plan.

Further, pursuant to section 1142 of the Bankruptcy Code and in accordance with the Confirmation Order, the Debtors and any other necessary party shall execute, deliver and join in the execution or delivery (as applicable) of any instrument, document or agreement required to effect a transfer of property, a satisfaction of a Lien or a release of a Claim dealt with by the Plan, and to perform any other act, and the execution of documents necessary to effectuate the Restructuring Transactions and all other documents set forth or contemplated in the Plan, including in the Plan Supplement, that are necessary for the consummation of the Plan and the transactions contemplated therein.

2. Revesting of Assets

Pursuant to Section 11.2 of the Plan, except as provided in the Plan, on the Effective Date, all property of the Estates, to the fullest extent provided by section 541 of the Bankruptcy Code, and any and all other rights and assets of the Debtors of every kind and nature shall revest in the Reorganized Debtors free and clear of all Liens, Claims and Interests other than (a) those Liens, Claims and Interests retained or created pursuant to the Plan or any document entered into in connection with the transactions described in the Plan and (b) Liens that have arisen subsequent to the Petition Date on account of taxes that arose subsequent to the Petition Date. On and after the Effective Date, except as otherwise provided in the Plan, each Reorganized Debtor may operate its business and may use, acquire, or dispose of property and compromise or

settle any Claims, Equity Interests, or Causes of Action without supervision or approval by the Bankruptcy Court and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules.

VII.
ALTERNATIVES TO CONFIRMATION AND CONSUMMATION OF THE PLAN

The Debtors believe that the Plan affords Holders of Claims and Equity Interests the potential for the greatest realization of value and, therefore, is in the best interests of such Holders. Further, if the Plan is not consummated, the Debtors may be unable to service their debt obligations or to cure defaults thereunder. If the Plan is not confirmed or consummated, the theoretical alternatives include (a) liquidation of the Debtors under Chapter 7 or Chapter 11 of the Bankruptcy Code, (b) formulation of an alternative plan of reorganization, or (c) dismissal of the Chapter 11 Cases.

A. Liquidation Under Chapter 7

If no plan is confirmed, the Chapter 11 Cases may be converted to cases under Chapter 7 of the Bankruptcy Code, pursuant to which a trustee would be appointed to liquidate the Debtors' assets for distribution in accordance with the priorities established by Chapter 7 of the Bankruptcy Code. A discussion of the effects that a Chapter 7 liquidation would have on the recoveries of Holders of Claims and Equity Interests is set forth in the liquidation analysis attached hereto as Exhibit B. For the reasons articulated in Article VI of this Disclosure Statement above, the Debtors believe that liquidation under Chapter 7 would result in lower distributions to the Holders of Allowed Claims than those provided in the Plan, including no recoveries for General Unsecured Claims.

B. Alternative Plan of Reorganization

The Debtors believe that the Plan represents the best opportunity to maximize the value of the Debtors' estates for the benefit of all stakeholders. In formulating and developing the Plan, the Debtors have explored numerous other alternatives and engaged in an extensive negotiating process involving many different parties with widely disparate interests. *See supra* at IV.K *"The Debtors' Development of the Plan, the Plan Mediation and the RSA"* and IV.L *"Other Indications of Interest"*.

The Debtors believe that not only does the Plan fairly adjust the rights of various Classes of Claims and enable the Holders of Allowed Claims to maximize their returns, as well as complies with Chilean law including shareholder preemptive rights, but also that rejection of the Plan in favor of some alternative will require, at the very least, an extensive and time consuming process (including the possibility of protracted and costly litigation) and will not result in a better recovery for any Class. As a result, any alternatives now available to the Debtors are inferior.

THE DEBTORS BELIEVE THAT CONFIRMATION OF THE PLAN IS PREFERABLE TO ANY ALTERNATIVE BECAUSE THE PLAN MAXIMIZES THE DISTRIBUTIONS TO ALL HOLDERS OF ALLOWED CLAIMS, AND ANY ALTERNATIVE WILL RESULT IN SUBSTANTIAL DELAYS IN THE DISTRIBUTION OF ANY RECOVERIES AND INCREASE RESTRUCTURING EXPENSES. THEREFORE, THE

DEBTORS RECOMMEND THAT ALL HOLDERS OF IMPAIRED CLAIMS ENTITLED TO VOTE ON THE PLAN VOTE TO ACCEPT THE PLAN.

C. Dismissal of the Debtors' Chapter 11 Cases

Dismissal of the Chapter 11 Cases would have the effect of restoring (or attempting to restore) all parties to the status quo ante. Upon dismissal of the Chapter 11 Cases, the Debtors would lose the protection of the Bankruptcy Code, thereby requiring, at the very least, an extensive and time-consuming process of negotiation with their Creditors, and possibly resulting in costly and protracted litigation in various jurisdictions. Most significantly, dismissal of the Chapter 11 Cases would allow holders of Secured Claims to foreclose upon their respective collateral. Dismissal will also permit unpaid unsecured creditors to obtain and enforce judgments against the Debtors, and would create a risk of aircraft or other assert seizure. The Debtors believe that these actions would seriously undermine their ability to reorganize and could lead ultimately to the liquidation of the Debtors under Chapter 7 of the Bankruptcy Code. Therefore, the Debtors believe that dismissal of the Debtors' Chapter 11 Cases is not a preferable alternative to the Plan.

VIII.
GOVERNANCE OF REORGANIZED LATAM PARENT

A. Governance of Reorganized LATAM Parent

1. Certificates of Incorporation and By-Laws

The certificates or articles of incorporation of the Reorganized Debtors shall be amended on terms reasonably acceptable to the Commitment Creditors and the Backstop Shareholders, and the by-laws of the Reorganized Debtors shall be amended on terms acceptable to the Commitment Creditors and the Backstop Shareholders, in each case, including to satisfy the provisions of the Plan and the Bankruptcy Code, shall be included in the Plan Supplement, and, among other things, (i) shall include pursuant to section 1123(a)(6) of the Bankruptcy Code, a provision prohibiting the issuance of non-voting equity securities at emergence, but only to the extent required by section 1123(a)(6) of the Bankruptcy Code and without waiver of any right to further modify or amend the certificates or articles of incorporation and by-laws of the Reorganized Debtors as permitted therein and pursuant to applicable non-bankruptcy law on and after the Effective Date, (ii) to the extent necessary or appropriate, shall include such provisions as may be needed to effectuate and consummate the Plan and the transactions contemplated herein and (iii) shall include, in a transitory article of the by-laws for LATAM Parent, an increase of the threshold for LATAM Parent shareholder approval of corporate actions identified in the second paragraph of Section 67 of Law 18,046 to 73% of shareholders of the Reorganized Debtors for two (2) years. The foregoing amendments shall be included in the Plan Supplement.

2. Directors of Reorganized LATAM Parent

The Commitment Creditors and the Backstop Shareholders, acting reasonably and in good faith, shall enter into an agreement on terms acceptable to such parties (the "Shareholders' Agreement"), or enter into other arrangements mutually acceptable to the Commitment Creditors, the Backstop Shareholders and the Debtors, that provides, (A) for a two (2) year term

following the Effective Date, that the parties shall vote their shares so the Reorganized LATAM Parent Board will be comprised, both initially and in the filling of any vacancies thereon, of nine (9) directors, who in accordance with Chilean law, shall be appointed as follows: (i) five (5) directors, including the vice-chair of the Reorganized LATAM Parent Board, nominated by the Commitment Creditors; (ii) four (4) directors, including the chair of the Reorganized LATAM Parent Board (who shall be a Chilean national), nominated by the Backstop Shareholders (such a board of directors constituted as described in clauses (i) through (ii), the "Effective Date Board"); and (B) for the first five (5) years after the Effective Date, in the event of a wind-down liquidation, or dissolution of LATAM Parent, recoveries on the new common stock 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 new common stock or to be delivered upon conversion for the New Convertible Notes Class A or New Convertible Notes Class C, in each case held by the Commitment Creditors on the Effective Date. A list of the directors comprising the Effective Date Board shall be filed as Exhibit B. The Shareholders' Agreement shall be registered in the shareholders registry of Reorganized LATAM Parent.

3. Officers and Directors of Reorganized Debtors

By and after the Effective Date, each director, officer, or manager of the Reorganized Debtors shall continue to serve pursuant to the terms of their respective charters and bylaws or other formation and constituent documents, and applicable laws of the respective Reorganized Debtor's jurisdiction of formation. Subject to any requirement of Bankruptcy Court approval pursuant to section 1129(a)(5) of the Bankruptcy Code, unless otherwise provided for herein, the existing named executive officers of the Debtors shall continue in office on and after the Effective Date in accordance with the applicable governing documents and employment arrangements.

IX.
CERTAIN RISK FACTORS TO BE CONSIDERED

There are risks, uncertainties and other important factors that could cause the Debtors' actual performance or achievements to be materially different from those they may project and the Debtors undertake no obligation to update any such statement, which are further detailed in LATAM Airlines Group S.A.'s *Form 20-F Annual Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act*, for the fiscal year ended December 31, 2020, available at https://www.latamairlinesgroup.net/20-F.

A. Certain Bankruptcy Considerations

1. Bankruptcy Matters.

i General

Although the Debtors have undertaken every effort to minimize any impact of the bankruptcy proceedings on their operations, delays in Plan confirmation could have an adverse effect on LATAM's business by giving rise to significant expenses and diverting the attention of LATAM's management from the operation of the businesses.

Further, the Plan provides for conditions that must be satisfied (or waived) prior to the Confirmation Date and for other conditions that must be satisfied (or waived) prior to the Effective Date. As of the date of this Disclosure Statement, there can be no assurance that any or all of the conditions in the Plan will be satisfied (or waived). Accordingly, even if the Plan is confirmed by the Bankruptcy Court, there can be no assurance as to when or whether the Plan will be consummated and the restructuring completed.

The extent to which the confirmation process disrupts LATAM's businesses will likely be directly related to the length of time it takes to complete the proceeding. If the Debtors are unable to obtain confirmation of the Plan on a timely basis because of a challenge to the Plan or a failure to satisfy the conditions to the Plan, their emergence from Chapter 11 may be further delayed while they try to develop a different plan of reorganization that can be confirmed. That would increase both the probability and the magnitude of the adverse effects described above. Even assuming a successful emergence from Chapter 11, there can be no assurance as to the overall long-term viability of LATAM's business.

ii Failure to Confirm the Plan

Although the Debtors believe that the Plan satisfies all of the requirements necessary for confirmation by the Bankruptcy Court, there can be no assurance that the Bankruptcy Court will reach the same conclusion. Moreover, there can be no assurance that modification would not necessitate the resolicitation of votes to Accept the Plan, as modified.

iii Non-Occurrence of the Effective Date

Operating in bankruptcy imposes significant risks on the Debtors' operations. Although the Debtors believe that the Effective Date will occur by mid-2022, there can be no assurance as to such timing or that the conditions to the Effective Date will ever be satisfied, including without limitation: (i) entry of the Confirmation Order by the Bankruptcy Court in form and substance reasonably satisfactory to the Debtors, and not having been stayed or reversed or vacated on appeal and (ii) the satisfaction (or waiver in accordance with the terms therein) of the conditions precedent for the closing of the Exit Financing.

2. LATAM's businesses could suffer from the loss of key personnel.

LATAM is dependent on the continued services of its senior management team and other key personnel. The loss of key personnel could have a material adverse effect on the company's business, financial condition, and results of operations. The company may be unable to retain and motivate key executives and employees through the process of reorganization and LATAM may have difficulty attracting new employees. In addition, so long as the Chapter 11 Cases continue, senior management will be required to spend a significant amount of time and effort dealing with the reorganization instead of focusing exclusively on business operations.

LATAM relies on services from certain employee groups, such as pilots, flight attendants, mechanics and other airport personnel, that have highly specialized skills. Prior to filing these Chapter 11 Cases, LATAM had to lay off certain employees and put in place a board retirement program as well as an unpaid leave program. LATAM also implemented a consensual salary reduction throughout the last three quarters of 2020, which guaranteed a

minimum ethical wage and therefore did not apply to all employees. During the course of these proceedings, LATAM has had to lay off additional employees throughout its workforce. The company has worked to adapt certain employee benefits in order to retain employees and maintain morale, however, no assurances can be made that LATAM will not lose key specialized labor.

3. Pursuit of litigation by parties in interest could disrupt the confirmation of the Plan and could have material adverse effects on LATAM's businesses and financial condition.

There can be no assurance that any parties in interest will not pursue litigation strategies to enforce any Claims in respect of LATAM. This includes parties in interest who may seek to enforce Claims in respect of LATAM in non-U.S. jurisdictions that may be less likely to recognize orders of the Bankruptcy Court. Litigation is by its nature uncertain and there can be no assurance of the ultimate resolution of the litigated Claims. The pursuit of litigation in connection with objections to this Disclosure Statement or the Plan, including the effectiveness and effect of the steps required for the implementation of the Plan, could delay and disrupt confirmation of the Plan and the Debtors' emergence from bankruptcy. Any litigation may be expensive, lengthy and disruptive to the company's normal business operations and the Plan confirmation process, and a resolution of any such strategies that is unfavorable to the Debtors could have a material adverse effect on the Plan confirmation process, emergence from bankruptcy or on the Companies' businesses, results of operations, financial condition, liquidity and cash flow.

4. Adverse publicity in connection with the Chapter 11 Cases or otherwise, could negatively affect the company's businesses.

Adverse publicity or news coverage relating to the Debtors, including but not limited to publicity or news coverage in connection with the Chapter 11 Cases, may negatively affect (i) LATAM's businesses during the Chapter 11 Cases and (ii) the Reorganized Debtors' efforts to establish and promote name recognition and a positive image after the Effective Date.

5. Counterparties to assumed and assigned contracts may object to the assignment of such contracts on the grounds that such contracts may not be assumed and assigned pursuant to section 365 of the Bankruptcy Code.

Under section 365 of the Bankruptcy Code, anti-assignment clauses in executory contracts are generally unenforceable. However, section 365(c)(1) of the Bankruptcy Code provides that a contract may not be assumed or assigned if applicable nonbankruptcy law so provides. While the Debtors do not believe that applicable nonbankruptcy law voids any of the Debtors' assignments, a counterparty may nevertheless object to an assignment on such grounds.

6. The Debtors may not be able to obtain sufficient liquidity to confirm a plan of reorganization and exit the Chapter 11 Cases successfully.

Although the Debtors have taken multiple measures to reduce expenses and the scale of their operations, mainly as a result of developments relating to the spread of COVID-19, the Debtors' business remains capital intensive. There are no assurances that the Debtors' liquidity is

sufficient to allow them to satisfy their obligations related to the Chapter 11 Cases, to proceed with the confirmation of a Chapter 11 plan of reorganization and to emerge successfully from the Chapter 11 Cases. The Debtors can provide no assurance that they will be able to secure additional interim financing or exit financing sufficient to meet their liquidity needs.

7. The ability of the Debtors to confirm, consummate or enforce the Plan outside of the United States may be challenged.

The Debtors operate largely outside the United States, with most of their assets, directors and officers located outside the United States. Although the Debtors believe that sufficient legal grounds exist to give effect to the relevant provisions of the Bankruptcy Code, the Plan, the Confirmation Order and the Restructuring Transactions in the non-U.S. jurisdictions in which the Debtors operate, a third party may nonetheless attempt to take action in a foreign jurisdiction in an attempt to delay or frustrate confirmation or implementation of the Plan, consummation of the Restructuring Transactions, and/or the compromise of their claims, which could result in the delay or frustration of the confirmation or implementation of the Plan, and/or consummation of the Restructuring Transactions, or otherwise have an adverse effect on the Reorganized Debtors.

8. The ability of the Debtors to confirm, consummate or enforce the Plan outside of the United States may be challenged.

The RSA contains provisions that give the respective consenting stakeholders the right to terminate the RSA if certain events occur or conditions are not satisfied. Termination of the RSA could make confirmation of the Plan challenging and/or result in the Chapter 11 Cases becoming more protracted, which could significantly and detrimentally affect the Debtors' operations, result in substantially increased costs associated with the Chapter 11 Cases, and increase the risks related to the development of a chapter 11 plan that is confirmable and can be implemented in the various jurisdictions where the Debtors are incorporated and operate.

B. Risks Relating to the Reorganized LATAM Parent Stock to be Issued Under the Plan

1. The Reorganized Debtors may not be able to achieve their projected financial results.

Actual financial results may differ materially from the Financial Projections set forth in Exhibit C hereto. If the Reorganized Debtors do not achieve projected revenue or cash flow levels, the Reorganized Debtors may lack sufficient liquidity to continue operating their businesses consistent with the Financial Projections after the Effective Date. The Financial Projections represent management's view based on currently known facts and hypothetical assumptions about their future operations; they do not guarantee the Reorganized Debtors' future financial performance.

2. The Debtors' financial projections are subject to inherent uncertainty due to the numerous assumptions upon which they are based.

The financial projections are based on numerous assumptions, including, without limitation: the timing, Confirmation and consummation of the Plan in accordance with its terms;

the anticipated future performance of the Reorganized Debtors; airline industry performance; general business and economic conditions; and other matters, many of which are beyond the control of the Reorganized Debtors and some or all of which may not materialize. In addition, unanticipated events and circumstances occurring subsequent to the approval of this Disclosure Statement by the Bankruptcy Courts, including, without limitation, any natural disasters, terrorism or health epidemics, may affect the actual financial results of the Reorganized Debtors' operations. Because the actual results achieved throughout the periods covered by the Financial Projections may vary from the projected results, the financial projections should not be relied upon as an assurance that the actual results will occur.

Except with respect to the financial projections and except as otherwise specifically and expressly stated herein, this Disclosure Statement does not reflect any events that might occur subsequent to the date hereof. Such events could have a material impact on the information contained in this Disclosure Statement. Neither the Debtors nor the Reorganized Debtors intend to update the financial projections. The financial projections, therefore, will not reflect the impact of any subsequent events not already accounted for in the assumptions underlying the financial projections.

3. The Plan exchanges senior debt and securities for junior securities.

If the Plan is confirmed and consummated, Eligible Equity Holders will have the right to purchase their Pro Rata share of New Common Stock and New Convertible Notes during the Preemptive Rights Offering Period and the New Convertible Notes Preemptive Rights Offering Period, as applicable, and the Holders of Claims eligible to purchase the New Convertible Notes not subscribed by Eligible Equity Holders during the New Convertible Notes Preemptive Rights Offering Period, may receive shares of Reorganized LATAM Parent to the extent they validly exercise the option to convert under the New Convertible Notes. Thus, in agreeing to the Plan, such Holders are consenting to the exchange of their interests in debt, which has, among other things, a stated interest rate, a maturity date and a liquidation preference over equity securities, for shares of LATAM Parent, which will be economically subordinate to all Claims of Creditors.

4. A liquid trading market for Reorganized LATAM Parent Stock may not develop.

LATAM intends to apply to register to list the Reorganized LATAM Parent Stock and the New Convertible Notes with the CMF, and to list them on the Bolsa de Comercio de Santiago, Bolsa de Valores and Bolsa Electrónica de Chile, Bolsa de Valores. The Debtors make no assurance that they will be able to obtain this listing or, even if the Debtors do, that liquid trading markets for the Reorganized LATAM Parent Stock will develop. The liquidity of any market for the shares will depend, among other things, upon the number of holders of the Reorganized LATAM Parent Stock, the Reorganized Debtors' financial performance and the market for similar securities, none of which can be determined or predicted. Therefore the Debtors cannot make any assurances about the development of an active trading market or, if a market develops, what the liquidity or pricing characteristics of that market will be.

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, your ability to sell the common shares 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 common shares.

5. The trading price for the Reorganized LATAM Parent Stock may be depressed following the Effective Date

Assuming consummation of the Plan, the Reorganized LATAM Parent Stock will be issued to holders of certain classes of Allowed Claims. Additional shares may be distributed from the Disputed Claims Reserves periodically as Disputed Claims become Allowed Claims. In addition, holders of Claims that receive Reorganized LATAM Parent Stock may seek to sell such shares in an effort to obtain liquidity. These sales could cause the initial trading prices for Reorganized LATAM Parent Stock to be depressed, particularly in light of the lack of an established trading market for the stock.

6. Allowance of Claims may substantially dilute the recovery to Holders of Claims under the Plan

There can be no assurance that the estimated Claim amounts set forth in this Disclosure Statement are correct, and the actual allowed amounts of Claims may differ from the estimates. The estimated amounts are based on certain assumptions with respect to a variety of factors, including, but not limited to, assumptions with respect to the final amount of Allowed Claims. Should these underlying assumptions prove incorrect, the actual allowed amounts of Claims may vary from those estimated herein. Any material increase in the amount of Allowed Claims over the amounts estimated by the Debtors would materially reduce the recovery to holders of Claims under the Plan.

7. Reorganized LATAM Parent Stock is subject to potential dilution upon conversion of the New Convertible Notes.

The ownership percentage represented by the Reorganized LATAM Parent Stock on the Effective Date is subject to dilution, which may be material, as a result of the conversion of the New Convertible Notes, as well as any other convertible securities or Reorganized LATAM Parent Stock that may be issued after the Effective Date.

8. The valuation analysis of the Debtors and estimated Recoveries to Holders of Claims and Interests is not intended to represent the trading values of the Reorganized LATAM Parent Stock

The valuation analysis of the Debtors included in Exhibit D hereto is based on the financial projections developed by the Debtors management and on certain generally accepted valuation analyses, and is not intended to represent the trading values of Reorganized Debtors' securities in public or private markets. This valuation analysis is based on numerous assumptions (the realization of many of which is beyond the Debtors control), including, without limitation, the Debtors successful reorganization, an assumed Effective Date of June 30, 2022, the Debtors ability to achieve the operating and financial results included in the financial

projections, the Debtors ability to maintain adequate liquidity to fund operations and the assumption that capital and equity markets remain consistent with current conditions. Even if the Debtors achieve the financial projections, trading market values for the Reorganized LATAM Parent Stock could be adversely impacted by the lack of trading liquidity for these securities, lack of institutional research coverage and/or concentrated selling by recipients of these securities.

9. Certain Holders May Be Restricted Under Applicable Securities Laws in Their Ability to Transfer or Sell Their Securities

Holders of Reorganized LATAM Parent Stock issuable upon the conversion of New Convertible Notes Class A and New Convertible Notes Class C and in connection with the Equity Rights Offering will initially be restricted in their ability to transfer or sell their securities. These Persons will be permitted to transfer or sell such securities only pursuant to (i) the provisions of Rule 144 under the Securities Act, if available, or another available exemption from the registration requirements of the Securities Act, such as offers and sales that occur outside the United States in compliance with Regulation S and in accordance with any applicable securities laws of any other jurisdiction and sales to qualified institutional buyers as defined under Rule 144A or (ii) an effective registration statement under the Securities Act. The Reorganized Debtors have no current plans to register at a later date, post-bankruptcy, any of its securities under the Securities Act or under equivalent state securities laws such that the recipients of the Reorganized LATAM Parent Stock would be able to resell their securities pursuant to an effective registration statement. Moreover, although the Reorganized Debtors currently intend to make publicly available the information required by Rule 144, there is no assurance that it will do so, which would limit the ability of holders of securities to avail themselves of Rule 144.

10. The Debtors 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 the Debtors than you would receive from a comparable U.S. company

The corporate disclosure requirements that apply to LATAM 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 the Debtors than you would receive from a comparable U.S. company. The Debtors are subject to the reporting requirements of the Securities Exchange Act of 1934 (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.

11. The Debtors may lose their ability to operate in certain jurisdictions if they are not able to satisfy local ownership requirements.

Certain local jurisdictions have certain ownership requirements where a portion of the operating airline must be owned locally. If, after implementation of the plan, the Debtors do not meet these ownership requirements then they may lose their licenses and rights to operate in those jurisdictions.

C. Leverage

The Debtors believe that they will emerge from Chapter 11 with a level of debt that can be effectively serviced in accordance with their business plan. However, future circumstances could result in Reorganized Debtors being overleveraged. If such circumstances should occur, the Reorganized Debtors would face certain difficulties, including, but not limited to, difficulty in meeting their obligations, reduced flexibility and competitive disadvantages relative to competitors that have less debt.

Additionally, factors beyond the control of the Reorganized Debtors could affect their ability to meet debt service requirements. The ability of the Reorganized Debtors to meet debt service requirements will depend on their future performance, which, in turn, will depend in part on the ongoing COVID-19 pandemic, increase in demand for passenger air travel, the economy generally and other factors that are at least partially beyond the Debtors' control. The Debtors can provide no assurance that the Reorganized Debtors' business will generate sufficient cash flow from operations or that future borrowings will be available in amounts sufficient to enable the Reorganized Debtors to pay their respective indebtedness or to fund their other liquidity needs.

Further, the Reorganized Debtors may need to borrow additional funds or refinance all or a portion of their indebtedness on or before maturity. There is no assurance that the Reorganized Debtors will be able to borrow additional funds or refinance any of their indebtedness on commercially reasonable terms or at all. If the Reorganized Debtors are not able to make scheduled debt payments or comply with the other provisions of their debt instruments, their lenders will be permitted under certain circumstances to accelerate the maturity of the indebtedness owing to them and exercise other remedies provided for in those instruments and under applicable law.

D. Risks Relating to U.S. Tax Consequences of the Plan

1. Risks relating to U.S. federal income tax treatment of the Plan.

The U.S. federal income tax consequences of the Plan to the Debtors and to Holders of Claims and Equity Interests are subject to some uncertainty. The Debtors do not intend to seek any ruling from the IRS on the tax consequences of the Plan, and there is no assurance that the tax consequences of the Plan described in Article XII below would be respected by the IRS.

2. Risks relating to Chilean income tax and other taxes treatment of the Plan.

The Chilean tax consequences of the Plan to the Debtors and to Holders of Claims and Equity Interests are subject to some uncertainty. The Debtors do not intend to seek any ruling from the SII on the tax consequences of the Plan, and there is no assurance that the tax consequences of the Plan described in Article XIII below would be respected by the SII.

E. Risks Relating to the Inherent Uncertainty of Financial Projections

The Financial Projections set forth in the attached Exhibit C cover the operations of the Reorganized LATAM Parent through fiscal year 2026. As set forth in Exhibit C, the Projections are based on numerous assumptions, including that the Plan will be confirmed by the Bankruptcy Court and, for projection purposes, that the Effective Date under the Plan will occur on June 30, 2022.

To the extent that the assumptions inherent in the Financial Projections are based upon future business decisions and objectives, they are subject to change. In addition, although they are presented with numerical specificity and are based on assumptions considered reasonable by the Debtors, many of the assumptions on which the Projections are based are inherently subject to significant economic and competitive uncertainties and contingencies beyond the control of the Debtors and the Reorganized Debtors. Inevitably, some assumptions will not materialize and unanticipated events and circumstances may affect the actual financial results. Therefore, the actual results achieved throughout the time periods of the Projections may vary from the projected results and the variations may be material.

The Projections were not prepared in accordance with standards for projections promulgated by the American Institute of Certified Public Accountants [[or the International Financial Reporting Standards]]. The Projections have not been examined or compiled by independent accounts. No assurance can be given that the Projections will be realized. The Debtors make no representation or warranty as to the accuracy of the Projections or their ability to achieve the projected results.

F. Industry-Specific Risk Factors

1. Our performance is heavily dependent on economic conditions in the countries in which LATAM does business. Negative economic conditions in those countries could adversely impact its business and results of operation.

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, LATAM's 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 Debtors operate. The occurrence of similar events in the future could adversely affect LATAM's business. LATAM plans to continue to expand its operations based in Latin America and its performance will, therefore, continue to depend heavily on economic conditions in the region.

Any of the following factors could adversely affect LATAM's business, financial condition and results of operations in the countries in which it 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 economies in the countries in which LATAM operates, as well as any political instability, low economic growth, low consumption and/or investment rates, and increased inflation rates; or
- other political or economic developments over which LATAM has no control.

No assurance can be given that capacity reductions or other steps LATAM may take in its response to weakened demand will be adequate to offset any future reduction in their cargo and/or air travel demand in markets in which it operates. Sustained weak demand may adversely impact its 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 LATAM's cargo business, and could also impact its ability to set fares, which in turn would materially and negatively affect its financial condition and results of operations.

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

LATAM 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 its results of operations. Passenger taxes and airport charges have increased substantially in recent years. LATAM cannot guarantee that the airports in which LATAM operates will not increase or maintain high passenger taxes and service charges in the future. Any such increases could have an adverse effect on LATAM's financial condition and results of operations.

Certain airports that LATAM serves (or that LATAM plans 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. LATAM cannot be certain that LATAM will be able to obtain a sufficient number of slots, gates and other facilities at airports to expand their services in line with its growth strategy. It is also possible that airports not currently subject to capacity constraints may become so or that unexpected limitations in capacity might arise due to construction and renovation works in these airports. 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, LATAM may have to amend its schedules, change routes or reduce aircraft utilization. It is also possible that aviation authorities in the countries in which LATAM

operates change the rules for the assignment of takeoff and landing slots, as was the case with the São Paulo airport (Congonhas) in 2019 where the slots previously operated by Avianca Brazil were reassigned. Any of these alternatives could have an adverse financial impact on LATAM's operations. LATAM 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 LATAM's ability to continue to provide or to increase services at such airports.

3. LATAM's business is highly regulated and changes in the regulatory environment in the countries in which LATAM operates may adversely affect its business and results of operations.

LATAM's business is highly regulated and depends substantially upon the regulatory environment in the countries in which LATAM operates or intends to operate. For example, price controls on fares may limit its 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 its operations and its growth plans. The possible failure of aviation authorities to maintain the required governmental authorizations or failure to comply with applicable regulations, may adversely affect LATAM's business and results of operations.

LATAM's business, financial condition, and results of operations may be adversely affected by changes in policy or regulations at the federal, state or municipal level in the countries in which LATAM 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 development in or affecting Brazil, Chile, Peru and the United States, among others.

Uncertainty over whether the foreign governments will implement changes in policy or regulations affecting interests rates, taxes, social security, price controls, currency exchange and remittance controls, devaluations, capital controls and limits on imports or other factors may contribute to economic uncertainty in the countries where LATAM operates. It may also contribute to heightened volatility in the relevant securities markets and securities issued abroad. These and other developments may adversely affect LATAM and its business and results of operations.

LATAM is also subject to international bilateral air transport agreements that provide for the granting of air traffic rights to and from the countries where LATAM operates, and LATAM 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 LATAM will be able to obtain more route rights under those agreements to accommodate 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 their business, financial condition and results of operations. The suspension of their permits to operate to certain airports or destinations, the inability for LATAM 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 their business. LATAM 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 their business, financial condition and results of operations.

4. Losses and liabilities in the event of an accident involving one or more of the LATAM's aircraft could materially affect its business.

LATAM is 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:

- LATAM will not need to increase its insurance coverage;
- LATAM's insurance premiums will not increase significantly;
- LATAM's insurance coverage will fully cover all of its liability; or
- LATAM will not be forced to bear substantial losses.

Substantial claims resulting from an accident or significant incident in excess of LATAM's related insurance coverage could have a material adverse effect on its business, financial condition and results of operations. Moreover, any aircraft accident, even if fully insured, could cause the negative public perception that LATAM's 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 their business, financial condition and results of operations.

Insurance premiums may also increase due to an accident or incident affecting one of LATAM's alliance partners or other airlines, or due to a perception of increased risk in the industry related to concerns about war or terrorist attacks, the general industry, or general industry safety.

5. High levels of competition in the airline industry, such as the presence of low-cost carriers in the markets in which LATAM operates, may adversely affect LATAM's level of operations.

LATAM's 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 LATAM 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 LATAM's markets and compete with LATAM 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.

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 LATAM has seen more interest in the development of the low-cost model throughout Latin America. For example, in the Chilean market, Sky Airline, LATAM's 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, followed in April 2019 by Sky Airline Peru, another low-cost airline. In addition, in April 2021, JetSmart started its certification process in Peru in order to start its domestic operations. In Colombia, low-cost competitor VivaColombia has been operating in the domestic market since May 2012. A number of low-cost carriers have announced growth strategies including commitments to acquire significant numbers of aircraft for delivery in the next few years.

The entry of low-cost carriers into local markets in which the Debtors compete, including those described above, could have a material adverse effect on the Debtors' operations and financial performance. Additionally, certain of LATAM's competitors have also filed voluntary petitions under Chapter 11 of the Bankruptcy Code. The ability of competitors to significantly adjust their cost structure and become more competitive, resulting from a bankruptcy reorganization process or other financial restructuring may adversely affect LATAM's ability to compete.

LATAM's international strategic growth plans rely, in part, upon receipt of regulatory approvals of the countries in which LATAM plans to expand operations. LATAM may not be able to obtain those approvals, while other competitors might be approved. Accordingly, LATAM might not be able to compete for the same routes as LATAM's competitors, which could diminish LATAM's market share and adversely impact LATAM's financial results. No assurances can be given as to any benefits, if any, that LATAM may derive from such agreements. Consequently, certain consolidation agreements in the region have been announced lately, with American Airlines announcing a minority equity interest in JetSmart and a 5.2% stake in Gol, which also considers code share agreements with both airlines.

6. Some of LATAM's competitors may receive external support, which could adversely impact LATAM's competitive position.

Some of LATAM's competitors may receive support from external sources, such as their national governments, which may be unavailable to LATAM. Support may include, among others, subsidies, financial aid or tax waivers. This support could place LATAM at a competitive disadvantage and adversely affect LATAM's operations and financial performance. Additionally, during the COVID-19 pandemic, some of LATAM's competitors on long-haul routes have received, or will receive, 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. LATAM 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.

7. Some of the countries where LATAM 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 LATAM's business and financial results.

Courts and other governmental bodies in the countries where the Debtors operate may not comply with international agreements previously established. For example, rulings by a bankruptcy court in Brazil and by higher judicial authorities related to the bankruptcy proceedings of Avianca Brazil may appear to be inconsistent with the Cape Town Convention (CTC) treaty that Brazil has signed, thus raising concerns about the rights of creditors in respect of financings secured by aircraft. This ruling and other similar decisions, while perhaps not directly impacting LATAM's business, may increase the risk that creditors perceive with respect to leasing or other financing transactions involving aircraft in Brazil. There is also a possibility that rating agencies may issue lower credit ratings in respect of financings that are secured by aircraft in Brazil.

8. 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 the LATAM's results, business or 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 LATAM's 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 LATAM in the future could increase LATAM's cost base and adversely affect LATAM's operations and financial results. In addition, failure to comply with these regulations could adversely affect LATAM in a variety of ways, including adverse effects on LATAM'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. To the extent most of the countries in which the LATAM operates continue to be

ICAO member states, in the future LATAM may be affected by regulations adopted pursuant to the CORSIA framework.

The proliferation of national regulations and taxes on CO2 emissions in the countries that LATAM has domestic operations, including environmental regulations that the airline industry is facing in Colombia, may also affect LATAM's costs of operations and margins.

9. LATAM's 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 adverse weather conditions and natural disasters, epidemics (such as Ebola, Zika or COVID-19) and outbreaks such as the recent coronavirus, terrorist attacks, war or political and social instability. Situations such as these in one or more of the markets in which the Debtors operate could have a material impact on the Debtors' business, financial condition and results of operations. Furthermore, the spread of the COVID-19 pandemic and other adverse public health developments could have a prolonged effect on air transportation demand and any prolonged or widespread effects could significantly impact the Debtors' operations. *See infra, A pandemic or the widespread outbreak of contagious illnesses has had, and may continue to have, a material adverse effect on LATAM's business and results of operations.*

After the terrorist attacks in the United States on September 11, 2001, the Company made the decision to reduce its flights to the United States. In connection with the reduction in service, LATAM reduced its workforce resulting in additional expenses due to severance payments to terminated employees during 2001. 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 LATAM's business, financial condition and results of operations.

After the 2001 terrorist attacks, airlines have experienced increased costs resulting from additional security measures that may be made even more rigorous in the future. In addition to measures imposed by the U.S. Department of Homeland Security and the TSA, IATA and certain foreign governments have also begun to institute additional security measures at foreign airports LATAM serves.

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, some or all of LATAM's flights may be cancelled or significantly delayed, reducing LATAM's profitability. 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 LATAM's revenues and results of operations.

10. A pandemic or the widespread outbreak of contagious illnesses has had, and may continue to have, a material adverse effect on LATAM's business and results of operations.

The widespread outbreak of a contagious illness such as COVID-19, first identified in Wuhan, Hubei Province, China and which has been declared a pandemic by the World Health Organization (WHO), or fear of such an event, is materially reducing demand for, and availability of, worldwide air travel and therefore is having a material adverse effect on LATAM's business and results of operations.

In 2003, an outbreak of a coronavirus known as severe acute respiratory syndrome (SARS) originating in China became an epidemic and resulted in a slowdown of passenger air traffic due contagion fears. At the time, RPK growth was reduced due to oversupply in the market as airlines tried to cut capacity.

The impact of the COVID-19 pandemic has been much more severe. It 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 ultimate severity of the COVID-19 pandemic is uncertain at this time and therefore LATAM cannot predict the impact it may have on the availability of aircraft or aircraft spare parts. However, the effect on LATAM's results may be material and adverse if supply chain disruptions persist and preclude LATAM's ability to adequately maintain its fleet.

The outbreak of COVID-19 has also led to government-imposed travel restrictions, flight cancellations, and a marked decline in passenger demand for air travel. Accordingly, in the months following the emergence of COVID-19, LATAM implemented a reduction in its operations in line with the significantly reduced passenger demand and travel restrictions. In the second quarter of 2020, LATAM operated only 6.3% of its capacity (measured in ASKs) and has worked to ramp up operations in the following months. During the nine-month period ended September of 2021, LATAM operated at 39.1% capacity as compared to the same period in 2019, corresponding to 20.0% of international operations.

The potential for a period of significantly reduced demand for travel has and will likely continue to result in significant lost revenue. As a result of these or other conditions beyond LATAM's control, LATAM's results of operations could continue to be volatile and subject to rapid and unexpected change. In addition, if the spread of COVID-19 were to continue unabated, LATAM's operations could also be negatively affected if employees are quarantined as the result of exposure to the contagious illness. LATAM cannot fully predict the impact that the COVID-19 pandemic will continue to have on global air travel, corporate travel, and the extent to which it may impact the demand for air travel in the regions in which the group operates. Continued government-imposed travel restrictions, border closures or operational issues resulting from the rapid spread of COVID-19 or other contagious illnesses, all of which may be unpredictable, may materially reduce demand for air travel in parts of the world in which the Debtors have significant operations and could have lasting impacts on how people do business and the need or demand for business travel. In addition, the pace of the COVID-19 vaccine rollout globally may materially impact LATAM's operations. These measures and issues have had and could continue to have a material adverse effect on LATAM's business and results of operations.

11. An accumulation of ticket refunds could have an adverse effect on the Debtors' financial results.

The COVID-19 pandemic and the corresponding widespread government-imposed travel restrictions that are outside of LATAM's control have resulted in an unprecedented number of requests for ticket refunds from customers due to changed or cancelled flights. Although at the time this issue has been managed, LATAM cannot guarantee that the COVID-19 pandemic or other outbreak of contagious illness will not result in additional changed or cancelled flights, and LATAM 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 LATAM's financial results or liquidity position. Furthermore, LATAM has agreements with financial institutions that process customer credit card transactions for the sale of air travel and other services. Under certain of LATAM's credit card processing agreements, the financial institutions in certain circumstances have the right to require that LATAM maintains a reserve equal to a portion of advance ticket sales that have been processed by that financial institution, but for which LATAM 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 LATAM does not maintain certain minimum levels of unrestricted cash, cash equivalents and short-term investments. Refunds lower LATAM's liquidity and put LATAM at risk of triggering liquidity covenants in these processing agreements and, in doing so, could force LATAM to post cash collateral with the credit card companies for advance ticket sales.

12. It is possible that in spite of mitigation measures in place, COVID-19 or other diseases could be transmitted to passengers or employees on LATAM's aircraft or at an airport, which could lead to reputational and/or financial impacts.

The health safety and sanitation measures LATAM has implemented may not be sufficient to prevent the spread or contagion of COVID-19 or other infectious diseases to LATAM's passengers or employees on LATAM's aircraft or the airports in which LATAM operates, which could result in adverse reputational and financial impacts for LATAM. 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.

13. As a result of the COVID-19 pandemic, the airline industry may experience consumer behavior changes, including with regard to 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 exists and could lead to adverse financial impacts for the Company. Corporate travel has been hindered, and in many cases, prohibited by companies due to risks during the pandemic. At this time, 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.

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

The nature of LATAM's business exposes LATAM 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, LATAM is subject to proceedings or investigations of actual or potential litigation. Although LATAM establishes accounting provisions as LATAM deems necessary, the amounts that LATAM reserves could vary significantly from any amounts LATAM actually pays due to the inherent uncertainties in the estimation process. LATAM cannot assure you that these or other legal proceedings will not materially affect the LATAM's business.

15. LATAM is subject to an anti-corruption, anti-bribery, anti-money laundering and antitrust laws and regulations in Chile, the United States and in the various countries where LATAM operates. Violations of any such laws or regulations could have a material adverse impact on LATAM's reputation and results of operations and financial condition.

LATAM is 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 LATAM operates. In addition, LATAM is subject to economic sanctions and regulations that restrict LATAM's dealings with certain sanctioned countries, individuals and entities. There can be no assurance that LATAM's internal policies and procedures will be sufficient to prevent or detect all inappropriate practices, fraud or violations of law by LATAM's affiliates, employees, directors, officers, partners, agents and service providers or that any such persons will not take actions in violation of LATAM's policies and procedures. Any violations by LATAM of laws or regulations could have a material adverse effect on LATAM's business, reputation, results of operations and financial condition.

16. Latin American governments have exercised and continued 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. LATAM's 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 LATAM 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 Banco Central de Chile (the "Chilean Central Bank") affect base interest rates and other measures. In the future, the level of intervention by Latin American governments may continue or increase. LATAM cannot assure you 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 LATAM's business, financial condition and results of operations.

17. Political instability and social unrest in Latin America may adversely affect LATAM's business.

LATAM operates primarily within Latin America and is thus subject to a full range of risks associated with the Debtors' 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 LATAM's 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 LATAM's key markets could adversely affect LATAM's 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 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 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 the Operation Car Wash.

In Peru, on September 30, 2019, President Martin Vizcarra took the executive action to dissolve the Peruvian Congress and called for a new election of congressional members. In response to the dissolution of the Congress, former members of the legislative body voted to suspend President Vizcarra for twelve months and appointed Vice President Mercedes Araoz as interim president to temporarily replace Mr. Vizcarra. Vice President Araoz resigned from her position as interim president the following day. Following these events, a period of political instability began, marked by congressional elections and impeachment proceedings. Since then, Peru has undergone political and social unrest, accompanied by various protests within the country.

Notwithstanding the foregoing, Peru held a general election in April 2021 to elect a new President and Congress, and held a run-off election for President on June 6, 2021. After an extensive vote counting process, Pedro Castillo, rural teacher and socialist candidate, was

proclaimed president for the next five years with 50.12% of the votes on July 19, 2021. In the past, governments have imposed controls on prices, exchange rates, local and foreign investment and international trade, restricted the ability of companies to dismiss employees, expropriated private sector assets and prohibited the remittance of profits to foreign investors. LATAM cannot be certain whether the new Peruvian government will continue to pursue business-friendly and open-market economic policies that stimulate economic growth and stability.

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 LATAM's ability to operate in Chile. Additionally, the protests in Chile sparked a wave of protests in the region, namely in Ecuador and Colombia, and the latter continues to experience protests.

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. It is not possible to predict the effect of these changes as they are still under discussion, but they could potentially result in higher payments of wages and salaries and an increase in taxes. 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 was held on May 15-16, 2021. The convention was installed on July 4, 2021 and thereafter will have 9 months, with the possibility of a one-time, three-month extension, to present a new constitution, which will be approved or rejected in a referendum during 2022. [[In addition, Chile held presidential and congressional elections in November 2021, the results of which are not yet final.]]

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

18. Latin American countries have experienced periods of adverse macroeconomic conditions.

LATAM's 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 decreased 3.5% in 2015, decreased 3.3% in 2016, increased 1.3% in 2017 , increased 1.8% in 2018 and 1.1% in 2019, and decreased 4.1% in 2020, according to the Brazilian Institute for Geography and Statistics (Instituto Brasileiro de Geografia e Estadística, or "IGBE"). In addition, the credit rating of the Brazilian federal government was downgraded in 2015 and 2016 by all major credit rating agencies and is no longer investment grade. LATAM can offer no assurances as to the policies that may be implemented by the recently elected Argentine administration, or that political developments in Argentina will not adversely affect the Argentine economy.

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 LATAM's business, financial condition and results of operations.

G. Company-Specific Risk Factors

1. LATAM's impaired its goodwill in the fiscal year 2020.

During the fiscal year 2020, LATAM recognized an impairment for the total value of its goodwill. Under International Reporting Standards ("IFRS") goodwill is subject to an annual impairment test and may be required to be tested more frequently if events or circumstances indicate a potential impairment. In 2019, mainly as a result of the depreciation of the Brazilian real against the U.S. dollar, the value of LATAM's goodwill decreased by 3.7% as compared with 2018. As of December 31, 2019, the value of LATAM's goodwill was $2,209,576. In 2020, LATAM recognized a goodwill impairment of $1,729,000. Any future impairment could result in the recognition of a significant charge to earnings in LATAM's statement of income, which could materially and adversely impact LATAM's consolidated results for the period in which the impairment occurs.

2. A failure to successfully implement the Debtors' strategy or a failure adjusting the strategy to the current economic situation would harm LATAM's business and the market value of LATAM's ADSs and common shares.

LATAM has developed a strategic plan with the goal of becoming one of the most admired airline groups in the world and renewing LATAM's commitment to sustained profitability and superior returns to shareholders. LATAM's strategy requires LATAM to identify value propositions that are attractive to their clients, to find efficiencies in their daily operations, and to transform itself into a stronger and more risk-resilient company. A tenet of LATAM's 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 LATAM's 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 wishing 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 LATAM's strategy may adversely affect its business, results of operations.

3. LATAM's financial results are exposed to foreign currency fluctuations.

LATAM prepares and presents its 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 LATAM operates could adversely affect its 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, LATAM's 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 LATAM's business, financial condition, and results of operations.

4. LATAM depends on strategic alliances or commercial relationships in many of the countries in which LATAM operates, and LATAM's business may suffer if any of LATAM's strategic alliances or commercial relationships are terminated.

LATAM maintains a number of alliances and other commercial relationships in many of the jurisdictions in which it operates. These alliances or commercial relationships allow LATAM to enhance its network and, in some cases, to offer its customers services that LATAM could not otherwise offer. If any of LATAM's strategic alliances or commercial relationships deteriorates, or any of these agreements are terminated, LATAM's business, financial condition and results of operations could be adversely affected.

5. LATAM's business and results of operations may suffer if LATAM fails 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 LATAM has a focus may have a material adverse effect on LATAM.

LATAM's business depends upon LATAM's 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 LATAM's control. LATAM's operations could be constrained by any delay or inability to gain access to key routes or airports, including:

- limitations on LATAM's ability to transport more passengers;
- 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 LATAM's existing slots and obtain additional slots.

LATAM 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.

There can be no assurance that existing bilateral agreements with the countries in which LATAM is 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 LATAM's business, financial condition and results of operations. The suspension of LATAM's 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 LATAM operates that restrict LATAM's route, airport or other access may have a material adverse effect on their business, financial condition and results of operations.

Moreover, LATAM's 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 cancelations of capex programs could impact LATAM's operations or ability to grow in the future.

Santiago's Comodoro Arturo Merino Benítez International Airport is undergoing an important expansion, which is expected to be inaugurated in the second half of 2021. 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 an extension of the concession period, which expires in 2035. This dispute implies a risk to future opex and capex investments and adverse effects to the airport's operations.

One of the major operational risks LATAM faces on a daily basis at Lima's Jorge Chavez International Airport is the limited number of parking positions. Additionally, the indoor infrastructure of the airport limits LATAM's ability to manage connections and launch new flights due to the lack of gates and increasing security and immigration controls. Lima's Jorge Chavez International Airport is currently undergoing an expansion, which is expected to be

completed by 2024. Any delays could negatively impact LATAM's operations, limit LATAM's ability to grow and affect its competitiveness in the country and in the 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 LATAM's access to airports or routes that are vital to LATAM's strategy, or LATAM's inability to maintain its existing slots and obtain additional slots, could materially adversely affect its operations.

One of the largest operational risks that the El Dorado International Airport in Bogotá faces is the limited capacity that it has during certain time periods due to the adverse weather conditions, the operation of non-regular flights and the lack of availability of slots. As a result, measures have been implemented to mitigate and regulate the operation, such as Ground Stop and Ground Delay Program (GDP Program), which generate delays controlled by the control tower. Another issue faced at the El Dorado International Airport is delays by ATC of the control tower in connection with the GDP Program. These delays occur particularly in certain time periods with high traffic and are associated with non-regular flight operation, emergency flights, lower performance planes, all of which lower the airport's capacity. However, the El Dorado Airport, its concessionaire, Opain S.A., and the relevant authorities are working on the ACDM (Airport Collaborative Decision Making) project which seeks to optimize the airport's resources, involving all the industry's players by understanding their needs, in order to achieve a more controlled operation with less schedule delays.

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

LATAM'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 LATAM transports and may have a significant impact on LATAM's results of operations. Future trade protection measures by or against the countries for which LATAM provides cargo services may have an impact in cargo traffic volumes and adversely affect LATAM's financial results. Some of LATAM's cargo products are sensitive to foreign exchange rates and, therefore, traffic volumes could be impacted by the appreciation or depreciation of local currencies.

7. LATAM's operations are subject to fluctuations in the supply and cost of jet fuel, which could adversely impact its business.

Higher jet fuel prices could have a materially adverse effect on LATAM's business, financial condition and results of operations. Jet fuel costs have historically accounted for a significant amount of LATAM's operating expenses, and accounted for 21.5% of LATAM's operating expenses in the first nine months of 2021. Both the cost and availability of fuel are subject to many economic and political factors and events that LATAM 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 or other events could result in higher fuel prices or reductions in scheduled airline services. LATAM cannot ensure that it would be able to offset any increases in the price of fuel by increasing its fares. In addition, lower fuel prices may result in lower fares through the reduction or elimination of fuel surcharges. LATAM has entered into fuel hedging arrangements, but there can be no assurance that such arrangements will be adequate to protect LATAM from an increase in fuel prices in the near future or in the long term. Also, while these hedging arrangements are designed to limit the effect of an increase in fuel prices, LATAM's hedging methods may also limit LATAM's ability to take advantage of any decrease in fuel prices, as was the case in 2015 and, to a lesser extent, in 2016. Hedging arrangements are limited after LATAM's Chapter 11 filings, as LATAM's ISDA contracts went stale. LATAM has entered into new contracts, however, and as of September 30, 2021, has 22% of its estimated fuel consumption hedged for the fourth quarter of 2021, 25% in the first quarter of 2022 and 25% in the second quarter of 2022.

8. LATAM relies on maintaining a high aircraft utilization rate to increase its revenues and absorb its fixed costs, which makes LATAM especially vulnerable to delays.

Generally, a key element of LATAM's strategy is to maintain a high daily aircraft utilization rate, which measures the number of hours LATAM uses its aircraft per day. High daily aircraft utilization allows the Debtors to maximize the amount of revenue the Debtors generate from LATAM's aircraft and absorb the fixed costs associated with LATAM's fleet and is achieved, in part, by reducing turnaround times at airports and developing schedules that enable LATAM to increase the average hours flown per day. LATAM's rate of aircraft utilization could be adversely affected by a number of different factors that are beyond LATAM's 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 an aircraft falls behind schedule, the resulting delays could cause a disruption in LATAM's operating performance and have a financial impact on LATAM's results.

As a result of the COVID-19 pandemic, LATAM's turnaround times between flights have increased to allow for the incorporation of numerous changes to the operation, such as increased aircraft sanitization and adjusted embarking and disembarking procedures. This increase in turnaround times has a direct impact on the Debtors' utilization rate. Further, as a result of the Debtors' Chapter 11 Cases, the majority of LATAM's fleet is operating on a payment by use plan, thus turning the once fixed costs into variable costs that are not easily absorbed through higher utilization.

9. LATAM flies and depends on Airbus and Boeing aircraft, and LATAM's business could suffer if LATAM does not receive timely deliveries of aircraft, if aircraft from these companies become unavailable or if the public negatively perceives LATAM's aircraft.

As of September 30, 2021, LATAM had a total fleet of 237 Airbus and sixty-five Boeing aircraft. Risks relating to Airbus and Boeing include:

- LATAM's 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 LATAM's 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; or
- delays between the time LATAM realizes the need for new aircraft and the time it takes LATAM to arrange for Airbus and Boeing or for a third-party provider to deliver this aircraft.

The occurrence of any one or more of these factors could restrict LATAM's ability to use aircraft to generate profits, respond to increased demands, or could otherwise limit the LATAM's operations and adversely affect LATAM's business.

10. If LATAM is unable to incorporate leased aircraft into its fleet at acceptable rates and terms in the future, its business could be adversely affected.

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

11. LATAM's business may be adversely affected if LATAM is unable to service LATAM's debt or meet LATAM's future financing requirements.

LATAM has a high degree of debt and payment obligations under their aircraft leases and financial debt arrangements. LATAM requires significant amounts of financing to meet its aircraft capital requirements and may require additional financing to fund their other business needs. LATAM cannot guarantee that it will have access to or be able to arrange for financing in

the future on favorable terms. Higher financing costs could affect its ability to expand or renew its fleet, which in turn could adversely affect its business.

In addition, a substantial portion of LATAM's property and equipment is subject to liens securing LATAM's indebtedness, including the Debtors' debtor-in-possession financing. In the event that LATAM fails to make payments on secured indebtedness or debtor-in-possession financing, creditors' enforcement of liens could limit or end LATAM's ability to use the affected property and equipment to fulfill their operational needs and thus generate revenue.

Moreover, external conditions in the financial and credit markets may limit the availability of funding at particular times or increase its costs, which could adversely affect LATAM's profitability, their 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 their funding costs include global macro-economic crises, reductions in their credit rating or in that of their issuances, and other potential market disruptions.

12. LATAM has significant exposure to LIBOR and other floating interest rates; increases in interest rates will increase LATAM's financing costs and may have adverse effects on LATAM's financial condition and results of operations.

LATAM is exposed to the risk of interest rate variations, principally in relation to the U.S. dollar London Interbank Offer Rate ("LIBOR"). Many of LATAM's financial leases are denominated in U.S. dollars and bear interest at a floating rate; 56% of the Debtors' outstanding consolidated debt as of September 30, 2021 bears interest at a floating rate (60% if one considers the DIP financing provided by related parties). Volatility in LIBOR or other reference rates could increase LATAM's periodic interest and lease payments and have an adverse effect on LATAM's total financing costs. LATAM may be unable to adequately adjust its prices to offset any increased financing costs, which would have an adverse effect on its business, financial results and cash flows.

On July 27, 2017, the Financial Conduct Authority (the authority that regulates LIBOR) announced that it intends to stop compelling banks to submit rates for the calculation of LIBOR after 2021 and such intention was further announced on March 5, 2021. 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. The impact of such a transition away from LIBOR could be significant for the Debtors because of their substantial indebtedness.

13. Increases in insurance costs and/or significant reductions in coverage could harm LATAM's financial condition and results in 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 LATAM's financial results, change the insurance strategy, and also increase the risk of uncovered losses.

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

LATAM's operations, including LATAM's ability to deliver customer service, are dependent on the effective operation of LATAM's equipment, including its aircraft, maintenance systems and reservation systems. LATAM's 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 LATAM operates. Equipment failures, personnel shortages, air traffic control problems and other factors that could interrupt operations could adversely affect LATAM's operations and financial results as well as their reputation.

15. LATAM depends on a limited number of suppliers of certain aircraft and engine parts.

LATAM depends on a limited number of suppliers for aircraft, aircraft engines and many aircraft and engine parts. As a result, LATAM is 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 its aircraft. During the year 2020, LATAM's main suppliers were aircraft manufacturers Airbus and Boeing.

In addition to Airbus and Boeing, LATAM has a number of other suppliers, primarily related to aircraft accessories, spare parts, and components, including Pratt & Whitney, MTU Maintenance, Rolls-Royce PLC, General Electric and Pratt & Whitney Canada.

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

LATAM has engaged a significant number of third-party service providers to perform a large number of functions that are integral to LATAM's 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. LATAM does not directly control these third-party service providers, although LATAM does 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 global distribution systems ("GDS") may be adversely affected by disruptions in LATAM's 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 the Debtors and GDS users, and impair the Debtors' relationships with customers and travel agencies. The failure of any of LATAM's third-party service providers to adequately perform their service obligations, or other interruptions of services, may reduce LATAM's revenues and increase LATAM's expenses or prevent LATAM from operating LATAM's flights and providing other services to their customers. In addition, LATAM's business, financial performance and reputation could be materially harmed if their customers believe that their services are unreliable or unsatisfactory.

17. Disruptions or security breaches of LATAM's information technology infrastructure or systems could interfere with LATAM's operations, compromise passenger or employee information, and expose LATAM to lability, possibly causing LATAM's business and reputation to suffer.

A serious internal technology error, failure, or cybersecurity incident impacting systems hosted internally at LATAM's data centers, externally at third-party locations or cloud providers, or large-scale interruption in technology infrastructure LATAM depends on, such as power, telecommunications or the internet, may disrupt the Debtors' technology network with potential impact on LATAM's operations. LATAM's 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 and other security issues. These systems include LATAM's 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 LATAM's ordinary business operations, LATAM collects and stores sensitive data, including personal information of their passengers and employees and information of business partners. The secure operation of the networks and systems on which this type of information is stored, processed and maintained is critical to LATAM's business operations and strategy. Unauthorized parties may attempt to gain access to LATAM's systems or information through fraud, deception, or cybersecurity incidents. Hardware or software LATAM develops or acquires may contain defects that could unexpectedly compromise information security. The compromise of LATAM's 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 LATAM's operations and damage to their reputation, any or all of which could adversely affect LATAM's business.

18. Increases in LATAM's labor costs, which constitute a substantial portion of LATAM's total operating expenses, could directly impact LATAM's earnings.

Labor costs constitute a significant percentage of LATAM's total operating expenses (16.7% in the first nine months of 2021) and at times in LATAM's operating history LATAM has experienced pressure to increase wages and benefits for its employees. A significant increase in LATAM's labor costs could result in a material reduction in LATAM's earnings.

19. Collective action by employees could cause operating disruption and adversely impact LATAM's business.

Certain employee groups such as pilots, flight attendants, mechanics and LATAM's airport personnel have highly specialized skills. As a consequence, actions by these groups, such as strikes, walk-outs or stoppages, could severely disrupt the Debtors' operations and adversely impact LATAM's operating and financial performance, as well as LATAM's image. A strike, work interruption or stoppage or any prolonged dispute with LATAM's employees who are represented by any of these unions could have an adverse impact on the Debtors' 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 LATAM's operating expenses. Any failure to reach an agreement during negotiations with unions may require LATAM to enter into arbitration proceedings, use financial and management resources, and potentially agree to terms that are less favorable to LATAM than its existing agreements. Employees who are not currently members of unions may also form new unions that may seek further wage increases or benefits.

20. LATAM's business may experience adverse consequences if LATAM is unable to reach satisfactory collective bargaining agreements with its unionized employees.

As of December 31, 2020, approximately 64% of the Debtors' 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. LATAM's 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 LATAM's expectations or that prevent LATAM from competing effectively with other airlines.

21. LATAM may experience difficulty finding, training and retaining employees.

LATAM's business is labor intensive. LATAM 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. Such shortage of qualified personnel is further exacerbated as a result of the Chapter 11 Cases, and extends to non-flight personnel. In addition, as is common with most of LATAM's competitors, LATAM may, from time to time, face considerable turnover of its employees. Should the turnover of employees, particularly pilots and maintenance technicians, sharply increase, LATAM's training costs will be significantly higher. LATAM cannot guarantee that it will be able to recruit, train and retain the managers, pilots, technicians and other qualified employees that the Debtors need to continue their 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 their business, financial condition, and results of operations.

X.
SECURITIES LAW MATTERS

A. Introduction

The sale, issuance, placement and distribution (as applicable) of securities pursuant to the Plan, including the ERO New Common Stock and New Convertible Notes (the "Plan Securities") will be exempt from the registration requirements of Section 5 of the Securities Act pursuant to Section 4(a)(2) under the Securities Act and/or other available exemptions from registration under the Securities Act and state securities laws, as applicable. Other than as noted below in Section X.Cn ,o registration statement will be filed under the Securities Act or pursuant to any state securities laws with respect to the offer, distribution and resale of the Plan Securities.

B. Exemptions from Registration Requirements; Resales of Plan Securities

The Debtors believe that the offer and sale of the ERO New Common Stock and New Convertible Notes will be exempt from the registration requirements of the Securities Act pursuant to Regulation D or section 4(a)(2) of the Securities Act and will therefore be "restricted securities" within the meaning of Rule 144 under the Securities Act and may only be reoffered, sold or otherwise transferred (i) pursuant to an exemption from registration under the Securities Act provided by Rule 144 thereunder, (ii) to a "qualified institutional buyer" as defined in Rule 144A under the Securities Act ("Rule 144A") pursuant to and in compliance with Rule 144A or in another transaction not involving a public offering that is exempt from registration under the Securities Act (iii) pursuant to any effective registration statement under the Securities Act or (iv) to Reorganized LATAM Parent, in each of cases (i) through (iv) in accordance with any applicable securities laws in any state of the United States.

C. Listing of Reorganized LATAM Parent Stock and Registration Rights

The equity securities of LATAM Parent are currently registered under Section 12(g) of the Securities Exchange Act of 1934. All Plan Securities shall be registered with the CMF and listed on the Santiago Stock Exchange, and all New Common Stock and New Convertible Notes shall be freely transferrable in Chile by affiliates and non-affiliates, as of the Effective Date.

As described in this Disclosure Statement and set forth in the Plan, LATAM Parent will negotiate the Registration Rights Agreement in good faith with the Commitment Creditors and

LATAM Parent, in consultation with the Backstop Shareholders, covering registration of securities owned by affiliates of Reorganized LATAM Parent, to be effective on the Effective Date, binding on those parties as set forth in such agreement filed as an exhibit to the Plan Supplement and in form and substance reasonably satisfactory to the Debtors.

The Registration Rights Agreement shall include (i) customary registration rights that will include an agreement to re-sale shelf registration rights and/or piggy back registration rights, (ii) agreement regarding reinstating the ADRs in the U.S., and (iii) a determination regarding whether the common stock will be listed on the New York stock exchange/NASDAQ or other applicable "national securities market" and Chile.

D. Antitrust Requirements

The Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the "HSR Act"), requires parties to certain acquisitions of assets, voting securities, or non-corporate interests to file notification forms with, among other applicable regulatory agencies, the Federal Trade Commission (the "FTC") and the Antitrust Division of the U.S. Department of Justice (the "DOJ"), and to observe certain statutory waiting periods. Persons who will hold as a result of an acquisition in excess of $94 million of Reorganized LATAM Parent Stock (as valued in accordance with the HSR Act) may be required to file a Notification and Report Form with the FTC and the DOJ, observe a statutory waiting period, and pay the requisite filing fee, provided certain jurisdictional thresholds are satisfied. Persons filing the Notification and Report Form are required to provide, among other information, a description of the transaction, certain financial statements of the Person filing notification, a classification by North American Industry Classification System Code of the revenues the Person filing notification derived from U.S. operations, and detail on the Person filing notification's corporate structure, including minority holdings. Both the HSR Act and its implementing regulations contain exemptions from the application of the HSR Act that may apply under certain circumstances. Persons acquiring Reorganized LATAM Parent Stock should consult with independent legal counsel to determine whether they may be subject to the HSR Act.

E. Chilean Law Requirements

In order to comply with the Chilean law requirements, after the Confirmation Date but prior to the Effective Date, the LATAM Parent Board will summon an extraordinary meeting of Holders of Existing Equity Interests (the "Shareholders' Plan Meeting"). At the Shareholders' Plan Meeting, the shareholders must vote to approve the issuance of the Plan Securities. The requisite voting threshold for both the New Common Stock and New Convertible Notes is 50% + 1, of the shares present or represented by proxy at the Shareholders' Plan Meeting. It is contemplated, that at the Shareholders' Plan Meeting, the shareholders would delegate the pricing of the New Common Stock to the LATAM Parent Board and such delegation will be effective for 180 days thereafter. The LATAM Parent Board will then agree to issue the Plan Securities which will then be registered with the CMF. After such registration is completed, the LATAM Parent Board will set the price of the New Common Stock.

After registration of the Plan Securities with the CMF, and prior to the Effective Date, LATAM Parent will notify the Eligible Equity Holders of their right to subscribe and purchase

the New Common Stock and the New Convertible Notes. Eligible Equity Holders will have thirty days from the date of that notice to exercise their preemptive rights to subscribe and purchase the New Common Stock (the "Preemptive Rights Offering Period") and New Convertible Notes (the "New Convertible Notes Preemptive Rights Offering Period" and together with the Preemptive Rights Offering Period, the "Preemptive Rights Periods").

As provided in the Plan, during each Preemptive Rights Period, the Eligible Equity Holders will have the exclusive right to purchase their Pro Rata share of the Plan Securities. Regarding the New Convertible Notes Class A and the New Convertible Notes Class C, upon the expiration of the New Convertible Notes Preemptive Rights Offering Period, the New Convertible Notes Class A and the New Convertible Notes Class C that are not subscribed and purchased by the Eligible Equity Holders will be allocated to Holders of certain Allowed Claims, subject to the backstop provided by the New Convertible Notes Class C Backstop Parties. Regarding the New Convertible Notes Class B to the extent they are not subscribed and purchased by the Eligible Equity Holders, they will be subscribed and purchased the New Convertible Notes Class B Backstop Parties. At last, the New Common Stock not subscribed and purchased by Eligible Equity Holders, will be backstopped by the ERO New Common Stock Backstop Parties.

XI. RELEASES

The releases, discharges, injunctions and exculpations set forth in the Plan and described herein are the product of a global compromise and settlement with certain parties in interest, including the Commitment Parties.

The Debtors believe that the releases, discharges, injunctions and exculpations are reasonable, narrowly tailored and necessary for the Debtors to exit Chapter 11.

The Debtors believe that the Released Parties (as defined below) have benefitted the Debtors' estates because, among other things, the releases are narrowly tailored to the Debtors' restructuring proceedings, and each of the Released Parties has afforded value to the Debtors and aided in the reorganization process, which facilitated the Debtors' ability to propose and pursue Confirmation of the Plan.

A. Released Parties

For purposes of the Plan, "Released Parties" means (i) each of the Debtors, (ii) the Committee, (iii) the Backstop Parties, (iv) the DIP Secured Parties, and (v) each of the respective Related Persons of each of the foregoing.

B. RELEASES BY THE DEBTORS

AS OF THE EFFECTIVE DATE, THE RELEASING PARTIES SHALL BE DEEMED TO FOREVER RELEASE, WAIVE, AND DISCHARGE CONCLUSIVELY, ABSOLUTELY, UNCONDITIONALLY AND IRREVOCABLY TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, EACH OF THE RELEASED PARTIES FROM ANY AND ALL CLAIMS, INTERESTS, OBLIGATIONS (CONTRACTUAL OR OTHERWISE), SUITS, JUDGMENTS, DAMAGES, DEMANDS,

DEBTS, REMEDIES, RIGHTS, CAUSES OF ACTION (INCLUDING AVOIDANCE AND OTHER ACTIONS), RIGHTS OF SETOFF AND LIABILITIES WHATSOEVER (INCLUDING ANY DERIVATIVE CLAIMS ASSERTED OR ASSERTABLE ON BEHALF OF THE DEBTORS) IN CONNECTION WITH OR IN ANY WAY RELATING TO THE DEBTORS, THE CHAPTER 11 CASES, THE RESTRUCTURING SUPPORT AGREEMENT, THE DISCLOSURE STATEMENT, OR THE PLAN (OTHER THAN THE RIGHTS OF THE DEBTORS, OR THE REORGANIZED DEBTORS TO ENFORCE THE OBLIGATIONS UNDER THE CONFIRMATION ORDER AND THE PLAN AND THE CONTRACTS, INSTRUMENTS, RELEASES, AND OTHER AGREEMENTS OR DOCUMENTS DELIVERED OR THAT SURVIVE THEREUNDER) WHETHER LIQUIDATED OR UNLIQUIDATED, FIXED OR CONTINGENT, MATURED OR UNMATURED, KNOWN OR UNKNOWN, FORESEEN OR UNFORESEEN, THEN EXISTING OR THEREAFTER ARISING, IN LAW, EQUITY, OR OTHERWISE, THAT ARE BASED IN WHOLE OR PART ON ANY ACT, OMISSION, TRANSACTION, EVENT, OR OTHER OCCURRENCE TAKING PLACE ON OR PRIOR TO THE EFFECTIVE DATE; PROVIDED, HOWEVER, THAT NOTHING IN SECTION 11.3 OF THE PLAN:

(I) SHALL BE DEEMED TO PROHIBIT THE REORGANIZED DEBTORS FROM ASSERTING AND ENFORCING ANY CLAIMS, OBLIGATIONS, SUITS, JUDGMENTS, DEMANDS, DEBTS, RIGHTS, CAUSES OF ACTION OR LIABILITIES THEY MAY HAVE AGAINST ANY EMPLOYEE (INCLUDING DIRECTORS AND OFFICERS) FOR ALLEGED BREACH OF CONFIDENTIALITY, OR ANY OTHER CONTRACTUAL OBLIGATIONS OWED TO THE DEBTORS OR THE REORGANIZED DEBTORS, INCLUDING NON-COMPETE AND RELATED AGREEMENTS OR OBLIGATIONS;

(II) SHALL OPERATE AS A RELEASE, WAIVER, OR DISCHARGE OF ANY CAUSES OF ACTION OR LIABILITIES UNKNOWN TO THE DEBTORS AS OF THE PETITION DATE ARISING OUT OF GROSS NEGLIGENCE, WILLFUL MISCONDUCT, FRAUD OR CRIMINAL ACTS OF SUCH RELEASED PARTY; OR

(III) SHALL RELEASE ANY OF THE CAUSES OF ACTIONS PRESERVED UNDER THE PLAN AGAINST ANY PERSONS OTHER THAN RELEASED PARTIES.

ENTRY OF THE CONFIRMATION ORDER ON THE CONFIRMATION DATE SHALL CONSTITUTE THE BANKRUPTCY COURT'S APPROVAL, PURSUANT TO BANKRUPTCY RULE 9019, OF THE FOREGOING RELEASE BY THE DEBTORS, WHICH INCLUDES BY REFERENCE EACH OF THE RELATED PROVISIONS AND DEFINITIONS CONTAINED HEREIN, AND FURTHER, SHALL CONSTITUTE THE BANKRUPTCY COURT'S FINDING THAT THE FOREGOING RELEASE BY THE DEBTORS: (1) IS AN ESSENTIAL MEANS OF IMPLEMENTING THE PLAN; (2) IS AN INTEGRAL AND NON-SEVERABLE ELEMENT OF THE PLAN AND THE TRANSACTIONS INCORPORATED HEREIN; (3) CONFERS SUBSTANTIAL BENEFITS TO THE DEBTORS' ESTATES; (4) IS IN EXCHANGE FOR THE GOOD AND VALUABLE CONSIDERATION PROVIDED BY THE RELEASED PARTIES; (5) IS A GOOD-FAITH SETTLEMENT AND COMPROMISE OF THE CLAIMS

RELEASED BY THE FOREGOING BY THE DEBTORS; (6) IS IN THE BEST INTERESTS OF THE DEBTORS AND ALL HOLDERS OF CLAIMS AND EQUITY INTERESTS; (7) IS FAIR, EQUITABLE AND REASONABLE; (8) IS GIVEN AND MADE AFTER DUE NOTICE AND OPPORTUNITY FOR HEARING; AND (9) IS A BAR TO ANY OF THE DEBTORS OR THE REORGANIZED DEBTORS ASSERTING ANY CLAIM OR CAUSE OF ACTION RELEASED PURSUANT TO THE FOREGOING RELEASE BY THE DEBTORS. THE RELEASES DESCRIBED HEREIN SHALL, ON THE EFFECTIVE DATE, HAVE THE EFFECT OF *RES JUDICATA* (A MATTER ADJUDGED), TO THE FULLEST EXTENT PERMISSIBLE UNDER APPLICABLE LAW OF CHILE, COLOMBIA, BRAZIL, PERU, ECUADOR, CAYMAN ISLANDS, THE UNITED STATES AND ANY OTHER JURISDICTION IN WHICH THE DEBTORS OPERATE.

C. RELEASES BY HOLDERS OF CLAIMS AND EQUITY INTERESTS

AS OF THE EFFECTIVE DATE, FOR GOOD AND VALUABLE CONSIDERATION, THE ADEQUACY OF WHICH IS HEREBY CONFIRMED, THE HOLDERS OF CLAIMS AGAINST AND EQUITY INTERESTS IN THE DEBTORS AND THE REORGANIZED DEBTORS WHO: (I) EITHER VOTE TO ACCEPT THE PLAN OR ARE PRESUMED TO HAVE VOTED FOR THE PLAN UNDER SECTION 1126(F) OF THE BANKRUPTCY CODE, (II) (X) EXERCISE THEIR PREEMPTIVE RIGHTS TO SUBSCRIBE TO THE ERO NEW COMMON STOCK OR THE NEW CONVERTIBLE NOTES OR (Y) ELECT TO RECEIVE NEW CONVERTIBLE NOTES CLASS C OR (III) ARE ENTITLED TO VOTE TO ACCEPT OR REJECT THE PLAN AND REJECT THE PLAN OR ABSTAIN FROM VOTING AND DO NOT TIMELY SUBMIT A BALLOT TO INDICATE THEIR REFUSAL TO GRANT THE RELEASES IN THIS PARAGRAPH, SHALL BE DEEMED TO FOREVER RELEASE, WAIVE, AND DISCHARGE CONCLUSIVELY, ABSOLUTELY, UNCONDITIONALLY AND IRREVOCABLY TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW EACH OF THE RELEASED PARTIES FROM ANY AND ALL CLAIMS, INTERESTS, OBLIGATIONS (CONTRACTUAL OR OTHERWISE), SUITS, JUDGMENTS, DAMAGES, DEMANDS, DEBTS, RIGHTS, CAUSES OF ACTION (INCLUDING AVOIDANCE AND OTHER ACTIONS), RIGHTS OF SETOFF AND LIABILITIES WHATSOEVER (INCLUDING ANY DERIVATIVE CLAIMS ASSERTED OR ASSERTABLE ON BEHALF OF THE DEBTORS) IN CONNECTION WITH OR IN ANY WAY RELATING TO THE DEBTORS, THE CONDUCT OF THE DEBTORS' BUSINESSES, THE CHAPTER 11 CASES, THE RESTRUCTURING SUPPORT AGREEMENT, THE DISCLOSURE STATEMENT, OR THE PLAN (OTHER THAN THE RIGHTS OF THE DEBTORS, THE REORGANIZED DEBTORS, OR A CREDITOR HOLDING AN ALLOWED CLAIM TO ENFORCE THE OBLIGATIONS UNDER THE CONFIRMATION ORDER AND THE PLAN AND THE CONTRACTS, INSTRUMENTS, RELEASES, AND OTHER AGREEMENTS OR DOCUMENTS DELIVERED THEREUNDER) WHETHER LIQUIDATED OR UNLIQUIDATED, FIXED OR CONTINGENT, MATURED OR UNMATURED, KNOWN OR UNKNOWN, FORESEEN OR UNFORESEEN, THEN EXISTING OR THEREAFTER ARISING, IN LAW, EQUITY, OR OTHERWISE, WHETHER FOR TORT, CONTRACT, VIOLATION OF FEDERAL OR STATE SECURITIES LAW OR OTHERWISE, THAT ARE BASED IN WHOLE OR

PART ON ANY ACT, OMISSION, TRANSACTION, EVENT, OR OTHER OCCURRENCE TAKING PLACE ON OR PRIOR TO THE EFFECTIVE DATE; PROVIDED, HOWEVER, THAT NOTHING IN SECTION 11.3 OF THE PLAN SHALL OPERATE AS A RELEASE, WAIVER OR DISCHARGE OF ANY CAUSES OF ACTION OR LIABILITIES UNKNOWN TO SUCH HOLDER AS OF THE PETITION DATE ARISING OUT OF GROSS NEGLIGENCE, WILLFUL MISCONDUCT, FRAUD OR CRIMINAL ACTS OF ANY SUCH RELEASED PARTY.

D. Discharge of Claims

To the fullest extent provided under section 1141(d)(1)(A) and other applicable provisions of the Bankruptcy Code, except as otherwise expressly provided by the Plan or the Confirmation Order: (1) all consideration distributed under the Plan shall be in exchange for, and in complete satisfaction, settlement, discharge and release of, all Claims of any kind or nature whatsoever against the Debtors or any of their assets or properties and regardless of whether any property shall have been distributed or retained pursuant to the Plan on account of such Claims; (2) the Plan shall bind all Discharge and Injunction Parties, notwithstanding whether any such Holders failed to vote to Accept or Reject the Plan or voted to reject the Plan; and (3) all Persons and Entities shall be precluded from asserting against the Debtors, the Debtors' Estates, the Reorganized Debtors, their successors and assigns, and their assets and properties any other Claims based upon any documents, instruments, or any act or omission, transaction, or other activity of any kind or nature that occurred prior to the Effective Date. Except as otherwise expressly provided by the Plan or the Confirmation Order, upon the Effective Date, the Debtors shall be deemed discharged and released under and to the fullest extent provided under section 1141(d)(1)(A) of the Bankruptcy Code from any and all Claims of any kind or nature whatsoever, including, without limitation, demands and liabilities that arose on or before the Effective Date, and all debts of the kind specified in section 502(g), 502(h) or 502(i) of the Bankruptcy Code.

E. Preservation of Rights of Action

Except as otherwise provided in the Plan, the Confirmation Order or in any document, instrument, release or other agreement entered into in connection with the Plan or approved by order of the Bankruptcy Court, in accordance with section 1123(b) of the Bankruptcy Code, the Debtors and their Estates shall retain and may enforce all rights to commence and pursue, as appropriate, any and all Causes of Action, whether arising before or after the Petition Date, including the Avoidance and Other Actions, and the Reorganized Debtors' rights to commence, prosecute, or settle such Causes of Action shall be preserved notwithstanding the occurrence of the Effective Date; provided that no Causes of Action released pursuant to Section 11.3(a) of the Plan against the Released Parties, including the settled and released claims and causes of action described in Section 5.16 of the Plan, shall vest in the Reorganized Debtors. **No Entity may rely on the absence of a specific reference in the Plan, the Plan Supplement, the Disclosure Statement, or the Confirmation Order to any Cause of Action against them as any indication that the Debtors or the Reorganized Debtors will not pursue any and all available Causes of Action against them.** The Debtors and the Reorganized Debtors expressly

reserve all rights to prosecute any and all Causes of Action against any Entity, except as otherwise expressly provided in the Plan.

Unless any Causes of Action against an Entity are expressly waived, relinquished, exculpated, released, compromised, or settled in the Plan or a final order of the Bankruptcy Court, the Reorganized Debtors expressly reserve all Causes of Action, for later adjudication, and, therefore no preclusion doctrine, including the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable or otherwise), or laches, shall apply to such Causes of Action upon, after, or as a consequence of the confirmation or consummation of the Plan. In accordance with section 1123(b)(3) of the Bankruptcy Code, any Causes of Action that a Debtor may hold against any Entity shall vest in the Reorganized Debtors. The Reorganized Debtors may pursue such Causes of Action, or decline to do any of the foregoing, as appropriate, in accordance with the best interests of the Reorganized Debtors and without further notice to or action, order or approval of the Bankruptcy Court.

G. Exculpation and Limitation of Liability

For purposes of the Plan, "Exculpated Parties" means (i) each of the Debtors, non-Debtor Affiliates, Reorganized Debtors, and all of their respective Affiliates, (ii) the Backstop Parties, in their capacity as such, (iii) the DIP Secured Parties, in their capacity as such, (iv) the Commitment Creditors, in their Capacity as such, (v) the Backstop Shareholders, in their capacity as such, and (vi) with respect to the foregoing Persons in clauses (i)—(v) , each of their respective officers, directors, employees, representatives, advisors, attorneys, notaries (pursuant to the laws of the United States and any other jurisdiction), auditors, agents and professionals, in each case acting in such capacity on or any time after the Petition Date, and any person claiming by or through any of them but *excluding* any other Causes of Action preserved by the Debtors.

The Plan contains standard exculpation provisions applicable to the key parties in interest with respect to their conduct in the Chapter 11 Cases.

ON THE EFFECTIVE DATE, THE EXCULPATED PARTIES SHALL NEITHER HAVE NOR INCUR ANY LIABILITY TO ANY HOLDER OF A CLAIM OR EQUITY INTEREST, THE DEBTORS, THE REORGANIZED DEBTORS, OR ANY OTHER PARTY-IN-INTEREST, OR ANY OF THEIR RELATED PERSONS FOR ANY PREPETITION OR POSTPETITION ACT OR OMISSION IN CONNECTION WITH, RELATING TO, OR ARISING OUT OF THE CHAPTER 11 CASES, THE FORMULATION, NEGOTIATION, OR IMPLEMENTATION OF THE RESTRUCTURING SUPPORT AGREEMENT, DISCLOSURE STATEMENT, THE PLAN, THE SOLICITATION OF ACCEPTANCES OF THE PLAN, THE PURSUIT OF CONFIRMATION OF THE PLAN, THE CONFIRMATION OF THE PLAN, THE CONSUMMATION OF THE PLAN OR THE ADMINISTRATION OF THE PLAN, EXCEPT FOR ACTS OR OMISSIONS THAT ARE THE RESULT OF WILLFUL MISCONDUCT, GROSS NEGLIGENCE, FRAUD OR CRIMINAL ACTS; PROVIDED, HOWEVER, THAT (I) THE FOREGOING IS NOT INTENDED TO LIMIT OR OTHERWISE IMPACT ANY DEFENSE OF QUALIFIED IMMUNITY THAT MAY BE AVAILABLE UNDER APPLICABLE LAW; (II) EACH EXCULPATED PARTY SHALL

BE ENTITLED TO RELY UPON THE ADVICE OF COUNSEL CONCERNING HIS, HER, OR ITS DUTIES PURSUANT TO, OR IN CONNECTION WITH, THE PLAN; AND (III) THE FOREGOING EXCULPATION SHALL NOT BE DEEMED TO RELEASE, AFFECT, OR LIMIT ANY OF THE RIGHTS AND OBLIGATIONS OF THE EXCULPATED PARTIES FROM, OR EXCULPATE THE EXCULPATED PARTIES WITH RESPECT TO, ANY OF THE EXCULPATED PARTIES' OBLIGATIONS OR COVENANTS ARISING PURSUANT TO THE PLAN OR THE CONFIRMATION ORDER.

F. Injunctions

Except as otherwise provided in the Plan or in any document, instrument, release or other agreement entered into in connection with this Plan or approved by order of the Bankruptcy Court, the Confirmation Order shall provide, among other things, that from and after the Effective Date all Discharge and Injunction Parties are (i) permanently enjoined from taking any of the following actions against the Estate(s) or any of their property on account of the applicable Discharge and Injunction Parties Rights and (ii) permanently enjoined from taking any of the following actions against any of the Debtors, the Reorganized Debtors or their property on account of their respective Discharge and Injunction Parties Rights: (A) commencing or continuing, in any manner or in any place, any action or other proceeding; (B) enforcing, attaching, collecting or recovering in any manner any judgment, award, decree or order; (C) creating, perfecting, or enforcing any Lien or encumbrance; (D) asserting a setoff, right of subrogation or recoupment of any kind against any debt, liability or obligation due to the Debtors; and (E) commencing or continuing, in any manner or in any place, any action that does not comply with or is inconsistent with the provisions of the Plan; provided, however, that nothing contained herein shall preclude such Persons or Entities from exercising their rights pursuant to and consistent with the terms of this Plan and the contracts, instruments, releases, indentures and other agreements or documents delivered under or in connection with the Plan.

By accepting distributions pursuant to the Plan, each of the Discharge and Injunction Parties will be deemed to have specifically consented to the injunctions set forth in Section 11.7 of the Plan.

H. Term of Bankruptcy Injunction or Stays

All injunctions or stays provided for in the Chapter 11 Cases under section 105 or 362 of the Bankruptcy Code, or otherwise, and in existence on the Confirmation Date, shall remain in full force and effect until the Effective Date. Upon the Effective Date, all injunctions or stays provided for in the Chapter 11 Cases under section 105 or 362 of the Bankruptcy Code, or otherwise, shall be lifted and of no further force or effect—being replaced, to the extent applicable, by the injunctions, discharges, releases and exculpations of Article XI of the Plan.

I. Reimbursement or Contribution

If the Bankruptcy Court disallows a Claim for reimbursement or contribution of an Entity pursuant to section 502(e)(1)(B) of the Bankruptcy Code, then to the extent that such Claim is

contingent as of the Effective Date, such Claim shall be forever disallowed notwithstanding section 502(j) of the Bankruptcy Code, unless prior to the Effective Date (1) such Claim has been adjudicated as non-contingent, or (2) the relevant Holder of a Claim has Filed a non-contingent Proof of Claim on account of such Claim and a Final Order has been entered determining such Claim as no longer contingent

J. Termination of Subordination Rights and Settlement of Related Claims

The classification and manner of satisfying all Claims and Equity Interests under the Plan take into consideration all subordination rights, whether arising by contract or under general principles of equitable subordination, section 510(b) or 510(c) of the Bankruptcy Code or otherwise. All subordination rights that a Holder of a Claim or Equity Interest may have with respect to any distribution to be made pursuant to the Plan will be discharged and terminated and all actions related to the enforcement of such subordination rights will be permanently enjoined. Accordingly, distributions pursuant to the Plan to Holders of Allowed Claims will not be subject to payment to a beneficiary of such terminated subordination rights or to levy, garnishment, attachment or other legal process by a beneficiary of such terminated subordination rights; provided, however, that nothing contained in Section 11.9 of the Plan shall preclude any Person or Entity from exercising their rights pursuant to and consistent with the terms of the Plan and the contracts, instruments, releases, indentures and other agreements or documents delivered under or in connection with the Plan.

XII.
CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN

A. General

The following discussion summarizes certain anticipated U.S. federal income tax consequences relating to the Plan. This summary is based on the Internal Revenue Code of 1986, as amended ("IRC"), U.S. Treasury regulations (proposed, temporary and final) issued thereunder and administrative and judicial interpretations thereof, all as they currently exist as of the date of this Disclosure Statement and all of which are subject to change, possibly with retroactive effect, so as to result in U.S. federal income tax consequences different from those discussed below.

The following summary is for general information only. The tax treatment of a beneficial owner of Claims or New Convertible Notes (solely as used in this Article XII, each a "Holder" and collectively, the "Holders") may vary depending upon such Holder's particular situation. This summary does not address all of the tax consequences that may be relevant to a Holder, and does not address the tax consequences to a Holder that has made an agreement to resolve its Claim in a manner not explicitly provided for in the Plan. This summary also does not address the U.S. federal income tax consequences to persons not entitled to vote on the Plan; Holders subject to special treatment under the U.S. federal income tax laws, such as brokers or dealers in securities or currencies, certain securities traders, tax-exempt entities, financial institutions, insurance companies, foreign persons, Holders that are, or hold Claims of Reorganized LATAM Parent Stock or New Convertible Notes through, partnerships and other pass-through entities; Holders that own or are treated as owning 10% or more of LATAM Parent's stock by vote or

value; Holders that hold Claims or New Convertible Notes as a position in a "straddle" or as part of a "synthetic security," "hedging," "conversion" or other integrated transaction; Holders that have a "functional currency" other than the United States dollar; and Holders that have acquired Claims in connection with the performance of services. This summary does not address state, local or non-U.S. taxes, the U.S. federal estate and gift taxes, the alternative minimum tax or the Medicare tax on net investment income. The following summary assumes that the Claims or New Convertible Notes are held by Holders as "capital assets" (as defined in the IRC) and that all Claims denominated as indebtedness are properly treated as debt for U.S. federal income tax purposes.

The tax treatment of Holders and the character, amount and timing of income, gain or loss recognized as a consequence of the Plan and the distributions provided for by the Plan may vary, depending upon, among other things: (i) whether the Claim (or portion thereof) constitutes a Claim for principal or interest; (ii) the type of consideration received by the Holder in exchange for the Claim or the New Convertible Notes and whether the Holder receives distributions under the Plan in more than one taxable year; (iii) whether the Holder is a citizen or resident of the United States for tax purposes, is otherwise subject to U.S. federal income tax on a net basis, or falls into any special class of taxpayers, such as those that are excluded from this discussion as noted above; (iv) the manner in which the Holder acquired the Claim; (v) the length of time that the Claim has been held; (vi) whether the Claim or New Convertible Notes were acquired at a discount; (vii) whether the Holder has taken a bad debt deduction with respect to the Claim (or any portion thereof) in the current or prior years; (viii) whether the Holder has previously included in income accrued but unpaid interest with respect to the Claim; (ix) the method of tax accounting of the Holder; (x) whether the Claim is an installment obligation for U.S. federal income tax purposes; and (xi) whether the "market discount" rules are applicable to the Holder. Therefore, each Holder should consult its tax advisor for information that may be relevant to its particular situation and circumstances, and the particular tax consequences to such Holder of the transactions contemplated by the Plan.

THE FOLLOWING DISCUSSION IS INTENDED ONLY AS A SUMMARY OF CERTAIN U.S. FEDERAL TAX CONSEQUENCES OF THE PLAN AND IS NOT A SUBSTITUTE FOR CAREFUL TAX PLANNING WITH A TAX PROFESSIONAL. THE FOLLOWING DISCUSSION IS FOR INFORMATION PURPOSES ONLY AND IS NOT TAX ADVICE. THE TAX CONSEQUENCES ARE IN MANY CASES UNCERTAIN AND MAY VARY DEPENDING ON A HOLDER'S PARTICULAR CIRCUMSTANCES. ACCORDINGLY, EACH HOLDER IS STRONGLY URGED TO CONSULT ITS TAX ADVISOR REGARDING THE U.S. FEDERAL, STATE, LOCAL, AND APPLICABLE NON-U.S. INCOME AND OTHER TAX CONSEQUENCES OF THE PLAN.

B. U.S. Federal Income Tax Consequences to U.S. Holders of Claims Resident in the United States

This subsection describes tax consequences to a U.S. Holder. A "U.S. Holder" is a beneficial owner of a Claim or Reorganized LATAM Parent Stock if the Holder is a citizen or resident of the United States; a domestic corporation; an estate whose income is subject to United States federal income tax regardless of its source; or a trust, if a United States court can

exercise primary supervision over the trust's administration and one or more United States persons are authorized to control all substantial decisions of the trust.

1. General

The United States federal income tax consequences to U.S. Holders of Claims that receive New Convertible Notes Class A and/or New Convertible Notes Class C pursuant to the Plan depend on whether such Claims constitute "securities" of LATAM Parent for U.S. federal income tax purposes (for the U.S. federal income tax treatment of New Convertible Notes Class A, *see* subsection "*—U.S. Federal Income Tax Consequences to U.S. Holders of the New Convertible Notes*" below). Whether an instrument constitutes a security for U.S. federal income tax purposes is determined based on all the facts and circumstances, but most authorities have held that the term of a debt instrument at the time of its issuance is an important factor in determining whether such instrument is a security for U.S. federal income tax purposes. These authorities have indicated that a term of less than five years is evidence that the instrument is not a security, whereas a term of ten years or more is evidence that it is a security. There are numerous other factors that could be taken into account in determining whether a debt instrument is a security.

For purposes of the following discussion, no assumption has been made as to whether any Claims constitute securities of the Debtors. Holders of Claims are urged to consult their tax advisors to determine whether, given their particular circumstances, their Claim constitutes a security of LATAM Parent.

The exchange of a Claim that is treated as a security of LATAM Parent for New Convertible Notes Class A or New Convertible Notes Class C should be treated as made pursuant to a reorganization under section 368(a)(1)(E) of the IRC. In such case, U.S. Holders of such Claims should not recognize any gain or loss upon the exchange, except that any accrued but unpaid interest and amounts allocable thereto will be taxed as described below under "*—Accrued but Unpaid Interest Income with Respect to Claims*." A U.S. Holder of a Claim that is treated as a security of LATAM Parent should generally have a tax basis in the New Convertible Notes Class A or New Convertible Notes Class C received in exchange of such Claim equal to its tax basis in such Claim. Such a Holder's holding period in the New Convertible Notes Class A or New Convertible Notes Class C should include the holding period for the surrendered Claim.

If the exchange of a Claim is not treated as made pursuant to a reorganization under section 368(a)(1)(E) of the IRC (for example, because the Claim is not a security of LATAM Parent or such Holder receives cash instead in the exchange), a U.S. Holder of a Claim will recognize gain or loss on the exchange of its Claim for cash or other property, in an amount equal to the difference between (i) the sum of the amount of any cash and the fair market value on the date of the exchange of any New Convertible Notes Class A or New Convertible Notes Class C received by the U.S. Holder (other than any consideration attributable to a Claim for accrued but unpaid interest) and (ii) the adjusted tax basis of the Claim exchanged (other than basis attributable to accrued but unpaid interest previously included in the U.S. Holder's taxable income). If an exchange is not treated as made pursuant to a reorganization, a Holder will have a tax basis in any New Convertible Notes Class A or New Convertible Notes Class C received in

such exchange equal to the fair market value on the date of exchange of such New Convertible Notes Class A or New Convertible Notes Class C as the case may be, and such Holder's holding period in the New Convertible Notes Class A will begin the day after the New Convertible Notes Class A or New Convertible Notes Class C are received. With respect to the treatment of accrued but unpaid interest and amounts allocable thereto, *see* "*— Accrued but Unpaid Interest Income with Respect to Claims*" below.

When gain or loss is recognized, such gain or loss may be long-term capital gain or loss if the Claim disposed of is a capital asset in the hands of the U.S. Holder and is held for more than one year. Each U.S. Holder of a Claim should consult its own tax advisor to determine whether gain or loss recognized by such U.S. Holder will be long-term capital gain or loss and the specific tax effect thereof on such U.S. Holder.

A U.S. Holder that purchased its Claim from a prior Holder at a market discount may be subject to the market discount rules of the IRC. Under those rules (subject to a *de minimis* exception), assuming that such U.S. Holder has made no election to accrue the market discount and include it in income on a current basis, any gain recognized on the exchange of such Claim generally would be characterized as ordinary income to the extent of the accrued market discount on such Claim as of the date of the exchange.

2. Accrued but Unpaid Interest Income with Respect to Claims

In general, to the extent any amount received by a U.S. Holder of a debt instrument is received in satisfaction of accrued interest during its holding period, such amount will be taxable to the U.S. Holder as interest income (if not previously included in the Holder's gross income). Conversely, a U.S. Holder generally recognizes a deductible loss to the extent any accrued interest claimed was previously included in its gross income and is not paid in full. A Holder will have a tax basis in any New Convertible Notes Class A or New Convertible Notes Class C received in satisfaction of accrued interest equal to the fair market value on the date of receipt of such New Convertible Notes Class A or New Convertible Notes Class C, and such Holder's holding period in the New Convertible Notes Class A or New Convertible Notes Class C will begin the day after the New Convertible Notes Class A or New Convertible Notes Class C are received. Each U.S. Holder of a Claim is urged to consult its own tax advisor regarding the allocation of consideration and the deductibility of unpaid interest for tax purposes.

3. Ownership and Disposition of Reorganized LATAM Parent Stock

i Distributions on Reorganized LATAM Parent Stock

Cash distributions made by Reorganized LATAM Parent in respect of Reorganized LATAM Parent Stock will constitute a taxable dividend when such distribution is actually or constructively received, to the extent such distribution is paid out of the current or accumulated earnings and profits of Reorganized LATAM Parent (as determined under U.S. federal income tax principles). To the extent the amount of any distribution received by a U.S. Holder in respect of Reorganized LATAM Parent Stock exceeds the current or accumulated earnings and profits of Reorganized LATAM Parent, the distribution (1) will be treated as a non-taxable return of the

U.S. Holder's adjusted tax basis in that Reorganized LATAM Parent Stock and (2) thereafter will be treated as capital gain.

Dividend distributions with respect to Reorganized LATAM Parent Stock generally will be treated as "passive category" income from sources outside the United States for purposes of determining a U.S. Holder's U.S. foreign tax credit limitation. Subject to the limitations and conditions provided in the Code and the applicable U.S. Treasury Regulations, a U.S. Holder may be able to claim a foreign tax credit against its U.S. federal income tax liability in respect of any Chilean income taxes withheld at the appropriate rate applicable to the U.S. Holder from a dividend paid to such U.S. Holder. Alternatively, the U.S. Holder may deduct such Chilean income taxes from its U.S. federal taxable income, provided that the U.S. Holder elects to deduct rather than credit all foreign income taxes for the relevant taxable year. The rules with respect to foreign tax credits are complex and involve the application of rules that depend on a U.S. Holder's particular circumstances. Accordingly, U.S. Holders are urged to consult their tax advisors regarding the availability of the foreign tax credit under their particular circumstances.

ii Dispositions of Reorganized LATAM Parent Stock

Sales or other taxable dispositions by U.S. Holders of Reorganized LATAM Parent Stock generally will give rise to gain or loss equal to the difference between the amount realized on the disposition and the U.S. Holder's tax basis in such Reorganized LATAM Parent Stock. In general, gain or loss recognized on the sale or exchange of Reorganized LATAM Parent Stock will be capital gain or loss and, if the U.S. Holder's holding period for such Reorganized LATAM Parent Stock exceeds one year, will be long-term capital gain or loss. Certain U.S. Holders, including individuals, are eligible for preferential rates of U.S. federal income tax in respect of long-term capital gains realized. The deduction of capital losses against ordinary income is subject to limitations under the IRC.

Depending on the particular circumstances in which the Claim for which the Reorganized LATAM Parent Stock was exchanged had been acquired and the treatment of the United States Holder's exchange of its Claim for the Reorganized LATAM Parent Stock, the sale, exchange or other disposition of Reorganized LATAM Parent Stock might result in the recognition of market discount, which is taxed at ordinary rates. Holders of Reorganized LATAM Parent Stock are urged to consult their tax advisors regarding the application of the market discount rules to any gain recognized upon the sale, exchange, or other disposition.

C. U.S. Federal Income Tax Consequences to Non-U.S. Holders of Claims and Equity Interests

This subsection describes tax consequences to a Non-U.S. Holder. A "Non-U.S. Holder" is a beneficial owner of a Claim or Reorganized LATAM Parent Stock that is not a U.S. Holder and is not a partnership for U.S. federal income tax purposes.

1. General

In the case of exchanges of Claims for New Convertible Notes Class A and/or New Convertible Notes Class C, regardless of whether they are treated as made pursuant to a reorganization under section 368(a)(1)(E) of the IRC, a Non-U.S. Holder of Claims generally

should not be subject to United States federal income tax on capital gain recognized as a result of the exchange, unless (i) the Holder is an individual present in the United States for 183 days or more in the taxable year of the disposition and certain other conditions are met, or (ii) the gain is effectively connected with the Holder's conduct of a trade or business in the United States.

2. Ownership and Disposition of Reorganized LATAM Parent Stock by Non-U.S. Holders

A Non-U.S. Holder of Reorganized LATAM Parent Stock will not be subject to U.S. federal income or withholding tax on dividends received on the Reorganized LATAM Parent Stock, unless such income is effectively connected with the conduct by the Non-U.S. Holder of a trade or business in the United States. A Non-U.S. Holder of Reorganized LATAM Parent Stock will not be subject to U.S. federal income or withholding tax on any gain realized on the sale or other taxable disposition of Reorganized LATAM Parent Stock unless (i) the Holder is an individual present in the United States for 183 days or more in the taxable year of the disposition and certain other conditions are met, or (ii) the gain is effectively connected with the Holder's conduct of a trade or business in the United States.

D. U.S. Federal Income Tax Consequences to U.S. Holders of the New Convertible Notes

The Debtors intend to take the position that the New Convertible Notes will be treated as equity of LATAM Parent for U.S. federal income tax purposes, and the discussion below assumes such treatment.

A "U.S. Holder" is a beneficial owner of a New Convertible Bond if the Holder is a citizen or resident of the United States; a domestic corporation; an estate whose income is subject to United States federal income tax regardless of its source; or a trust, if a United States court can exercise primary supervision over the trust's administration and one or more United States persons are authorized to control all substantial decisions of the trust.

1. Payments of Interest on the New Convertible Notes and Distributions in Respect of New Convertible Notes Back-up Shares

Payments on the New Convertible Notes that are denominated as interest (*i.e.*, payments on the New Convertible Notes Class B) will be treated as dividends for U.S. federal income tax purposes to the extent such payments are treated as being paid out of the current or accumulated earnings and profits of LATAM Parent (as determined under U.S. federal income tax principles), and generally will be includible in a U.S. Holder's income on the date of receipt without regard to the U.S. Holder's method of tax accounting. To the extent the amount of any payment of interest received by a U.S. Holder in respect of the New Convertible Notes exceeds the current or accumulated earnings and profits of LATAM Parent, the payment (1) will be treated as a non-taxable return of the U.S. Holder's adjusted tax basis in such New Convertible Notes and (2) thereafter will be treated as U.S.-source capital gain.

A taxable dividend generally will be included in the gross income of a U.S. Holder as ordinary income derived from sources outside the United States for U.S. foreign tax credit purposes and generally will be passive category income for purposes of the foreign tax credit

limitation. Dividends paid by LATAM Parent will not be eligible for the dividends-received deduction generally allowed to U.S. corporations in respect of dividends received from U.S. corporations.

Subject to certain exceptions for short-term and hedged positions, dividends received by certain non-corporate U.S. Holders will be subject to taxation at rates lower than those applicable to other ordinary income if the dividends are "qualified dividends." Interest payments on the New Convertible Notes will be qualified dividends if (i) the New Convertible Notes are readily tradable on an established securities market in the United States or LATAM Parent is eligible for the benefits of a comprehensive income tax treaty with the United States that the Internal Revenue Service (the "IRS") has approved for purposes of the qualified dividend rules and (ii) LATAM Parent was not, for the year prior to the year in which the interest payment is made, and is not, for the year in which the interest payment is made, a passive foreign investment company ("PFIC"). There is currently no comprehensive income tax treaty between the United States and Chile, and LATAM Parent has not applied to list the New Convertible Notes on an established securities market in the United States as of the date of this disclosure and it is unclear whether it will apply. LATAM Parent believes that it is not a PFIC for the current taxable year and does not anticipate becoming a PFIC in future taxable years for U.S. federal income tax purposes, but this conclusion is a factual determination that is made annually and thus may be subject to change. If LATAM Parent were to be treated as a PFIC, U.S. Holders may be subject to material adverse U.S. federal income tax consequences. The U.S. federal income tax rules relating to PFICs are complex. 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 New Convertible Notes.

The U.S. federal income tax treatment of cash distributions made by LATAM Parent in respect of New Convertible Notes Back-up Shares received upon the conversion of the New Convertible Notes will generally be the same as such treatment of payments of interest as described above in this section "—Payments of Interest on the New Convertible Notes and Distributions in Respect of New Convertible Notes Back-up Shares."

The amount of any distribution will include the amount of any applicable Chilean withholding tax. Subject to the limitations and conditions provided in the Code and the applicable U.S. Treasury Regulations, a U.S. Holder may be able to claim a foreign tax credit against its U.S. federal income tax liability in respect of any Chilean income taxes withheld at the appropriate rate applicable to the U.S. Holder from a dividend paid by LATAM Parent to such U.S. Holder and paid to the Chilean government. Alternatively, the U.S. Holder may deduct such Chilean income taxes from its U.S. federal taxable income, provided that the U.S. Holder elects to deduct rather than credit all foreign income taxes for the relevant taxable year. The rules with respect to foreign tax credits are complex and involve the application of rules that depend on a U.S. Holder's particular circumstances. Accordingly, U.S. Holders are urged to consult their tax advisors regarding the availability of the foreign tax credit under their particular circumstances.

2. Sale, Exchange or Other Taxable Disposition of the New Convertible Notes or New Convertible Notes Back-up Shares

Upon the sale, exchange or other taxable disposition of New Convertible Notes or of New Convertible Notes Back-up Shares received upon the conversion of the New Convertible Notes, a U.S. Holder generally will recognize U.S.-source gain or loss in an amount equal to the difference between the amount realized on the sale and the U.S. Holder's tax basis in such New Convertible Notes or such New Convertible Notes Back-up Shares. A U.S. Holder's tax basis in a New Convertible Note generally will equal the cost of such New Convertible Note to such Holder. A U.S. Holder's tax basis in a share of New Convertible Notes Back-up Shares is as determined below in "—Conversion of the New Convertible Notes." Such gain or loss will generally be long-term capital gain or loss if the U.S. Holder has held the New Convertible Notes or the New Convertible Notes Back-up Shares for more than one year. The holding period of New Convertible Notes Back-up Shares is as determined below in "—Conversion of the New Convertible Notes." Net long-term capital gain recognized by certain non-corporate U.S. Holders generally will be taxed at a lower rate than the rate applicable to ordinary income. The deductibility of capital losses is subject to limitations.

Depending on the particular circumstances in which the New Convertible Note for which the New Convertible Notes Back-up Shares was exchanged had been acquired and the treatment of the United States Holder's exchange of its New Convertible Note for the New Convertible Notes Back-up Shares, the sale, exchange or other disposition of New Convertible Notes Back-up Shares might result in the recognition of market discount, which is taxed at ordinary rates. Holders of New Convertible Notes Back-up Shares are urged to consult their tax advisors regarding the application of the market discount rules to any gain recognized upon the sale, exchange, or other disposition.

In accordance with the treatment of the New Convertible Notes as equity for U.S. federal income tax purposes, U.S. Holders generally will not be required to account separately for accrued interest realized upon a sale, exchange, or other taxable disposition of the New Convertible Notes, and instead will treat amounts received in respect of accrued interest as part of the amount realized for purposes of determining gain or loss realized upon the sale, exchange, or other taxable disposition. U.S. Holders are urged to consult their own tax advisors with respect to the U.S. federal income tax consequences of a disposition of the New Convertible Notes.

3. Conversion of the New Convertible Notes

A U.S. Holder will not recognize any income, gain or loss in respect of the receipt of New Convertible Notes Back-up Shares upon the conversion of the New Convertible Notes. A U.S. Holder's tax basis in the New Convertible Notes Back-up Shares it receives upon a conversion of the New Convertible Notes will generally equal the tax basis of the New Convertible Note that was converted. A U.S. Holder's holding period for the New Convertible Notes Back-up Shares will include its holding period for the New Convertible Notes converted. U.S. Holders are urged to consult their own tax advisors with respect to the U.S. federal income tax consequences of the conversion of their New Convertible Notes into New Convertible Notes Back-up Shares.

E. U.S. Federal Income Tax Consequences to Non-U.S. Holders of the New Convertible Notes

A "Non-U.S. Holder" is a beneficial owner of a New Convertible Note that is not a U.S. Holder and is not a partnership for U.S. federal income tax purposes.

A Non-U.S. Holder of New Convertible Notes will not be subject to U.S. federal income or withholding tax on interest payments received on the New Convertible Notes, unless such income is effectively connected with the conduct by the Non-U.S. Holder of a trade or business in the United States. A Non-U.S. Holder of New Convertible Notes will not be subject to U.S. federal income or withholding tax on any gain realized on the sale or other taxable disposition of New Convertible Notes unless (i) the Holder is an individual present in the United States for 183 days or more in the taxable year of the disposition and certain other conditions are met, or (ii) the gain is effectively connected with the Holder's conduct of a trade or business in the United States.

A Non-U.S. Holder will not recognize any income, gain or loss in respect of the receipt of New Convertible Notes Back-up Shares upon the conversion of the New Convertible Notes.

F. Information Reporting and Backup Withholding

In general, information reporting requirements may apply to distributions or payments under the Plan, including in connection with payments of dividends (including payments on the New Convertible Notes that are denominated as interest) and the proceeds of a sale or other disposition of Reorganized LATAM Parent Stock or the New Convertible Notes to a Holder that is not an exempt recipient. Additionally, under the backup withholding rules, a Holder of a Claim may be subject to backup withholding with respect to distributions or payments made pursuant to the Plan, and a Holder may be subject to backup withholding with respect to distributions with respect to the Reorganized LATAM Parent Stock and the New Convertible Notes, unless that Holder (i) comes within certain exempt categories (which generally include corporations) and, when required, demonstrates that fact, or (ii) timely provides a correct taxpayer identification number and certifies under penalty of perjury that the taxpayer identification number is correct and that the Holder is not subject to backup withholding because of a failure to report all dividend and interest income. Backup withholding is not an additional tax but is, instead, an advance payment that may be refunded provided that the required information is timely provided to the IRS.

XIII.
CHILEAN TAX CONSEQUENCES OF THE PLAN

A. General

The following discussion summarizes certain anticipated Chilean tax consequences relating to different alternatives under analysis to achieve a similar outcome than that expected under the Plan. In preparing this section, the Debtors have considered the relevant provisions of the Chilean law, as amended, the regulations thereunder, and the judicial and administrative interpretations thereof, all as they currently exist as of the date of this Disclosure Statement and all of which are subject to change, possibly with retroactive effect, so as to result in Chilean tax

consequences different from those discussed below.

The following summary is for general information only. The tax treatment of any specific Holder may vary depending upon such Holder's particular situation. This summary does not address all of the tax consequences that may be relevant, therefore, each Holder should consult its tax advisor for information that may be relevant to its particular situation and circumstances, and the particular tax consequences to such Holder of the transactions contemplated by the Plan.

THE FOLLOWING DISCUSSION IS INTENDED ONLY AS A SUMMARY OF CERTAIN CHILEAN TAX CONSEQUENCES OF ADDITIONAL ALTERNATIVES UNDER REVIEW AND IS NOT A SUBSTITUTE FOR CAREFUL TAX PLANNING WITH A TAX PROFESSIONAL. THE FOLLOWING DISCUSSION IS FOR INFORMATION PURPOSES ONLY AND IS NOT TAX ADVICE. THE TAX CONSEQUENCES ARE IN MANY CASES UNCERTAIN AND MAY VARY DEPENDING ON A HOLDER'S PARTICULAR CIRCUMSTANCES. ACCORDINGLY, EACH HOLDER OF CLAIMS OR EXISTING EQUITY INTERESTS IS STRONGLY URGED TO CONSULT ITS TAX ADVISOR REGARDING THE CHILEAN AND APPLICABLE NON-CHILEAN INCOME AND OTHER TAX CONSEQUENCES OF THE PLAN.

As described in this Disclosure Statement and the Plan, the Debtors contemplate the following Restructuring Transactions (among others): (i) issuing New Convertible Notes to certain Holders of Claims and/or Existing Equity Interests, which will be convertible into *New* Convertible Notes Back-up Shares following the Effective Date of the Plan; (ii) conducting the ERO Rights Offering, which will be open to Holders of Existing Equity Interests, and the ERO New Common Stock Backstop Parties; and (iii) obtaining certain debt funding, either through new instruments or the refinancing of existing debt.

B. Issuance of New Convertible Notes

1.1 Chilean tax consequences to LATAM Parent and other Debtors.

(i) Stamp Tax considerations

A stamp tax (the "Stamp Tax") is levied on bills of exchange, promissory notes, simple or documentary credits and other documents containing a money credit agreement or *"credit transactions"* (e.g., domestic loans, foreign loans whether or not evidenced by promissory notes, bonds, etc.).

According to Article 1 of Law No. 18,010 on Credit Transactions (*"Ley sobre Operaciones de Crédito y Otras Obligaciones de Dinero"*), credit transactions are defined as those whereby the creditor delivers or commits to deliver a determined amount of money to the borrower, who, in turn, assumes the obligation to return such amount to the creditor at a different time.

The Stamp Tax is payable upfront when issuing the corresponding documents and applies at a rate of 0.066% on the principal amount of the document, for each month or fraction thereof between the issuance date and maturity, with a cap of 0.8%. For documents or operations

without a fixed term or due date, or payable on demand, the applicable tax rate is 0.332% on the principal amount of the document.

The issuance of a note is a taxable event. Therefore, New Convertible Notes issued to either Holders of Claims or Existing Equity Interests would be subject to the Stamp Tax at the rates indicated above. The Stamp Tax becomes due when the New Convertible Note is issued and LATAM Parent as the issuer of the New Convertible Note is responsible for the payment of the applicable Stamp Tax.

(ii) Income Tax consequences for LATAM Parent from the issuance of New Convertible Notes

In principle, because the New Convertible Notes will be issued to Holders of Claims (to the extent eligible under the Plan) for an amount equal to the face value and in satisfaction of each Holder's Allowed Claim amount, their issuance would not generate Chilean income taxes for LATAM Parent. Similarly, the issuance of New Convertible Notes to Existing Equity Holders would not generate Chilean income taxes for LATAM Parent.

(iii) Interest deductibility rules on interest-bearing New Convertible Notes issued to new investors.

The Chilean Income Tax Law ("Chilean ITL") provides that interest are generally deductible for corporate income tax purposes on an accrual basis.

However, interests paid to non-Chilean resident related parties would be deductible during the relevant commercial year when they are effectively paid and the respective withholding tax ("WHT") has been declared and paid by the borrower to the Chilean treasury.

(iv) Thin capitalization rules.

In general, a 35% tax is applied on interest (and other payments related to borrowing) paid to a foreign related party by a Chilean borrower that is in an excess debt position at the end of the year in which the interest (and other payments related to borrowing) is paid ("Thin-cap Tax"). Any tax withheld on interest or other items paid to related non-resident parties can be credited against the Thin-cap Tax. The Thin-cap Tax has to be filed and paid by the Chilean borrower who can deduct it for income tax purposes.

These rules impose a debt-to-equity ratio limit of 3:1. This ratio is computed considering the total amount of debt of the borrower (i.e. including both external and domestic debt, and related and unrelated party debt). The 3:1 debt-to-equity ratio is assessed every year-end and applicable with respect to interest paid during that same year. Although the debt-to-equity ratio is calculated considering both intercompany and third-party debt, as well as domestic and foreign debt, the Thin-cap Tax is only applicable over interest (or other payments related to the financing) paid on foreign related party debt.

Under the thin capitalization rules, a lender or creditor will be deemed to be related to the

borrower if: (i) the beneficiary is incorporated, domiciled, resident or established in one of the territories or jurisdictions that qualifies as a "preferential tax regime" pursuant to Article 41 H of the Chilean ITL; (ii) the beneficiary, which is incorporated, domiciled, resident or established outside of Chile, and the borrower, belong to the same corporate group, or they directly or indirectly, have interest in 10% or more of the capital or profits of the other, or they have a common partner or shareholder which, directly or indirectly, has interest in 10% or more of the capital or profits of both; (iii) the indebtedness is guaranteed directly or indirectly by a third party that is "related" to the borrower in the terms described in numbers (i), (ii) and (iv), provided that such third party is domiciled or resident abroad and is the beneficial owner of the interests; (iv) the relevant financial instruments evidencing such indebtedness are placed and acquired by independent entities and that are subsequently acquired or transferred to a related entity according to numbers (i) through (iii) above; or (v) one party conducts one or more operations with a third party which, in turn, directly or indirectly conducts one or more similar or identical operations with a related party of the other.

Consequently, and in the case of interest paid to new, related-party foreign noteholders under the interest-bearing New Convertible Notes, based on LATAM Parent's current indebtedness and tax position (i.e. accumulated tax losses), interest payments made under cross-border related party debt borrowings would fall within the scope of these rules.

(v) Income Tax considerations upon conversion of New Convertible Notes into Reorganized LATAM Parent Stock

If as a result of the conversion of the notes into Reorganized LATAM Parent Stock, a Holder of the New Convertible Notes receives shares representing share capital for an amount lesser than the face value of its New Convertible Notes, the conversion may give rise to taxable income for an amount equal to the portion of the New Convertible Notes' face value not satisfied. In this case, such taxable income would have to be included in LATAM Parent's gross income determination in the calendar year in which the conversion is made and be subject to a 27% corporate income tax ("CIT"). Note, however, that any available tax loss in LATAM Parent may be used to offset the amount of taxable income arising in this specific situation, provided that the legal requirements are met.

In case of the discharge of Claims held by Holders against other Debtors by means of the issuance of New Convertible Notes by LATAM Parent to such Holders, the conversion of those New Convertible Notes into Reorganized LATAM Parent Stock would not generate Chilean income taxes for LATAM Parent or any other Debtor. Income tax consequences upon subsequent transactions executed among LATAM Parent (as creditor) and the Debtors (as borrowers), when off-setting, cancelling, compensating or otherwise extinguishing Claims formerly held by Holders, depends on how this settlement is executed and if income taxes could become payable.

Holders of Claims are urged to consult their tax advisors to determine whether, given their particular circumstances, their specific Claim exchange for New Convertible Notes and their subsequent conversion into Reorganized LATAM Parent Stock could result in withholding taxes or other adverse tax consequences for such Holder.

Finally, the conversion of the New Convertible Notes into Reorganized LATAM Parent Stock would not be subject to Stamp Tax or other transfer or indirect taxes in Chile.

1.2 Chilean tax consequences to Holders receiving New Convertible Notes.

This subsection describes the Chilean tax consequences to Chilean and non-Chilean Holders in connection with (i) the satisfaction of their Claim in exchange for a New Convertible Notes; (ii) the conversion of New Convertible Notes into Reorganized LATAM Parent Stock; (iii) ownership of the Reorganized LATAM Parent Stock; and (iv) disposition of the Reorganized LATAM Parent Stock.

(i) Satisfaction of Holders' Claims in exchange for non-interest-bearing New Convertible Notes.

The exchange of Claims held against LATAM Parent for the New Convertible Notes at a value equal to the nominal value of the Claims, would not generate Chilean income taxes, neither to Chilean nor non-Chilean Holders.

In the event that a Chilean Holder has included interest on the Claim during its holding period on its gross income on an accrual basis, the satisfaction of accrued and unpaid interest asserted as part of its Claim via the receipt for New Convertible Notes would not derive further tax implications as those interest have been already subject to CIT. Conversely, if the Chilean Holder has not previously included the interest in its gross income, their satisfaction or otherwise payment in exchange for New Convertible Notes would result in the Chilean Holder having to recognize them as taxable income that would be subject to a 27% CIT.

Likewise, a Chilean Holder would generally recognize a deductible loss to the extent any accrued interest claimed was previously included in its gross income determination and is not discharged in full when the corresponding New Convertible Notes are issued in satisfaction of its Allowed Claim.

Also, as a general rule, interest income payable to nonresidents, whether individuals or legal entities, are subject to a 35% WHT payable as a final tax (unless reduced according to the provisions of a Double Tax Treaty or pursuant to domestic law).

A non-Chilean Holder's Claim satisfaction or payment of accrued but unpaid interest on the original Allowed Claims against LATAM Parent through the receipt of New Convertible Notes would generally be subject to Chilean 35% WHT. Also, pursuant to Article 74 No.4 of the Chilean ITL, to the extent a non-Chilean Holder's Claim will be deemed paid with the issuance of New Convertible Notes, LATAM Parent will be responsible of declaring and paying the 35% WHT.

(ii) Income Tax Consequences to Chilean Holders of Claims Upon Conversion of New Convertible Notes

In general terms, business income earned by a company resident in Chile is subject to CIT at a rate of 27% on its annual accrued net taxable income.[53]

To the extent that the value of the Reorganized LATAM Parent Stock received upon conversion of New Convertible Notes is less than the New Convertible Notes' nominal value (i.e. which should be equal to the Holder's Allowed Claim amount), the difference may be recognized as a deductible loss by the Chilean noteholder for income tax purposes, provided that the applicable legal requirements are met.

Furthermore, no Stamp Tax, issue tax, registration tax or similar taxes or duties should be payable on the issuance of Reorganized LATAM Parent Stock by LATAM Parent to a Holder of New Convertible Notes upon the exercise of the conversion.

Each Chilean Holder of Claims or Existing Equity that could receive New Convertible Notes under the Plan is urged to consult its own tax advisor regarding the tax consequences arising from the conversion of the New Convertibles Notes into Reorganized LATAM Parent Stock.

(iii) *Income tax consequences to non-Chilean Holders of Claims*

Non-resident taxpayers are subject to income tax on their Chilean-sourced income and on certain payments subject to WHT in Chile.

Furthermore, no Stamp Tax, issue tax, registration tax or similar taxes or duties should be payable on the issue of Reorganized LATAM Parent Stock by LATAM Parent to Holders of New Convertible Notes upon conversion.

Each non-Chilean Holder of Claims or Existing Equity Interests that could receive New Convertible Notes under the Plan is urged to consult its own tax advisor regarding the tax consequences arising from the conversion of the New Convertible Notes into Reorganized LATAM Parent Stock.

(iv) *Income Tax Consequences with respect to new foreign interest-bearing notes.*

Non-Chilean taxpayers are subject to income tax on their Chilean-sourced income and on certain payments subject to WHT in Chile.

As a general rule, interest income payable to nonresidents, whether individuals or legal entities, is subject to a 35% WHT payable as a final tax (unless reduced according to the provisions of a Double Tax Treaty or pursuant to domestic law).

When foreign owners of New Convertible Notes Class B receive Reorganized LATAM

[53] For this purpose, net taxable income is calculated by deducting from gross revenues the amount of direct costs and deductible expenses and, ultimately, applying certain adjustments over the resulting amount (i.e. inflation and other specific adjustments as applicable).

Parent Stock upon converting such notes, any value that is attributable to accrued but unpaid interest would generally be subject to a 35% WHT. Also, pursuant to Article 74 No.4 of the Chilean ITL, Reorganized LATAM Parent will be responsible of declaring and paying the 35% WHT.

Furthermore, no Stamp Tax, issue tax, registration tax or similar taxes or duties should be payable on the issue of Reorganized LATAM Parent Stock by Reorganized LATAM Parent to the owners of New Convertible Notes Class B.

The foreign owners of New Convertible Notes Class B will have a tax basis in the Reorganized LATAM Parent Stock received in satisfaction of principal and accrued interest equal to the fair market value on the date of receipt of such stock.

1.3 Income Tax Consequences to new Chilean interest-bearing noteholders.

In general terms, business income earned by a company resident in Chile is subject to CIT at a rate of 27% on its annual accrued net taxable income.

With respect to the New Convertible Notes Class B, if any noteholder has earned interest on the note during its holding period on its gross income on an accrual basis, the receipt of Reorganized LATAM Parent Stock when converting the note in satisfaction of accrued and unpaid interest would not derive in further tax implications as those interest have been already subject to CIT.

Conversely, if a Chilean noteholder of the New Convertible Notes Class B has not previously included the interest in its gross income, any amount received in-kind (i.e., Reorganized LATAM Parent Stock), in satisfaction of accrued interest when converting its notes will be a taxable income to the Chilean noteholder and it would be subject to a 27% CIT.

Also, the new Chilean noteholder will have a tax basis in any Reorganized LATAM Parent Stock received when converting the note equal to the conversion value on the date of receipt of such Reorganized LATAM Parent Stock as a result of the conversion.

Furthermore, no Stamp Tax, issue tax, registration tax or similar taxes or duties should be payable on the issue of Reorganized LATAM Parent Stock by LATAM Parent to the interest-bearing convertible noteholder.

Each noteholder of a New Convertible Note Class B is urged to consult its own tax advisor regarding the tax consequences arising from the conversion such notes into Reorganized LATAM Parent Stock.

(v) Chilean tax considerations on ownership of the Reorganized LATAM Parent Stock

a) Distributions on Reorganized LATAM Parent Stock to Chilean Holders or Chilean new investors

a.1) Distributions to Chilean Individuals

Dividends on equity paid to a resident individual are subject to personal income tax which is progressive with a marginal top rate of 40%.

Dividends paid as a result of owning Reorganized LATAM Parent Stock carry an imputation credit deductible against the personal income tax of Chilean resident individual who owns the Reorganized LATAM Parent Stock.

Owners of Reorganized LATAM Parent Stock would have the obligation to repay to the government an amount equal to 35% of the imputation credit that was made available on dividends received on Reorganized LATAM Parent Stock. Assuming an imputation credit of 27%, the reimbursement obligation results in a maximum effective tax rate of 44.45%.

Also, distributions could be made as Reorganized LATAM Parent Stock capital reductions. To the extent LATAM Parent does not record financial or tax profits at year end when the return of capital is paid, such return would not be subject to tax. In that case, the share capital return will be treated as such for tax purposes, and the tax basis that owners of Reorganized LATAM Parent Stock will be reduced for the same amount of the capital return.

Finally, in case LATAM Parent has financial or tax profits at year end when the return of capital is paid, such would be subject to tax in the same manner as a dividend and the tax cost that the owner of Reorganized LATAM Parent Stock, as the case may be, registers on Reorganized LATAM Parent Stock, will not be reduced.

a.2) Distributions to Chilean resident entities

Dividends between two Chilean tax resident entities are exempt from tax in Chile.

Even though dividend payments between Chilean tax resident entities are not subject to tax, dividends, when paid out of retained earnings, will carry an imputation credit equal to the lesser of:

1) the dividend amount multiplied by a factor[54] equal to the CIT rate in effect in the year the dividend is paid divided by one minus the CIT rate, and

2) the amount recorded by the distributing company as an imputation credit carryforward as of December 31 of the year in which the dividend is paid, reduced by any imputation credits associated with previous dividends paid during the same calendar year.

Imputation credits on dividends received by a Chilean tax resident entity increase the amount of its balance of imputation credits to be carried forward.

[54] Under these rules, for a dividend paid during a calendar year when the corporate tax rate is the 27% currently in effect, the factor under (i) above is equal to ((27 / (100 -27)) = 0.36986.

Also, distributions could be made as Reorganized LATAM Parent Stock capital reductions. Returns of capital received by owners of Reorganized LATAM Parent Stock should not be subject to taxes. Note, that the ITL and the instructions of the Chilean Internal Revenue Service (*Servicio de Impuestos Internos* or "SII") provide an imputation order of a capital reduction to the amounts recorded in the different tax records of LATAM Parent as well as with respect to the existence of excess financial profits, in order to determine the tax qualification of the reduction and whether it should be subject to taxes when received by a final taxpayer.

Finally, it should be noted that if a capital reduction is classified as a dividend for tax purposes, the tax cost that an owner of Reorganized LATAM Parent Stock registers on Reorganized LATAM Parent Stock will not be reduced.

b) Distributions on Reorganized LATAM Parent Stock to non-Chilean Holders or new investors

Dividends paid by Reorganized LATAM Parent in respect of Reorganized LATAM Parent Stock are subject to withholding tax of 35% minus an imputation credit that will vary depending on whether or not the non-Chilean owner of Reorganized LATAM Parent Stock is a resident in a country with which Chile has a Double Tax Treaty in force and provided that other legal requirements are met.

b.1 Dividends paid to a non-treaty country resident owner of Reorganized LATAM Parent Stock.

Dividends paid from Chile to a non-resident shareholder that is not in a country that has a tax treaty in effect with Chile are subject to a WHT of 35% **minus a "partial" imputation credit** that is equal to 65% of the lesser of:

1) the dividend amount multiplied by a factor equal to the CIT rate in effect in the year the dividend is paid divided by one minus the CIT rate, and

2) the amount recorded by the distributing company as an imputation credit carryforward as of December 31 of the year in which the dividend is paid, reduced by any imputation credits associated with previous dividends paid during the same calendar year.

An amount equal to 100% of the lesser of (i) and (ii) above shall be added to the dividend amount for the purposes of calculating the 35% WHT from which the "partial" imputation credit is deducted in determining the tax payable.

The table below shows the tax payable on a $1,000,000 dividend paid to a non-treaty resident shareholder:

a) Dividend amount	1,000,000

(b) Lesser of (i) credit factor, and (ii) imputation credit carryforwards	369,860
(c) Taxable dividend amount	1,369,860
(d) Tax at 35% rate	479,451
(e) Partial imputation credit (b) x 65%	240,409
(f) Dividend tax payable (d) – (e)	239,042
Effective tax rate (f) / (a)	**23.9%**

As a result of the partial imputation credit rules described above and the grossing-up of the dividend for the amount of imputation credit available, in a scenario where the amount of (i) is equal or greater than the amount of (ii), which for example would be the case if dividends are paid out of retained earnings that have paid the 27% CIT when earned, the dividend WHT will be payable at an effective rate of 23.9%.

If the amount in (ii) is zero, which can be the case when dividends are paid out of financial retained profits that have not been subject to tax because of temporary or permanent book to tax differences (e.g. tax depreciation different than under IFRS, expensing rules, amortization, valuation methodologies, etc.), then no credit will be available and no grossing up of the dividend amount shall be made. As a consequence, the dividend WHT will be payable at an effective rate of 35% on the dividend amount with no gross-up.

b.2 Dividends paid to a treaty country resident Holder or new investor.

Dividends paid from Chile to a shareholder resident in a country that has a tax treaty in effect with Chile (e.g. Brazil, Mexico, UK, Spain, Ireland, Switzerland, Belgium, etc.[55]) are subject to WHT of 35% minus a "full" imputation credit equal to the lesser of:

1) the dividend amount multiplied by a factor equal to the CIT rate in effect in the year the dividend is paid divided by one minus the CIT rate, and

2) the amount recorded by the distributing company as an imputation credit carryforward as of December 31 of the year in which the dividend is paid, reduced by any imputation credits associated with previous dividends paid during the same calendar year.

The amount of the imputation credit shall be added to the dividend amount for the purposes of calculating the 35% WHT from which the imputation credit is deducted in determining the tax liability payable.

The following table has an example calculation on the dividend tax calculation in case of a treaty resident shareholder:

[55] Full list of Chile tax treaties in effect can be found at http://www.sii.cl/normativa_legislacion/convenios_internacionales.html

a) Dividend amount	1,000,000
(b) Lesser of (i) credit factor, and (ii) imputation credit carryforwards	369,860
(c) Taxable dividend amount	1,369,860
(d) Tax at 35% rate	479,451
(e) Full imputation credit (b) x 100%	369,860
(f) Dividend tax payable (d) – (e)	109,591
Effective tax rate (f) / (a)	**10.9%**

As a result of the full imputation credit rules described above and the grossing-up of the dividend for the amount of imputation credit available, in a scenario where the amount of (i) is equal or greater than the amount of (ii), which for example would be the case if dividends are paid out of retained earnings that have paid the 27% corporate tax when earned, the dividend withholding tax will be payable at an **effective rate of 10.9%.**[56]

If the amount in (ii) is zero, which can be the case when dividends are paid out of financial retained profits that have not been subject to tax because of temporary or permanent book to tax differences (e.g. tax depreciation different than under IFRS, expensing rules, amortization, valuation methodologies, etc.), then no credit will be available and no grossing up of the dividend amount shall be made. As a consequence, the dividend WHT will be payable at an effective rate of 35% on the dividend amount with no gross-up.

(vi) Chilean tax considerations on disposition of the Reorganized LATAM Parent Stock.

a) Disposition by a Chilean resident individual

Capital gains from a sale or transfer of shares of a Chilean corporation (a "*Sociedad Anónima*") would be subject to personal income tax at progressive rates ranging from 0 to 40%.

The capital gain in this scenario is determined by the difference between the sale price and what was effectively paid by the Chilean owner of Reorganized LATAM Parent Stock when acquired, plus any capital increase effectively paid, less any effective capital reduction, all the above duly adjusted by domestic inflation.

b) Disposition by Chilean resident entities

[56] For a full imputation credit to be deducted in determining the dividend withholding tax liability, the treaty resident Holder would be need to provide to Reorganized LATAM Parent a tax residency certificate issued by the tax authority and a declaration signed by a legal representative of the shareholder, stating that it is the beneficiary of the dividend income. If the tax residence certificate and declaration are not provided, Reorganized LATAM Parent would be required to determine the withholding tax as applicable to non-tax treaty country residents, which as explained, requires considering an imputation credit limited to 65% of the full amount.

Capital gains from a sale or transfer of shares of a Chilean corporation would generally be subject to the "general tax" regime (i.e. 27% CIT, and a non-resident dividend WHT at the time of remittance of such income to a non-resident shareholder or the personal income tax when such income is distributed to a resident shareholder, with a partial imputation credit for the CIT paid if the shareholder is a resident individual or a resident in a non-treaty jurisdiction or a full imputation credit for a shareholder resident in a treaty country).

The capital gain in this scenario is determined by the difference between the sale's price and the tax value of the shares recorded by the Chilean owner of Reorganized LATAM Parent Stock in its tax accounting records.

c) Disposition of Reorganized LATAM Parent Stock

As a general rule, gains from the sale of Reorganized LATAM Parent Stock by its owner will be taxable in Chile at a 35% rate unless the seller is a resident in a country that has a tax treaty with Chile that provides for a reduced tax rate.

In this case, the taxable gain is calculated, generally, as the difference between the amount realized on the disposition and the non-Chilean Holder's tax basis in such Reorganized LATAM Parent Stock which is equal to the Allowed Claim amount ultimately discharged pursuant to the Plan. In case of the non-Chilean Existing Equity Holders who hold Reorganized LATAM Parent Stock, taxable gain would be calculated as the difference between the amounts realized on the disposition minus its tax basis in such Reorganized LATAM Parent Stock which would be equal to their New Convertible Note's nominal value when converted into the Reorganized LATAM Parent Stock being disposed.

The acquirer of the shares, whether foreign or Chilean entity or individual, would have to comply with WHT obligations (10% over the gross amount or 35% over the net gain amount).

d) Special regime for disposition of stock in publicly traded companies

Article 107 of the ITL provides for a capital gain tax exemption on the disposition of shares of a company that are substantially and regularly traded on a recognized stock exchange to the extent the requirements set forth in such provision are met at the time of the sale of these shares.

Specifically, the following requirements must be met with respect to the transfer of shares and how they were acquired by the seller:

a) Shares must be sold: (i) on a Chilean stock exchange authorized by the CMF; or (ii) in a public offer for the acquisition of shares regulated by the Securities Act (Law No. 18,045); or (iii) in a contribution of securities in accordance with Article 109 of the ITL; and

b) Shares must have been previously acquired: (i) on a Chilean stock exchange

authorized by the CMF; or (ii) in a public offer for the acquisition of shares regulated by the Securities Act (Law No. 18,045); or (iii) in a placement of first issue shares by that company at the time of the incorporation or of an increase in the capital of that company; or (iv) in an exchange of public offering securities convertible into shares; or (v) in a redemption of securities in accordance with Article 109 of the ITL.

The 'regularly and substantially traded' test is met if the shares are (i) listed on the Securities Registry held by the CMF; (ii) listed on a Chilean stock exchange, and comply with at least one of the following requirements: (a) it has an adjusted market presence equal or greater than 25%; or (b) a "market maker" agreement with a stock broker exists for the shares.

Assuming the owners of Reorganized LATAM Parent Stock are acquiring the Reorganized LATAM Parent Stock in a placement of first issue shares at the time of a capital increase of LATAM Parent, to the extent the disposition of such shares is made either (i) on a Chilean Stock Exchange authorized by the CMF; or (ii) in a public offer for the acquisition of shares regulated by Law No. 18.045; or (iii) in a securities contribution subject to Article 109 of the ITL, and, also, the Reorganized LATAM Parent Stock meets the regularly and substantially traded test, capital gains may be eligible for the tax exemption.

Finally, the acquirer of the shares -whether foreign or Chilean entity or individual- would be released from complying with WHT obligations in case the sale meets the requirements of Article 107 of the ITL and the capital gain is tax exempted.

(vii) Other general considerations: Information reporting and withholding

In general terms, information reporting requirements before the SII apply to distributions or payments under the Plan, including in connection with payments of dividends and the proceeds of a sale or other disposition of Reorganized LATAM Parent Stock by its owner.

Also, to the extent not previously obtained, entities receiving Reorganized LATAM Parent Stock when converting their respective New Convertible Notes would need to obtain a Chilean Tax Identification Number that is issued by the SII. Any non-Chilean entities need to appoint a local representative with authority to act before the SII for this purpose.

Each Holder of a Claim or Existing Equity Interests that receives New Convertible Notes is urged to consult its own tax advisor regarding the Chilean reporting and filing obligations based on its specific circumstances to properly and timely comply with them and avoid incurring in penalties and fines.

1.4 Chilean tax consequences to non-Chilean purchasers of New Convertible Notes Class B.

(i) Interest Withholding Tax

As a general rule, interest paid by a Chilean borrower to a non-resident lender is

generally subject to a 35% WHT. The interest WHT is generally limited to a 10% or 15% if the interest is paid to a person that is resident in a country that has entered into an Income Tax Treaty with Chile.

Additionally, interest payments made to non-Chilean noteholders would be subject to a reduced 4% WHT rate.

(ii) Principal repayment

Repayment of principal to non-Chilean noteholders is not subject to WHT.

(iii) Disposition of the note

Article 104 of the ITL provides for a capital gain tax exemption on the disposition of notes that are substantially and regularly traded on a recognized stock exchange to the extent the requirements set forth in such provision are met at the time of the sale of the note.

Specifically, the following requirements must be met regarding the debt instrument itself and its holder:

a) Debt instruments: (i) must be listed on the Securities Registry held by the CMF; (ii) must be issued in Chile; (iii) issuance deed must expressly represent that they will be issued under Article 104 of the ITL provisions and that a fiscal interest rate for calculating interest accrued is determined in the coupon rate; and (iv) must contemplate at least on interest payment or coupon per year, with a percentual value not less than 1/25 times the value of the fiscal interest rate.

b) Debt instrument holder: (i) must have held the debt instrument for one year from its acquisition until its disposition or the shorter term set by the Finance Ministry; or (ii) must have had acquired the debt instrument in a Chilean stock exchange in an ongoing auction procedure authorized by the CMF and the SII by a joint resolution.

Non-Chilean taxpayers holding investments in these debt instruments must contract or appoint a representative, custodian, intermediary, securities depository or another person domiciled or incorporated in Chile, who will be responsible for complying with the tax obligations that could affect them.

In case the above referred requirements are not met, gains from the sale of the debt instruments by a non-Chilean resident lender would generally be taxable in Chile at a 35% rate.

1.5 Chilean tax consequences to Chilean noteholders of New Convertible Notes.

(i) Income Tax considerations

In general terms, interest income earned by a company resident in Chile is subject to CIT at a rate of 27% on an accrued basis.

In case of Chilean resident individuals, interest income would be subject to personal income tax on a cash basis at progressive rates ranging from 0 to 40%.

(ii) Interest Withholding Tax

Interest paid to Chilean noteholders is not subject to WHT.

(iii) Principal repayment

Repayment of principal to Chilean noteholders is not subject to WHT.

(iv) Disposition of the note

Same considerations explained in Subsection (iii) of Section 1.4 regarding the capital gain tax exemption on debt instruments complying with the requirements set forth in Article 104 of the ITL, apply to the potential disposition of the note by a Chilean resident noteholder.

In case these requirements are not met, gains from the sale of the debt instruments by a Chilean resident noteholder would be subject to the general tax regime (i.e. 27% CIT, and a non-resident dividend WHT or the personal income tax at the time of remittance of such income to the respective shareholder, as applicable).

(v) Reorganized LATAM Parent share capital increase

2.1 Description.

Under the Plan, LATAM Parent intends to conduct, to the extent authorized by the requisite number of Holders of Existing Equity Interests, the ERO Rights Offering by which certain Holders of Existing Equity Interests and ERO New Common Stock Backstop Parties can (or will) subscribe to purchase ERO New Common Stock.

2.2 Chilean tax consequences to Reorganized LATAM Parent.

(i) Income tax considerations on cash capital contribution

According to Article 17 No. 5 of the ITL, capital contributions are deemed as non-taxable income for the recipient entity (i.e. Reorganized LATAM Parent).

Reorganized LATAM Parent's net tax equity for thin capitalization rules' purposes[57] shall increase by the amount of the share capital subscription.

(ii) Municipal License Tax considerations

Municipal license tax is payable annually at rates ranging between 0.25% and 0.5% of the

[57] Further described in Section 3 below.

tax-adjusted equity of an entity, capped at approximately 8,000 *Unidades Tributarias Mensuales* (USD 521k[58]) per year.

Municipal license tax is assessed on the tax-adjusted capital determined at December 31st of each year. When calculating the tax-adjusted equity, companies may deduct any investments in other companies subject to municipal tax license.

As a result of the cash capital contribution and subsequent satisfaction of Holder's Claims, LATAM Parent's tax equity for municipal license purposes will increase. Therefore, in case LATAM Parent is not already paying the capped amount, this alternative could derive in a greater Municipal License Tax liability. Nevertheless, the Municipal license tax is deductible for income tax purposes.

(iii) Income tax considerations on cash payment of Holders Claims

If there is a discharge of a debt obligation by a debtor for less than the full amount of the debt, such discharge generally would give rise to taxable income which must be included in the debtor's gross income determination.

Consequently, to the extent LATAM Parent provides cash recovery to Holders of Allowed General Unsecured Claims in lieu of New Convertible Notes Class A or New Convertible Notes Class C, the difference between the cash provided and the face amount of the Allowed General Unsecured Claim would be considered as a taxable income in LATAM Parent subject to a 27% CIT. Note, however, that any available tax loss in LATAM Parent may be used to offset the amount of taxable income arising in this specific situation.

Also, a distinction needs to be made regarding the income recognition rules applicable to discharge of Claims against LATAM Parent and against other Debtors (i.e. subsidiaries of LATAM Parent).

In this regard, in case of discharge of Claims against LATAM Parent that give rise to taxable income because the discharge is less than their nominal value, it would be necessary to include such difference as taxable income by LATAM Parent in the calendar year in which cash payments of the Claims are executed.

In case of the discharge of Claims against other Debtors, the difference between the original debt Claim and the Claim discharged will have to be recognized by the other Debtors. If the Allowed Claim is greater than the amount of the Claim discharged and the applicable Debtor is a taxpayer resident in Chile, such Debtor will have to include such difference as taxable income in the calendar year in which cash payments are executed. In the case of Debtors subject to tax in other jurisdictions, such difference may be includable as taxable income depending on the law of each particular jurisdiction.

2.3 Chilean tax consequences to LATAM Parent shareholders.

[58] Calculation made taking into consideration a *Unidad Tributaria Mensual* value of CLP$53,476 and a USD/CLP conversion rate of 1USD equal to CLP$820.18.

This subsection describes the Chilean tax consequences to Chilean and non-Chilean Holders in connection with (i) the share capital increase in LATAM Parent; (ii) ownership of the Reorganized LATAM Parent Stock; and (iii) disposition of the Reorganized LATAM Parent Stock.

(i) Tax considerations on the share capital increase in LATAM Parent

Payment of Reorganized LATAM Parent Stock issued by LATAM Parent does not generate income tax for the new shareholders.

The shareholders' tax basis in LATAM Parent shares would be equal to the amount effectively paid in the share capital increase. This would be relevant for determining a potential capital gain in a future disposition of LATAM Parent Stock by the contributing shareholders.

(ii) Chilean tax considerations on ownership of the Reorganized LATAM Parent Stock

The same implications described in Subsection (iii) of Section 1.3 *("Chilean tax consequences to Holders")* above apply to the ownership of Reorganized LATAM Parent Stock issued to the shareholders in the cash capital contribution.

(iii) Chilean tax considerations on disposition of the Reorganized LATAM Parent Stock.

The same implications described in Subsection (iii) of Section 1.3 *("Chilean tax consequences to Holders")* above apply to the disposition of Reorganized LATAM Parent Stock issued to the shareholders in the cash capital contribution.

2.4 Chilean tax consequences to Holders of Claims.

This subsection describes the Chilean tax consequences to Chilean and non-Chilean Holders in connection with the satisfaction or otherwise payment of their Allowed Claims, whether in case of cash or securities, against Debtors.

(iv) Income Tax Consequences to Chilean Holders of Claims Resident in Chile

In general terms, business income earned by a company resident in Chile is subject to CIT at a rate of 27% on its annual accrued net taxable income. For this purpose, net taxable income is calculated by deducting from gross revenues the amount of direct costs and deductible expenses and, ultimately, applying certain adjustments over the resulting amount (i.e. inflation and other specific adjustments as applicable).

In accordance with Law No. 18.010 on Money Credit Transactions, the term "interest" is defined as any amount that the creditor receives or is entitled to receive over the amount of the principal.

In general, if the Chilean Holder has included interest on the Claim during its holding

period on its gross income on an accrual basis, the receipt of cash in satisfaction of accrued and unpaid interest would not derive in further tax implications as those interest have been already subject to CIT.

Conversely, if the Chilean Holder has not previously included the interest in its gross income, any amount received in cash, in satisfaction of accrued interest will be a taxable income to the Chilean Holder and it would be subject to a 27% CIT.

Likewise, a Chilean Holder would generally recognize a deductible loss to the extent any accrued interest claimed was previously included in its gross income determination and is not discharged in full as a result of the implementation of the Plan. Additionally, if the amount of the Claim's discharge is less than the Allowed Claim nominal value, the difference will be recognized as deductible loss by the Chilean Holder for income tax purposes.

Furthermore, no Stamp Tax, issue tax, registration tax or similar taxes or duties should be payable on cash payment to achieve satisfaction of Chilean Holder's Claims

Each Chilean Holder of a Claim is urged to consult its own tax advisor regarding the allocation of consideration and the deductibility of unpaid interest for tax purposes.

(v) Income Tax Consequences to Holders of Claims Non-Resident in Chile

In Chile, non-resident taxpayers are subject to income tax on their Chilean-sourced income and on certain payments subject to withholding tax in Chile.

As a general rule, interest income payable to nonresidents, whether individuals or legal entities, are subject to a 35% withholding tax payable as a final tax (unless reduced according to the provisions of a Double Tax Treaty or eligible to a reduced rate under domestic law).

A non-Chilean Holder's receipt of cash that is attributable to accrued but unpaid interest on the Claims against LATAM Parent surrendered as a result of the Plan, would generally be subject to Chilean 35% withholding tax. Also, pursuant to Article 74 No.4 of the ITL, as the non-Chilean Holder's Claim will receive payment in cash, LATAM Parent will be responsible of declaring and paying the 35% withholding tax.

In case of Claims against other Debtors (i.e. LATAM Parent subsidiaries) that will be satisfied to the non-Chilean Holders by having them receive cash, there would be no Chilean withholding tax implications as there would be no payment of interest accrued under the Claims to the Holders but instead LATAM Parent will register a new account receivable against such Claim's Debtor.

Furthermore, no Stamp Tax, issue tax, registration tax or similar taxes or duties should be payable on the cash payment to achieve satisfaction of non-Chilean Holder's Claims.

Each non-Chilean Holder of a Claim is urged to consult its own tax advisor regarding the withholding tax implications that may arise in each non-Chilean Debtor's jurisdictions based on

the applicable domestic tax laws, as payment of such non-Chilean Debtor's Claim may potentially be subject to withholding taxes or other transactional taxes.

C. *Potential Repayment of Existing Debt with Newly Funded Debt*

3.1 Chilean tax consequences to Reorganized LATAM Parent.

(i) Interest deductibility rules.

Chilean ITL provides that interest is generally deductible for corporate income tax purposes on an accrual basis.

However, interests paid to non-Chilean resident related parties would be deductible during the relevant commercial year when they are effectively paid and the respective WHT has been declared and paid by the borrower to the Chilean treasury.

(ii) Thin capitalization rules.

The same implications described in Subsection (iv) of Section 1.2 above apply to the disposition of Reorganized LATAM Parent Stock issued to the shareholders in the cash capital contribution.

(iii) Stamp Tax.

Documents supporting loans and other credit operations are subject to Stamp Tax. Money credit operations or loans issued outside of Chile are subject to Stamp Tax if used or accounted for in Chile regardless of whether a loan document is issued.

Stamp Tax applies at a rate of 0.066% on the principal amount of the loan, for each month or fraction thereof between the grant or issuance date and its maturity, with a cap of 0.8%. For documents or operations without a fixed term or due date, or payable on demand, the applicable tax rate is 0.332% on the principal amount of the loan.

Stamp Tax is generally payable upfront when the loan is issued. For credit facilities however, the tax is paid on each drawdown when made.

3.2 Chilean tax consequences to Holders of Claims

(i) Income tax consequences to Chilean Holders of Claims

The same implications described in Subsection 2.4 of Section 2 above regarding payment in cash of Chilean Holder's Claims apply to the payment of Allowed Claims made with funds raised by Reorganized LATAM Parent's incurrence of new debt.

Likewise, each Chilean Holder of a Claim is urged to consult its own tax advisor regarding the allocation of consideration and the deductibility of unpaid interest for tax purposes.

(ii) Income tax consequences to non-Chilean Holders of Claims

Same implications described in Subsection 2.4 of Section 2 above regarding payment in cash of non-Chilean Holder's Claims apply to the payment of Allowed Claims made with funds raised through Reorganized LATAM Parent's incurrence of new debt.

Likewise, each non-Chilean Holder of a Claim is urged to consult its own tax advisor regarding the withholding tax implications that may arise in each non-Chilean Debtor's jurisdictions based on the applicable domestic tax laws, as payment of such non-Chilean Debtor's Claim may potentially be subject to withholding taxes or other transactional taxes.

3.3 Chilean tax consequences to Reorganized LATAM Parent non-Chilean lenders.

(i) Interest Withholding Tax

As a general rule, interest paid by a Chilean borrower to a non-resident lender is generally subject to a 35% WHT. The interest WHT is generally limited to a 10% or 15% if the interest is paid to a person that is resident in a country that has entered into a Double Tax Treaty with Chile.

Also, irrespective of the availability of a reduced tax rate under an income tax treaty, interest payments made on (i) loans issued by a non-Chilean bank or by an international or non-Chilean financial entity or (ii) to foreign noteholders are subject to a reduced 4% WHT, provided that additional legal requirements are met.

(ii) Principal repayment

Repayment of principal to foreign lenders is not subject to WHT.

3.4 Chilean tax consequences to Reorganized LATAM Parent Chilean resident lenders.

(i) Income Tax considerations

In general terms, interest income earned by a company resident in Chile is subject to CIT at a rate of 27% on an accrued basis.

In case of Chilean resident individuals, interest income would be subject to personal income tax on a cash basis at progressive rates ranging from 0 to 40%.

(ii) Interest Withholding Tax

Interest paid to Chilean lenders is not subject to WHT.

(iii) Principal repayment

Repayment of principal to Chilean lenders is not subject to WHT.

XIV.
CONCLUSION

The Debtors believe that confirmation and implementation of the Plan is preferable to any of the alternatives described herein because it will provide the greatest recovery to Holders of Claims and Equity Interests. Other alternatives would involve significant delay, greater erosion of value, uncertainty and substantial administrative costs and are likely to reduce, if not eliminate, any return to any creditors who hold Impaired Claims. The Debtors urge the Holders of Impaired Claims in Classes 5 and 7 who are entitled to vote on the Plan to vote to Accept the Plan and to evidence such Acceptance by casting their Ballots as set forth in the instructions enclosed with the Ballots so that they will be received not later than [●]., prevailing Eastern Time, on [●].

[*Remainder of page intentionally omitted*]

Dated: November 26, 2021
New York, New York

LATAM AIRLINES GROUP S.A.

FAST AIR ALMACENES DE CARGA S.A.

HOLDCO COLOMBIA I SPA

HOLDCO COLOMBIA II SPA

HOLDCO ECUADOR S.A.

HOLDCO I S.A.

INVERSIONES LAN S.A.

LAN CARGO INVERSIONES S.A.

LAN CARGO S.A.

LAN CARGO OVERSEAS LTD.

LAN PAX GROUP S.A.

LATAM TRAVEL CHILE II S.A.

MAS INVESTMENT LIMITED

TECHNICAL TRAINING LATAM S.A.

TRANSPORTE AÉREO S.A.

By: *DRAFT*
Name: Ramiro Alfonsín Balza
Title: Attorney-in-Fact

MULTIPLUS CORRETORA DE SEGUROS LTDA.

PRISMAH FIDELIDADE LTDA.

TAM S.A.

FIDELIDADE VIAGENS E TURISMO S.A.

ABSA-AEROLINHAS BRASILEIRAS S.A

TAM LINHAS AEREAS S.A.

By: *DRAFT*
Name: Jerome Paul Jacques Cadier
Title: Chief Executive Officer

By: *DRAFT*
Name: Felipe Ignácio Pumarino Mendoza
Title: Statutory Officer

TP FRANCHISING LTDA

By: *DRAFT*
Name: Jerome Paul Jacques Cadier
Title: Chief Executive Officer

By: *DRAFT*
Name: Euzébio Angelotti Neto
Title: Statutory Officer

FOR AND ON BEHALF OF PEUCO FINANCE LIMITED (IN PROVISIONAL LIQUIDATION)

By: *DRAFT*
Name: Andres Del Valle
Title: Director

FOR AND ON BEHALF OF LATAM FINANCE LIMITED (IN PROVISIONAL LIQUIDATION)

By: *DRAFT*
Name: Andres Del Valle
Title: Director

AEROVÍAS DE INTEGRACIÓN REGIONAL S.A.

By: *DRAFT*
Name: Erika Zarante
Title: Ad Hoc Secretary

LÍNEA AÉREA CARGUERA DE COLOMBIA S.A.

By: *DRAFT*
Name: Jaime Antonio Góngora
Title: Legal Representative

LATAM AIRLINES ECUADOR S.A.

By: *DRAFT*
Name: Mariela Alexandra Anchundia Mieles
Title: Executive Presiden

INVERSIONES AÉREAS S.A.

LATAM AIRLINES PERÚ S.A.

By: *DRAFT*
Name: Manuel Van Oordt Fernández
Title: Attorney-in-Fact

FOR AND ON BEHALF OF PIQUERO LEASING LIMITED (IN PROVISIONAL LIQUIDATION)

By: *DRAFT*
Name: Andres Del Valle
Title: Authorized Signatory

PROFESSIONAL AIRLINE CARGO SERVICES, LLC

By: *DRAFT*
Name: Francisco Arana
Title: President

CARGO HANDLING AIRPORT SERVICES LLC

PRIME AIRPORT SERVICES, INC.

By: *DRAFT*
Name: Gaston Greco
Title: President

CONNECTA CORPORATION

By: *DRAFT*
Name: Andres Bianchi
Title: President

PROFESSIONAL AIRLINE MAINTENANCE SERVICES, LLC

LAN CARGO REPAIR STATION, LLC

MAINTENANCE SERVICE EXPERTS LLC

By: *DRAFT*
Name: Jorge Hanson
Title: President

PROFESSIONAL AIRLINE SERVICES, INC.

By: *DRAFT*
Name: Paola Peñarete
Title: President

Exhibit A
Joint Chapter 11 Plan of the Debtors

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:	:	Chapter 11
LATAM Airlines Group S.A., *et al*.,	:	Case No. 20-11254 (JLG)
Debtors.	:	Jointly Administered

JOINT PLAN OF REORGANIZATION OF LATAM AIRLINES GROUP, S.A. *ET AL*, UNDER CHAPTER 11 OF THE BANKRUPTCY CODE

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Counsel for the Debtors and Debtors in Possession

Dated: November 26, 2021

TABLE OF CONTENTS

Page

TABLE OF CONTENTS
(continued)

Page

TABLE OF CONTENTS
(continued)

Page

TABLE OF CONTENTS
(continued)

Page

EXPECTED PLAN SUPPLEMENT EXHIBITS

Exhibit A	Amended and Restated Certificate of Incorporation and By-Laws of Reorganized LATAM
Exhibit B	List of Officers and Directors of Reorganized Debtors
Exhibit C	Executory Contracts and Unexpired Leases Rejected by the Debtors
Exhibit D	Executory Contracts and Unexpired Leases Assumed by the Debtors
Exhibit E	Executory Contracts and Unexpired Leases Assumed and Assigned by the Debtors
Exhibit F	Disputed Claims and Amounts Reserved for Disputed Claims
Exhibit G	Preserved Causes of Action

INTRODUCTION

LATAM Airlines Group S.A. ("LATAM Parent") and certain of its affiliates, as debtors and debtors-in-possession in the above captioned cases (the "Debtors")[1] propose this joint plan of reorganization for the resolution of the outstanding Claims against and Equity Interests in the Debtors. Certain of the Debtors' affiliates have not commenced bankruptcy proceedings (such affiliates, together with the Debtors, "LATAM"). Reference is made to the Disclosure Statement for a discussion of the Debtors' history, business, properties and operations, projections for those operations, risk factors, a summary and analysis of this Plan and certain related matters including, without limitation, certain tax matters related to the Plan. Subject to certain restrictions and requirements set forth in 11 U.S.C. § 1127 and Bankruptcy Rule 3019, the Debtors reserve the right to alter, amend, modify, revoke or withdraw this Plan prior to its substantial consummation.

ARTICLE I
DEFINED TERMS AND RULES OF INTERPRETATION

1.1 Defined Terms. Capitalized terms used but not otherwise defined in this Plan shall have the meanings set forth below. Any term that is used and not otherwise defined herein, but that is defined in the Bankruptcy Code or the Bankruptcy Rules, shall have the meaning ascribed to it in the Bankruptcy Code or the Bankruptcy Rules, as applicable.

Accept means, with respect to the acceptance of the Plan by a Class of Claims or Equity Interests, votes cast (or deemed cast pursuant to an order of the Bankruptcy Court or the applicable provisions of the Bankruptcy Code) in favor of the Plan by the requisite number and principal amount of Allowed Claims or Equity Interests in such Class as set forth in section 1126(c) of the Bankruptcy Code.

Adjustment Distribution has the meaning set forth in Section 9.5 of this Plan.

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[1] The Debtors in these Chapter 11 Cases, along with the last four digits of each Debtor's tax identification number (as applicable), are: LATAM Airlines Group S.A. (59-2605885); Lan Cargo S.A. (98-0058786); Transporte Aéreo S.A. (96-9512807); Inversiones Lan S.A. (96-5758100); Technical Training LATAM S.A. (96-847880K); LATAM Travel Chile II S.A. (76-2628945); Lan Pax Group S.A. (96-9696800); Fast Air Almacenes de Carga S.A. (96-6315202); Línea Aérea Carguera de Colombia S.A. (26-4065780); Aerovías de Integración Regional S.A. (98-0640393); LATAM Finance Ltd. (N/A); LATAM-Airlines Ecuador S.A. (98-0383677); Professional Airline Cargo Services, LLC (35-2639894); Cargo Handling Airport Services LLC (30-1133972); Maintenance Service Experts LLC (30-1130248); Lan Cargo Repair Station LLC (83-0460010); Prime Airport Services, Inc. (59-1934486); Professional Airline Maintenance Services LLC (37-1910216); Connecta Corporation (20-5157324); Peuco Finance Ltd. (N/A); LATAM Airlines Perú S.A. (52-2195500); Inversiones Aéreas S.A. (N/A); Holdco Colombia II SpA (76-9310053); Holdco Colombia I SpA (76-9336885); Holdco Ecuador S.A. (76-3884082); Lan Cargo Inversiones S.A. (96-9696908); Lan Cargo Overseas Ltd. (85-7752959); Mas Investment Ltd. (85-7753009); Professional Airlines Services Inc. (65-0623014); Piquero Leasing Limited (N/A); TAM S.A. (N/A); TAM Linhas Aéreas S.A. (65-0773334); ABSA Aerolinhas Brasileiras S.A. (98-0177579); Prismah Fidelidade Ltda. (N/A); Fidelidade Viagens e Turismo S.A. (27-2563952); TP Franchising Ltda. (N/A); Holdco I S.A. (76-1530348) and Multiplus Corretora de Seguros Ltda. (N/A). For the purpose of these Chapter 11 Cases, the service address for the Debtors is: 6500 NW 22nd Street Miami, FL 33122.

Administrative Claims Reserve Account means the reserve created to reserve property for the purposes of satisfying Allowed Administrative Expense Claims pursuant to Section 13.6 of this Plan.

Administrative Expense Claim means any Claim for costs and expenses of administration of the Chapter 11 Case that is assertable under section 503(b), 507(b), or 1114(e)(2) of the Bankruptcy Code, including, without limitation: (a) any actual and necessary costs and expenses incurred on or after the Petition Date of preserving the Debtors' Estates and operating the businesses of the Debtors prior to the Effective Date; and (b) compensation for legal, financial, advisory, accounting, and other services and reimbursement of expenses Allowed by the Bankruptcy Court under section 327, 330, 331, 363, or 503(b) of the Bankruptcy Code to the extent incurred prior to the Effective Date.

Administrative Expense Claims Bar Date means the Business Day that is thirty days after the Effective Date or such other date as approved by order of the Bankruptcy Court.

Affiliate has the meaning set forth in section 101(2) of the Bankruptcy Code.

Aircraft Bank Loans means any loan arrangements entered into by SPVs to finance the purchase of aircraft that are not guaranteed by the U.S. Export-Import Bank or any of the Export Credit Agencies.

Aircraft Lease means an unexpired lease relating to the use or operation of an aircraft, aircraft engine, or other aircraft parts.

Allowed means, with reference to any Claim, or any portion thereof, that is not a Disputed Claim and (i) that has been listed by the Debtors in the Schedules as liquidated in an amount greater than $0 and/or not disputed, contingent or undetermined, and with respect to which no contrary proof of claim has been Filed, (ii) has been specifically allowed under this Plan, (iii) the amount or existence of which has been determined or allowed by a Final Order or (iv) as to which a proof of claim has been timely Filed before the Bar Date in a liquidated, non-contingent amount that is not disputed or as to which no objection has been timely interposed in accordance with Section 9.1 of this Plan or any other period of limitation fixed by the Bankruptcy Code, the Bankruptcy Rules or the Bankruptcy Court; provided, further that any such Claims Allowed solely for the purpose of voting to Accept or Reject this Plan pursuant to an order of the Bankruptcy Court shall not be considered "Allowed Claims" for the purpose of distributions hereunder.

Allowed Class 5a Treatment Cash Amount means, for each Holder of an Allowed Class 5 Claim that is receiving Class 5a Treatment, their Allowed Class 5 Claim (Pro Rata for all Allowed Class 5 Claims receiving Class 5a Treatment) multiplied by the Conversion Ratio of the New Convertible Notes Class A.

Amended First DIP Order means the *Amended Order (I) Authorizing the Debtors to (A) Obtain Postpetition Financing, and (B) Grant Superpriority Administrative Expense Claims, and (II) Granting Related Relief*, ECF No. 1454.

Assigned Contract means each of the executory contracts and unexpired leases assumed and assigned pursuant to Article VIII hereof.

Assumed Contracts means each of the executory contracts and unexpired leases assumed pursuant to Article VIII hereof.

Assumption Notice has the meaning set forth in Section 8.10 of this Plan.

Avoidance and Other Actions means any and all avoidance, recovery, subordination or other actions or remedies that may be brought by and on behalf of the Debtors or their Estates under the Bankruptcy Code or applicable non-bankruptcy law, including, without limitation, actions or remedies arising under sections 510 and 542-553 of the Bankruptcy Code.

Backstop Agreements means, collectively, the Commitment Creditors Backstop Agreement and the Backstop Shareholders Backstop Agreement.

Backstop Payment Parties means LMS Credit, LLC; Sculptor Master Fund, LTD.; Sculptor Enhanced Master Fund, LTD.; Sculptor SC II, LP; Sculptor Master Fund, LTD.; Sculptor Credit Opportunities Master Fund, LTD.; Sajama Investments, LLC; Lauca Investments, LLC; Conifer Finance 3, LLC; Redwood IV Finance 3, LLC; TAO Finance 3-A, LLC; Strategic Value Master Fund, Ltd.; Strategic Value Opportunities Fund, L.P.; Strategic Value Special Situations Master Fund IV, L.P.; Strategic Value Special Situations Master Fund V, L.P.; Strategic Value Dislocation Master Fund L.P.; Strategic Value New Rising Fund, L.P.; and any successor, transferee or assignee of the foregoing.

Backstop Parties means, collectively, the New Convertible Notes Class B Backstop Parties, the New Convertible Notes Class C Backstop Parties and the ERO New Common Stock Backstop Parties.

Backstop Shareholders means, collectively and in their capacity as such, Costa Verde Aeronáutica S.A. and Inversiones Costa Verde Ltda y Cia en Comandita por Acciones, Delta Air Lines, Inc., and Qatar Airways Investment (UK) Ltd.

Backstop Shareholders Backstop Agreement means an agreement reflecting the terms on which the Backstop Shareholders will backstop the rights offering of New Convertible Notes Class B and $400 million of the ERO Rights Offering, acceptable in form and substance to the Backstop Shareholders and the Debtors, which shall be agreed and executed by the Debtors and the Backstop Shareholders.

Backstop Shareholder Cap has the meaning set forth in Section 6.1 of this Plan.

Backstop Shareholder Fees means the reasonable and documented fees, expenses, disbursement and other costs incurred by each of the Backstop Shareholders in connection with the Chapter 11 Cases, including, but not limited to attorneys' financial advisors and agents' fees, expenses and disbursements incurred by each of the Backstop Shareholders, whether prior to or after the execution of the Restructuring Support Agreement and whether prior to or after consummation of the Plan.

Ballot means each of the ballot forms distributed to each Holder of an Impaired Claim that is entitled to vote to Accept or Reject this Plan and on which the Holder is to indicate, among other things, acceptance or rejection of this Plan.

Bankruptcy Code means title 11 of the United States Code, as now in effect or hereafter amended so as to be applicable in these Chapter 11 Cases.

Bankruptcy Court means the United States Bankruptcy Court for the Southern District of New York, or any such other court having original and exclusive subject matter jurisdiction over these Chapter 11 Cases pursuant to 11 U.S.C. § 1334(a).

Bankruptcy Rules means the Federal Rules of Bankruptcy Procedure and the local rules of the Bankruptcy Court, as now in effect or hereafter amended, so as to be applicable in these Chapter 11 Cases.

Bar Date means any deadline established by the Bankruptcy Court or the Bankruptcy Code for Filing proofs of Claim in these Chapter 11 Cases.

Bar Date Order means the *Order (I) Establishing Bar Dates for Filing Proofs of Claim, (II) Approving Proof of Claim Form, Bar Date Notices, and Mailing and Publication Procedures, (III) Implementing Uniform Procedures Regarding 503(b)(9) Claims, and (IV) Providing Certain Supplemental Relief*, ECF No. 1106.

Business Day means 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; Santiago Chile; Rio de Janeiro or São Paulo, Brazil; Lima, Peru; or Bogota, Colombia are required or authorized to remain closed.

Cash means lawful currency of the United States of America, including, without limitation, bank deposits, checks and other similar items, including any U.S. Dollar Equivalent.

Case Management Order means the *Order Implementing Certain Notice and Case Management Procedures*, ECF No. 112.

Cash Management Order means the *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*, ECF No. 1185.

Causes of Action means, without limitation, any and all Claims, causes of action, demands, rights, actions, suits, damages, injuries, remedies, obligations, liabilities, accounts, defenses, offsets, powers, privileges, licenses and franchises of any kind or character whatsoever, known, unknown, accrued or to accrue, contingent or non-contingent, matured or unmatured, suspected or unsuspected, foreseen or unforeseen, whether arising before, on or after the Petition Date, in contract or in tort, in law or in equity, or under any other theory of law, whether asserted or assertable directly or derivatively in law or equity or otherwise by way of claim, counterclaim,

cross-claim, third party action, action for indemnity or contribution or otherwise, including, without limitation, the Avoidance and Other Actions.

Chapter 11 Cases means the cases commenced under Chapter 11 of the Bankruptcy Code by the Debtors in the Bankruptcy Court, styled *In re LATAM Airlines Group, S.A., et al.,* Chapter 11 Case No. 20-11254 (JLG) (jointly administered), currently pending before the Bankruptcy Court.

Chilean Business Day means any day other than a Sunday or other day on which commercial banks in Santiago Chile are required or authorized to remain closed.

Claim has the meaning set forth in section 101(5) of the Bankruptcy Code.

Claims Agent means Prime Clerk LLC.

Claims Objection Deadline has the definition set forth in Section 9.1 of this Plan.

Claims Register means the official register of Claims against, and Equity Interests in, the Debtors, maintained by the Claims Agent.

Class means a category of Claims against or Equity Interests in the Debtors, as described in Article II hereof, pursuant to section 1122(a) of the Bankruptcy Code.

Class 5a Treatment has the meaning set forth in Section 3.2(e) of this Plan.

Class 5b Treatment has the meaning set forth in Section 3.2(e) of this Plan.

CMF means Comisión para el Mercado Financiero.

Commitment Creditors means the members of the ad hoc group of LATAM Parent claimholders listed on Schedule II of the Restructuring Support Agreement (as may be modified pursuant to the terms of the Restructuring Support Agreement). Unless specified otherwise, any reference to any consent rights of the Commitment Creditors shall be determined by reference to the Requisite Commitment Creditors at such time.

Commitment Creditors Backstop Agreement means an agreement reflecting the terms on which the Commitment Creditors will backstop the rights offering of the New Convertible Notes Class C and $400 million of the ERO Rights Offering, acceptable in form and substance to the Commitment Creditors and the Debtors, which shall be agreed and executed by the Debtors and the Backstop Parties thereto.

Commitment Creditor Fees means (i) the reasonable and documented fees, expenses, disbursements and other costs incurred by (x) each of the Backstop Payment Parties, up to a maximum aggregate amount of $3,000,000 and (y) Commitment Creditors in connection with the Chapter 11 Cases, including, but not limited to attorneys', financial advisors and agents' fees, expenses and disbursements incurred by each of the Backstop Parties and/or Commitment Creditors acting as a group, as the case may be, whether prior to or after the execution of the Restructuring Support Agreement and whether prior to or after consummation of the Plan, and

(ii) the backstop payments payable to the Commitment Creditors, if any, under the Commitment Creditors Backstop Agreement. For the avoidance of doubt, Commitment Creditors Fees shall not include the fees and expenses of attorneys, financial advisors or other advisors retained by individual Commitment Creditors, except with respect to the Backstop Payment Parties.

Commitment Parties has the meaning set forth in the Restructuring Support Agreement.

Committee means the statutory committee of unsecured creditors of the Debtors appointed by the United States Trustee in the Chapter 11 Cases pursuant to section 1102 of the Bankruptcy Code.

Compensation and Benefits Plans has the meaning set forth in Section 8.5 of this Plan.

Confirmation Date means the date on which the clerk of the Bankruptcy Court enters the Confirmation Order on the docket of the Bankruptcy Court.

Confirmation Hearing means the hearing held by the Bankruptcy Court pursuant to section 1128 of the Bankruptcy Code to consider confirmation of this Plan, as such hearing may be adjourned or continued from time to time.

Confirmation Objection Deadline has the meaning set forth in Section 8.12 of this Plan.

Confirmation Order means the order of the Bankruptcy Court confirming this Plan pursuant to section 1129 of the Bankruptcy Code.

Conversion Ratio means with respect to any class of the New Convertible Notes, (i) the product of (a) the proportion New Convertible Notes Back-Up Shares relative to the total Reorganized LATAM Parent Stock, assuming conversion of all New Convertible Notes, expressed as a percentage multiplied by (b) the Plan Equity Value, divided by (ii) the principal amount of the relevant class of New Convertible Notes.[2]

Creditor has the meaning set forth in section 101(10) of the Bankruptcy Code.

Cure Amount has the definition set forth in Section 8.10 of this Plan.

D&O Policy means any insurance policy, including tail insurance policies, for directors', members', trustees', and officers' liability maintained by the Debtors and in effect or purchased as of or subsequent to the Petition Date.

Debtor Released Parties means the Debtors and each of their Related Persons excluding members, partners or holders of equity interests.

[2] Due to the ongoing claims reconciliation process, the ultimate conversion ratio used for each series of New Convertible Notes Class A and New Convertible Notes C is subject to change.

Debtors has the meaning set forth in the preamble of this Plan.

DIP Agents means, collectively, Bank of Utah, as administrative agent and collateral agent under the DIP Facility, Banco Santander Chile as Chile Local Collateral Agent under the DIP Facility, TMF Brasil Administração e Gestão de Ativos Ltda. as the Brazil Local Collateral Agent under the DIP Facility, TMF Colombia Ltda. as the Colombia Local Collateral Agent under the DIP Facility, TMF Ecuador, S.A. as the Ecuador Local Collateral Agent under the DIP Facility, Fiduperú S.A. Sociedad Fiduciaria as the Peru Local Collateral Agent under the DIP Facility.

DIP Claim means any Claim against any Debtor that is party to the DIP Credit Agreement on account of, arising from or related to the DIP Credit Agreement, any DIP Order or any other DIP Facility Documents, including accrued but unpaid interest, costs, fees and indemnities.

DIP Credit Agreement means that certain Super-Priority Debtor-in-Possession Term Loan Agreement dated September 29, 2020 by and among LATAM Parent, as borrower, the guarantors party thereto, the DIP Lenders, the Bank of Utah as administrative agent and collateral agent, and local collateral agents party thereto as may be amended, modified, or supplemented from time to time.

DIP Facility means the credit facility provided under the DIP Credit Agreement as amended, restated and modified from time to time.

DIP Facility Documents means the DIP Credit Agreement and all related agreements, documents, and instruments delivered or executed in connection with the DIP Facility.

DIP Lenders means, collectively, the Tranche A DIP Lenders, Tranche B DIP Lenders and Tranche C DIP Lenders.

DIP Motions means the First DIP Motion, Second DIP Motion and Third DIP Motion.

DIP Orders means, collectively, the First DIP Order, the Amended First DIP Order and the Tranche B DIP Order.

DIP Secured Parties means, collectively, the DIP Lenders and DIP Agents.

Direct Allocation Amount has the meaning set forth in the Section 3.2(e) of this Plan.

Disallowed means any Claim, or any portion thereof, that (i) has been disallowed by Final Order or settlement; (ii) is scheduled on the Debtors' Schedule as $0 or as contingent, disputed, or unliquidated and as to which a Bar Date has been established but no proof of Claim has been timely filed, or deemed timely filed, with the Bankruptcy Court pursuant to either the Bankruptcy Code or any Final Order of the Bankruptcy Court, including the Bar Date Order, or otherwise deemed timely filed under applicable law; (iii) is not scheduled on the Debtors'

Schedules and as to which a Bar Date has been established but no proof of Claim has been timely filed, or deemed timely filed, with the Bankruptcy Court pursuant to either the Bankruptcy Code or any Final Order of the Bankruptcy Court, including the Bar Date Order, or otherwise deemed timely filed under applicable law. "*Disallow*" and "*Disallowance*" shall have correlative meanings.

Disbursing Agent means the Reorganized Debtors or any agent appointed by the Reorganized Debtors to make distributions under this Plan.

Discharge and Injunction Parties means all Persons or Entities who have held, hold, or may hold Claims against or Equity Interests in the Debtors.

Discharge and Injunction Parties Rights means the Claims against or Equity Interests in the Debtors held from time to time by the Discharge and Injunction Parties.

Disclosure Statement means the written disclosure statement that relates to this Plan and is approved by the Bankruptcy Court pursuant to section 1125 of the Bankruptcy Code as such disclosure statement may be amended, modified or supplemented (and all exhibits and schedules annexed thereto or referred to therein) and that is prepared and distributed in accordance with section 1125 of the Bankruptcy Code and Bankruptcy Rule 3018.

Disclosure Statement Order means a Final Order of the Bankruptcy Court approving the Disclosure Statement.

Disputed Claim means any Claim or any portion thereof, that has not been Allowed, but has not been Disallowed pursuant to the Plan or a Final Order of the Bankruptcy Court or other court of competent jurisdiction, including, without limitation, those identified on Exhibit F.

Disputed Claims Reserve means one or more reserves established by the Disbursing Agent created to reserve property (including any Plan Securities) for purposes of satisfying Disputed Claims pursuant to Section 9.5 of this Plan.

Distribution Record Date means the date for determining which Holders of Allowed Claims are eligible to receive distributions hereunder, which shall be (i) ten days after the Voting Record Date, or (ii) such other date as designated in a Bankruptcy Court order.

Eblen Group means Andes Aerea SpA, Inversiones Pia SpA and Comercial Las Vertientes SpA.

ECA Facilities means any long-term loan or bond arrangements entered into by SPVs to finance the purchase of aircraft guaranteed by certain Export Credit Agencies.

EETC Facilities means any long-term loan or bond arrangements entered into by SPVs to finance the purchase of aircraft via equipment trust certificates.

Effective Date means the date of substantial consummation of the Plan, which shall be the first Business Day upon which all conditions precedent to the effectiveness of the Plan, specified in Section 10.2 hereof, are satisfied or waived in accordance with the Plan.

Effective Date Board has the definition set forth in Section 5.13 hereof.

Eligible Equity Holders means all Holders of Equity Interests registered on the shareholders' registry of LATAM Parent as of midnight on the Equity Record Date, excluding any Holders of Existing ADS Interests, who will be entitled to exercise preemptive rights under applicable laws with respect to the ERO New Common Stock and the New Convertible Notes during the ERO Preemptive Rights Offering Period and the New Convertible Notes Preemptive Rights Offering Period, respectively.

Entity has the definition set forth in section 101(15) of the Bankruptcy Code.

Equity Interest means any equity interest or related proxy, in any of the Debtors represented by duly authorized, validly issued and outstanding shares of preferred stock or common stock, stock appreciation rights, membership interests, partnership interests, or any other instrument evidencing a present ownership interest, inchoate or otherwise, in any of the Debtors, or right to convert into such an equity interest or acquire any equity interest of the Debtors, whether or not transferable, or an option, warrant or right, contractual or otherwise (as applicable to each Debtor under applicable law), to acquire any such interest, which was in existence prior to or on the Petition Date.

Equity Record Date means the fifth Chilean Business Day preceding the date on which LATAM Parent publishes a notice informing Holders of Existing Equity Interests of their right to subscribe and purchase New Convertible Notes and/or ERO New Common Stock (as applicable).

ERO New Common Stock means the common stock to be delivered by Reorganized LATAM Parent prior to the Effective Date pursuant to the ERO Rights Offering.

ERO New Common Stock Backstop Parties means (i) the Commitment Creditors up to $400 million and (ii) each of the Backstop Shareholders up to the Backstop Shareholders Cap, in each case in their respective capacity as parties providing a backstop commitment in connection with the ERO New Common Stock.

ERO Preemptive Rights Offering Period means the thirty-day preemptive period during which the Eligible Equity Holders (including, without limitation, the Backstop Shareholders and the Non-Backstop Shareholders) are entitled to preemptive rights with respect to the ERO New Common Stock, which period will commence on the date in which LATAM Parent informs the Eligible Equity Holders about their right to subscribe and purchase of the ERO New Common Stock.

ERO Rights Offering means the $800 million ERO New Common Stock rights offering by LATAM Parent as described in Exhibit E to the Restructuring Support Agreement (i) to Eligible Equity Holders (including, without limitation, the Backstop Shareholders and the Non-Backstop Shareholders) during the ERO Preemptive Rights Offering Period, (ii) thereafter

to Eligible Equity Holders (including, without limitation, the Backstop Shareholders and the Non-Backstop Shareholders) that participated in the ERO Preemptive Rights Offering Period in accordance with the ERO Rights Offering Procedures, and which shall be backstopped by the ERO New Common Stock Backstop Parties.

ERO Rights Offering Procedures means the offering procedures governing the ERO Rights Offering, including during the ERO Preemptive Rights Offering Period, attached as an exhibit to the Plan Supplement and in form and substance reasonably acceptable to the Debtors and the Commitment Parties.

Estate means the estate of each of the Debtors created under section 541 of the Bankruptcy Code.

Exculpated Parties has the meaning set forth in Section 11.6 of this Plan.

Executory Contract means a contract to which any Debtor is a party that is subject to assumption or rejection under section 365 of the Bankruptcy Code.

Exhibit means an exhibit annexed to this Plan, including as an exhibit to the Plan Supplement.

EX-IM Facilities means any long-term loan or bond arrangements entered into by SPVs to finance the purchase of aircraft guaranteed by the U.S. Export-Import Bank.

Existing ADS Interests means all Existing Equity Interests held in the form of American Depository Shares.

Existing Equity Interests means all Equity Interests existing in LATAM Parent as of the date hereof.

Existing Letters of Credit means all outstanding undrawn pre-petition and post-petition letters of credit of the Debtors (as amended, restated, renewed, modified, supplemented, extended, confirmed, or counter guaranteed from time to time).

Existing Surety Bond means all outstanding undrawn pre-petition and post-petition surety bonds of the Debtors (as amended, restated, renewed, modified, supplemented, extended, confirmed, or counter guaranteed from time to time).

Exit Financing means, collectively, the Exit Notes/Loan, the Exit RCF and the Modified Existing RCF.

Exit Notes/Loan means the approximately $2.25 billion in secured notes or term loans as described in the Restructuring Support Agreement.

Exit RCF means the revolving credit facility, undrawn on the Effective Date, pursuant to the Exit RCF Agreement.

Exit RCF Agreement means that certain Revolving Credit Facility Agreement to be filed as an exhibit to the Plan Supplement and in form and substance reasonably satisfactory to the Debtors and the Exit RCF Lenders.

Exit RCF Lenders means the lenders party to the Exit RCF Agreement.

Exit Revolver means the approximately $500 million secured revolving credit facility, undrawn as of the Effective Date as described in the Restructuring Support Agreement.

File, Filed or Filing means file, filed or filing with the Bankruptcy Court or its authorized designee in the Chapter 11 Cases.

Final Order means an order or judgment of the Bankruptcy Court or other court of competent jurisdiction with respect to the subject matter, as entered on the docket in any Chapter 11 Case or the docket of any court of competent jurisdiction, and as to which the time to appeal, or seek certiorari or move for a new trial, reargument, or rehearing has expired and no appeal or petition for certiorari or other proceedings for a new trial, reargument, or rehearing has been timely taken, or as to which any appeal that has been taken or any petition for certiorari that has been or may be timely filed has been withdrawn or resolved by the highest court to which the order or judgment was appealed or from which certiorari was sought or the new trial, reargument, or rehearing shall have been denied, resulted in no stay pending appeal of such order or has otherwise been dismissed with prejudice; provided, however, that the possibility that a motion under Rule 60 of the Federal Rules of Civil Procedure or any analogous rule under the Bankruptcy Rules, may be filed with respect to such order shall not preclude such order from being a Final Order.

First DIP Motion means the *Debtors' Motion for an Order (I) Authorizing the Debtors to (A) Obtain Postpetition Financing and (B) Grant Superpriority Administrative Expense Claims and (II) Granting Related Relief*, ECF No. 397.

First DIP Order means the *Order (I) Authorizing the Debtors to (A) Obtain Postpetition Financing, and (B) Grant Superpriority Administrative Expense Claims, and (II) Granting Related Relief*, ECF No. 1091.

General Unsecured Claim means any Claim against any Debtor that is not otherwise paid in full during the Chapter 11 Cases pursuant to an order of the Bankruptcy Court and that is not an Administrative Expense Claim, Priority Tax Claim, Other Priority Claim, Other Secured Claim, DIP Claims, RCF Claim, Spare Engine Facility Claim, LATAM 2024 Bond Claim, LATAM 2026 Bond Claim, Pre-Delivery Payment Facility Claim or Litigation Claim.

Governmental Unit has the definition set forth in section 101(27) of the Bankruptcy Code.

Holder means a Person or an Entity who is the registered holder of a Claim or Equity Interest as of the applicable date of determination or an authorized agent of such Person or Entity.

Impaired means, when used in reference to a Claim or Equity Interest, a Claim or Equity Interest that is "impaired" within the meaning of section 1124 of the Bankruptcy Code.

Indemnification Obligation means any existing or future obligation of any Debtor to indemnify current and former directors, officers, members, managers, sponsors, agents or employees of any of the Debtors who served in such capacity, with respect to or based upon such service or any act or omission taken or not taken in any of such capacities, or for or on behalf of any Debtor, whether pursuant to agreement, letters, the Debtors' respective memoranda, articles or certificates of incorporation, corporate charters, bylaws, operating agreements, limited liability company agreements, or similar corporate or organizational documents or other applicable contract or law in effect as of the Effective Date.

Ineligible Holder means any Person or Entity that meets one or more of the following conditions: (1) such Person or Entity does not have an account capable of holding Chilean securities and has timely notified the Debtors via their Ballot of their legal inability to open such an account and/or (2) such Person or Entity is not (i) a "qualified institutional buyer" within the meaning of Rule 144A(a)(1) or an Institutional Accredited Investor (IAI) under the Securities Act, or (ii) a non-U.S. person located outside of the United States and who does not hold General Unsecured Claims for the account or benefit of a U.S. person, within the meaning of Regulation S under the Securities Act.

Initial Debtors means LATAM Parent and its affiliates that filed their voluntary petitions for relief on the Initial Petition Date.

Initial Distribution Date means the date as determined by Reorganized Debtors upon which the initial distributions of property under this Plan will be made to Holders of Allowed Claims, which date shall be as soon as practicable, but in no event more than ten (10) Business Days, after the Effective Date unless otherwise extended by order of the Bankruptcy Court.

Initial Petition Date means May 26, 2020.

Intercompany Agreement has the meaning set forth in Section 8.6 of this Plan.

Intercompany Claim means any Claim against any Debtor by any other Debtor or non-Debtor Affiliate whether arising prior to, on or after the Petition Date.

Interim Compensation Order means the *Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals*, ECF No. 828.

Itaú Unsecured Bank Loan means that long-term unsecured bank loan between LATAM Parent as borrower and Itaú Corpbanca issued in September 2015 and matured in September 2020.

JOL means those certain Japanese Operating Leases through which aircraft are leased directly to the LATAM Parent or TAM Linhas Aéreas S.A.

JOLCO means those certain Japanese Operating Leases with Call Option through which aircraft are leased directly to the LATAM Parent or TAM Linhas Aéreas S.A.

LATAM 2024 Bonds means those 6.875% senior, unsecured notes due April 2024 in principal amount of $700 million pursuant to the indenture dated April 11, 2017 by and among LATAM Finance Ltd. as issuer, LATAM Parent as guarantor and Bank of New York Mellon Corporation as trustee registrar, transfer agent and paying agent.

LATAM 2026 Bonds means those 7% senior, unsecured notes due March 2026 in principal amount of $800 million[3], pursuant to the indenture dated February 11, 2019 by and among LATAM Finance Ltd. as issuer, LATAM Parent as guarantor and Bank of New York Mellon Corporation as trustee registrar, transfer agent and paying agent.

LATAM 2024 Bond Claim means any Claim against any Debtor on account of, arising from or related to the LATAM 2024 Bonds, including accrued but unpaid interest, costs, fees and indemnities.

LATAM 2026 Bond Claim means any Claim against any Debtor on account of, arising from or related to the LATAM 2026 Bonds, including accrued but unpaid interest, costs, fees and indemnities.

LATAM 2024/LATAM 2026 Bond Trustees means, collectively, the trustees under the LATAM 2024 Bonds and the LATAM 2026 Bonds.

LATAM International Bond Claim Amount means the amount outstanding under the LATAM 2024 Bonds and LATAM 2026 Bonds in the combined amount of $1,519,237,847.22.

Lien has the definition set forth in 11 U.S.C. § 101(37).

Litigation Claim means any Claim asserted in or arising from any ongoing litigation, arbitration or similar proceedings or causes of action against any of the Debtors pending as of the Petition Date that is not reduced to judgment as of the Voting Record Date *provided, however* that it shall not include any Claim (i) related to any adversary proceeding pending in the Chapter 11 Cases or (ii) listed on Exhibit F.

Local Bonds means, collectively, those Series A Local Bonds, Series B Local Bonds, Series C Local Bonds, Series D Local Bonds and Series E Local Bonds issued by LATAM Parent.

Local Bond Claims means any Claim against any Debtor on account of, arising from or related to the Local Bonds, including accrued but unpaid interest, costs, fees and indemnities.

Local Bond Trustees means the trustees under the Local Bonds.

[3] In February 2019, LATAM first issued $600 million of the LATAM 2026 Bonds but then re-opened the issuance in June 2019 and issued an additional $200 million of the LATAM 2026 Bonds.

Management Incentive Plan means a management and director incentive program to be established and implemented with respect to the Reorganized Debtors by the Effective Date, on the terms as provided herein and as acceptable to the Commitment Creditors and the Backstop Shareholders and consistent with market terms for a company the size and complexity of LATAM and the markets in which it operates.

Management Protection Provisions has the meaning set forth in Section 5.3 of this Plan.

Net Sale Proceeds means the net cash proceeds generated from the sale of the New Convertible Notes Class A pursuant to the monetization process set forth herein, which process shall be reasonably acceptable to the Commitment Creditors.

New Convertible Notes means, collectively, the New Convertible Notes Class A, New Convertible Notes Class B and New Convertible Notes Class C.

New Convertible Notes Back-Up Shares means new LATAM Parent common stock to be distributed to the holders of the New Convertible Notes that exercise the rights to convert their respective New Convertible Notes into the series of shares underlying such New Convertible Notes.

New Convertible Notes Class A means the convertible notes in a principal amount of $1,467,122,943.43 issued by LATAM Parent which will mature on December 31, 2121 and have other terms as set forth on Exhibit B (Convertible A Notes Term Sheet) to the Restructuring Support Agreement.[4]

New Convertible Notes Class A Preemptive Rights Proceeds means the Cash proceeds generated from the subscription and purchase of New Convertible Notes Class A by Eligible Equity Holders during the New Convertible Notes Preemptive Rights Offering Period.

New Convertible Notes Class B means the convertible notes in a principal amount of $1,372,839,694.12 issued by LATAM Parent which will mature on December 31, 2121 and have such other terms as set forth on Exhibit C (New Convertible B Notes Term Sheet) to the Restructuring Support Agreement.[5]

New Convertible Notes Class B Backstop Parties means Costa Verde Aeronáutica S.A., Delta Air Lines, Inc., and Qatar Airways Investment (UK) Ltd., each in their capacity as a party providing a backstop commitment in connection with the New Convertible Notes Class B.

New Convertible Notes Class C means the convertible notes in a principal amount of $6,816,071,620.60 issued by LATAM Parent which will mature on December 31, 2121 and

[4] Certain economic terms of the New Convertible Notes Class A (i.e., principal amount, Conversion Ratio, etc.) are subject to change based on a number of factors including the total amount of Allowed Claims, the overall plan value and the subscription prices for the other New Convertible Notes.

[5] The total amount of the New Convertible Notes Class B and other economic terms are subject to change based on ongoing negotiations.

have such other terms as set forth on Exhibit D (Convertible C Notes Term Sheet) to the Restructuring Support Agreement.[6]

New Convertible Notes Class C Backstop Parties means the Commitment Creditors, in their capacity as the parties providing a backstop commitment in connection with the New Convertible Notes Class C.

New Convertible Notes Class C Unsecured Creditor means any Holder of an Allowed General Unsecured Claim against LATAM Parent that timely elects to receive recovery and invest new money in accordance with the Class 5b Treatment under the Plan (other than the New Convertible Notes Class C Backstop Parties).

New Convertible Notes Documents means any applicable agreements regarding the issuance of New Convertible Notes attached as exhibits to the Plan Supplement and in form and substance reasonably satisfactory to the Debtors.

New Convertible Notes Offering means the offering of New Convertible Notes by LATAM Parent to Eligible Equity Holders during the New Convertible Notes Preemptive Rights Offering Period.

New Convertible Notes Offering Procedures means the offering procedures governing the New Convertible Notes Offering, attached as an exhibit to the Plan Supplement and in form and substance reasonably acceptable to the Debtors and reasonably acceptable to the Commitment Creditors and the Backstop Shareholders.

New Convertible Notes Preemptive Rights Offering Period means the thirty-day preemptive period during which the Eligible Equity Holders are entitled to preemptive rights with respect to the New Convertible Notes, which period will commence on the date in which LATAM Parent informs the Eligible Equity Holders about their right to subscribe and purchase of the New Convertible Notes.

New Securities and Documents has the meaning set forth in Section 5.5 of this Plan.

Non-Backstop Shareholders means all Holders of Existing Equity Interests other than the Backstop Shareholders.

Noncomplying Holder means any Holder of a General Unsecured Claim against LATAM Parent that (i) is not an Ineligible Holder and (ii) fails to comply, in any respect, with the applicable provisions of the New Convertible Notes Offering Procedures including, for the avoidance of doubt, timely opening an account capable of holding Chilean securities and providing any new money required to receive the Plan Securities.

[6] Certain economic terms of the New Convertible Notes Class C (i.e., principal amount, Conversion Ratio, etc.) are subject to change based on a number of factors including the total amount of Allowed Claims, the overall plan value and the subscription prices for the other New Convertible Notes.

Original DIP Credit Agreement means that certain Super-Priority Debtor-in-Possession Term Loan Agreement by and among LATAM Parent, as borrower, the guarantors party thereto, the Original Tranche A DIP Lenders, the Original Tranche C DIP Lenders, the Bank of Utah as administrative agent and collateral agent, and local collateral agents party thereto.

Original Tranche A DIP Lenders means the Tranche A Initial Lenders as defined in the DIP Credit Agreement.

Original Tranche C DIP Lenders means the Tranche C Initial Lenders as defined in the DIP Credit Agreement.

Other Priority Claim means any Claim against any Debtor, other than an Administrative Expense Claim or Priority Tax Claim, that is entitled to priority in payment pursuant to section 507(a) of the Bankruptcy Code.

Other Secured Claim means any Secured Claim against any Debtor except an RCF Claim or Spare Engine Facility Claim.

Participating Holders of General Unsecured Claims means, collectively, the New Convertible Notes Class C Backstop Parties and the New Convertible Notes Class C Unsecured Creditors.

Person means any natural person, corporation, general or limited partnership, limited liability company, firm, trust, association, government, governmental agency or other Entity, whether acting in an individual, fiduciary or other capacity.

Petition Date means the Initial Petition Date or Subsequent Petition Date as applicable to each Debtor.

Plan means this Joint Plan of Reorganization of LATAM Airlines Group S.A., *et al.* under Chapter 11 of the Bankruptcy Code, including, without limitation, all exhibits, supplements, appendices and schedules hereto or contained in the Plan Supplement, as the same may be amended or modified from time to time.

Plan Equity Value means $7,611,073,306.10.

Plan Securities means securities to be issued pursuant to the Plan, including Reorganized LATAM Parent Stock, the New Convertible Notes and the New Convertible Notes Back-Up Shares.

Plan Supplement means the compilation of documents and forms of documents as amended from time to time in form and substance reasonably acceptable to the Commitment Creditors and the Backstop Shareholders (or such other standard as provided in the Restructuring Support Agreement), that constitute Exhibits to the Plan filed with the Bankruptcy Court no later than five Business Days before the Voting Deadline.

Pre-Delivery Payment Facility means that Facility Agreement dated as of June 5, 2019 by and among Banco Santander S.A. as lender, Piquero Leasing Limited as borrower and LATAM Parent as guarantor.

Pre-Delivery Payment Facility Claim means, collectively, (i) the $40 million Claim against Piquero Leasing Limited and (ii) the $40 million Claim against LATAM Parent each arising out of the Pre-Delivery Payment Facility and allowed pursuant to the *Order (I) Authorizing the Debtor to Implement Certain Transactions, Including (A) Assumption of Certain Financing Agreements and (B) Entry into Financing Agreement Amendments with Airbus S.A.S. and Banco Santander, S.A. and (II) Approving the Settlement Agreement*, ECF No. 3038.

Prepetition Secured Credit Documents means the RCF Facility Documents and the Spare Engine Facility Documents.

Prepetition Secured Debt means the RCF Facility and the Spare Engine Facility.

Prepetition Secured Lenders means the Spare Engine Facility Lenders together with the RCF Lenders, under the applicable Prepetition Secured Credit Documents.

Prepetition Secured Parties means the Spare Engine Facility Secured Parties together with the RCF Secured Parties, under the applicable Prepetition Secured Credit Documents.

PrimeClerk means PrimeClerk LLC.

Priority Tax Claim means any Claim of a governmental unit of a kind specified in sections 502(i) and 507(a)(8) of the Bankruptcy Code, including a Secured Tax Claim.

Pro Rata means, with respect to any Allowed Claim, the proportion that such Allowed Claim (in U.S. dollars or U.S. Dollar Equivalent) bears to the aggregate (in U.S. dollars or U.S. Dollar Equivalent) of all Allowed Claims in the applicable Class, provided, for the avoidance of doubt, that each Creditor that holds an Allowed Claim against multiple Debtors arising out of the same liability shall be entitled to a single recovery under the Plan on account of such collective Allowed Claims.

Professional means (a) any professional or other Entity employed in the Chapter 11 Cases pursuant to section 327 or 1103 of the Bankruptcy Code or otherwise and (b) any professional or other Entity awarded compensation or reimbursement of expenses in connection with the Chapter 11 Cases pursuant to section 503(b)(4) of the Bankruptcy Code.

Professional Fee Escrow Account means an interest-bearing escrow account to be funded by the Debtors with Cash on the Effective Date in an amount equal to the Professional Fee Escrow Amount.

Professional Fee Escrow Amount means the aggregate amount of Professional Fee Claims and other unpaid fees and expenses Professionals estimate they have incurred or will incur in rendering services to the Debtors prior to and as of the Effective Date, which estimates Professionals shall deliver to the Debtors as set forth in Section 3.1(b)(i) of the Plan.

Professional Fees Bar Date means the Business Day which is forty-five days after the Effective Date or such other date as approved by order of the Bankruptcy Court.

Professional Fees Claim means an Administrative Expense Claim of a Professional for compensation for services rendered or reimbursement of costs, expenses or other charges incurred after the Petition Date and prior to and including the Effective Date.

RCF Agents means the RCF Collateral Agents together with Citibank N.A.

RCF Claims means any Claim against any Debtor on account of, arising from or related to the RCF Credit Agreement or any other RCF Documents, including accrued but unpaid interest, costs, fees and indemnities.

RCF Collateral means the lien on certain aircraft, engines and spare parts in the United States, Chile and Brazil granted by the RCF Obligors to the RCF Collateral Agents for the benefit of the RCF Lenders under the RCF Credit Agreement, pursuant to the Collateral Documents (as defined in the RCF Credit Agreement).

RCF Collateral Agents means Wilmington and Banco Citibank S.A.

RCF Credit Agreement means that certain Credit and Guaranty Agreement dated as of March 29, 2016 (as may be amended, restated, supplemented or otherwise modified from time to time) by and among, LATAM Parent, acting through its Florida branch, as borrower, TAM Linhas Aéreas S.A., Transporte Aéreo S.A., Lan Cargo S.A., Tordo Aircraft Leasing Trust, Quetro Aircraft Leasing Trust and Caiquen Leasing LLC as guarantors, and a syndicate of lenders, Citibank N.A. as administrative agent, Wilmington, as collateral agent, and Banco Citibank S.A as Brazilian collateral agent.

RCF Documents means the RCF Credit Agreement and all related agreements, documents, and instruments delivered or executed in connection with the RCF Facility.

RCF Facility means the credit facility provided under the RCF Credit Agreement.

RCF Guarantors means TAM Linhas Aéreas S.A., Transporte Aéreo S.A., Lan Cargo S.A, Tordo Aircraft Leasing Trust, Quetro Aircraft Leasing Trust and Caiquen Leasing LLC, as guarantors to the RCF Credit Agreement.

RCF Lenders means the syndicate of lenders party to the RCF Credit Agreement as identified in and under the RCF Credit Agreement.

RCF Obligors means the RCF Guarantors together with LATAM Parent.

Registration Rights Agreement means the registration rights agreement providing negotiated in good faith between the Commitment Creditors and LATAM Parent, in consultation with the Backstop Shareholders, covering registration of securities owned by affiliates of Reorganized LATAM Parent, to be effective on the Effective Date, binding on those parties as set forth in such agreement filed as an exhibit to the Plan Supplement and in form and substance reasonably satisfactory to the Debtors.

Reinstated means (a) leaving unaltered the legal, equitable, and contractual rights to which a Claim or Equity Interest entitles the Holder of such Claim or Equity Interest so as to leave such Claim or Equity Interest not Impaired or (b) notwithstanding any contractual provision or applicable law that entitles the Holder of a Claim or Equity Interest to demand or receive accelerated payment of such Claim or Equity Interest after the occurrence of a default: (i) curing any such default that occurred before or after the Petition Date, other than a default of a kind specified in section 365(b)(2) of the Bankruptcy Code or of a kind that section 365(b)(2) expressly does not require to be cured; (ii) reinstating the maturity (to the extent such maturity has not otherwise accrued by the passage of time) of such Claim or Equity Interest as such maturity existed before such default; (iii) compensating the Holder of such Claim or Equity Interest for any damages incurred as a result of any reasonable reliance by such Holder on such contractual provision or such applicable law; (iv) if such Claim or Equity Interest arises from a failure to perform a nonmonetary obligation other than a default arising from failure to operate a nonresidential real property lease subject to section 365(b)(1)(A), compensating the Holder of such Claim or Equity Interest (other than the Debtor or an insider) for any actual pecuniary loss incurred by such Holder as a result of such failure; and (v) not otherwise altering the legal, equitable or contractual rights to which such Claim or Equity Interest entitles the Holder.

Reject means with respect to the rejection of the Plan by a Class of Claims, votes cast (or deemed cast pursuant to an order of the Bankruptcy Court or the applicable provisions of the Bankruptcy Code) against the Plan by the requisite number and principal amount of Allowed Claims or Equity Interests in such Class as set forth in section 1126(c) of the Bankruptcy Code.

Rejected Contracts means each of the executory contracts and unexpired leases rejected pursuant to Article VIII hereof, including those deemed rejected.

Related Person means, with respect to any Person, such Person's predecessors, successors, assigns and present and former subsidiaries and Affiliates (whether by operation of law or otherwise) and for each of the foregoing: each of their present or former directors and officers, and any Person claiming by or through them, members, partners, equity-holders, employees, representatives, advisors, attorneys, notaries (pursuant to the laws of the United States and any other jurisdiction), auditors, agents and professionals, in each case acting in such capacity, and any Person claiming by or through any of them.

Released Parties means (i) each of the Debtor Released Parties, (ii) the Committee in its capacity as such, (iii) each of the Backstop Parties in their capacity as such, (iv) each of the DIP Secured Parties in their capacity as such, (v) the Eblen Group, in their capacity as a party to the Restructuring Support Agreement and each of the Backstop Shareholders in their capacity as such, (vi) each of the Commitment Creditors in their capacity as such, and (vii) with respect to each of (ii)-(vi), such Person's predecessors, successors, assigns and for each of their present or former directors and officers, and any Person claiming by or through them, members, partners, equity-holders, employees, representatives, advisors, attorneys, notaries (pursuant to the laws of the United States and any other jurisdiction), auditors, agents and professionals, in each case acting in such capacity, and any Person claiming by or through any of them, for each of the foregoing in their capacity as such.

Releasing Parties means each of the Debtors, the Reorganized Debtors, and any Person or Entity seeking to exercise the rights of the Debtors' Estates, including, without limitation, any successor to the Debtors or any Estate representative appointed or selected pursuant to section 1123(b)(3) of the Bankruptcy Code, the Committee and all Related Persons of each of the foregoing.

Reorganized Debtors means the Debtors, in each case, or any successor thereto, by merger, consolidation, or otherwise, on or after the Effective Date, including Reorganized LATAM Parent.

Reorganized LATAM Parent means LATAM Airlines Group, S.A. on or after the Effective Date.

Reorganized LATAM Parent Board means the board of directors of Reorganized LATAM Parent.

Reorganized LATAM Parent Stock means, collectively, the ERO New Common Stock, the Existing Equity Interests and the New Convertible Notes Back-Up Shares.

Requisite Backstop Shareholders means at least two unaffiliated Backstop Shareholders.

Requisite Commitment Creditors means those Commitment Creditors holding at least 50.1% in principal amount of the aggregate outstanding principal amount of Allowed Claims against LATAM Parent held by the Commitment Creditors.

Restructuring Documents means, collectively, this Plan and the Plan Supplement, the Disclosure Statement, the Confirmation Order, the Restructuring Support Agreement, the Backstop Agreements, the Registration Rights Agreement, the definitive documentation with respect to the Exit Notes/Loan, the Exit RCF Agreement and the New Convertible Notes Documents, and all other documents, agreements, and instruments, necessary or desirable to implement or consummate this Plan.

Restructuring Support Agreement means that certain Restructuring Support Agreement (including all exhibits, schedules and attachments thereto) to be executed and filed as an exhibit to the Disclosure Statement and in form and substance reasonably acceptable to the Debtors, the Requisite Commitment Creditors, and the Backstop Shareholders.[7]

Restructuring Transaction has the meaning set forth in Section 5.7 of this Plan.

Revised RCF Agreement means the RCF Credit Agreement as revised pursuant to the amendment by and among the RCF Obligors, the RCF Lenders and the RCF Agents attached

[7] The obligations of each of the Backstop Shareholders and the Eblen Group under the Restructuring Support Agreement are subject to their obtaining internal board approvals. The obligations of Lan Cargo S.A. under the Restructuring Support Agreement are subject to obtaining shareholder approval. This Plan is subject in all respects to the terms and conditions set forth in the Restructuring Support Agreement and remains subject to ongoing review and material revision by the Debtors and the other parties to the Restructuring Support Agreement.

as an exhibit to the Plan Supplement and in form and substance reasonably satisfactory to the Debtors.

Revised Spare Engine Facility Agreement means the Spare Engine Facility Agreement as revised pursuant to the amendment by and among the Spare Engine Facility Borrower and the Spare Engine Facility Secured Parties attached as an exhibit to the Plan Supplement and in form and substance reasonably satisfactory to the Debtors.

Sales Agent means, with respect to Class 5a Treatment, one or more financial institutions identified by the Debtors or Reorganized Debtors to facilitate the sale of New Convertible Notes Class A that otherwise would have been distributed to Ineligible Holders with Allowed Claims in Class 5 of this Plan.

Scheduled means with respect to any Claim, the status and amount, if any, of such Claim as set forth in the Schedules.

Schedules means the schedules of assets and liabilities and the statements of financial affairs Filed by the Debtors pursuant to section 521 of the Bankruptcy Code and the Bankruptcy Rules, as such schedules have been or may be further modified, amended or supplemented in accordance with Bankruptcy Rule 1009 or orders of the Bankruptcy Court.

Second DIP Motion means the *Debtors' Supplemental Motion for an Order (I) Authorizing the Debtors to (A) Obtain Postpetition Financing and (B) Grant Superpriority Administrative Expense Claims and (II) Granting Related Relief*, ECF No. 485.

Secured Claim means any Claim against any Debtor that is secured by a Lien on property in which such Debtor's Estate has an interest or that is subject to setoff under section 553 of the Bankruptcy Code, to the extent of the value of the Claim Holder's interest in the applicable Estate's interest in such property or to the extent of the amount subject to setoff, as applicable, as determined pursuant to section 506(a) of the Bankruptcy Code or, in the case of setoff, pursuant to section 553 of the Bankruptcy Code.

Secured Tax Claim means any Secured Claim which, absent its secured status, would be entitled to priority in right of payment under section 507(a)(8) of the Bankruptcy Code.

Securities Act means the Securities Act of 1933, as amended.

Series A Local Bonds means those local bonds sold by LATAM Parent, as issuer, on the Santiago Stock Exchange on August 17, 2017, which mature on June 1, 2028, and which, as of the Initial Petition Date, the principal nominal amount was $89.2 million[8] plus unliquidated amounts including interest, fees, expenses, charges and other obligations.

Series B Local Bonds means those local bonds sold by LATAM Parent, as issuer, on the Santiago Stock Exchange on August 17, 2017, which mature on January 1, 2028, and

[8] Denominated in UF as UF 2,500,000.

which, as of the Initial Petition Date, the principal nominal amount was $89.2 million[9] plus unliquidated amounts including interest, fees, expenses, charges and other obligations.

Series C Local Bonds means those local bonds sold by LATAM Parent, as issuer, on the Santiago Stock Exchange on August 17, 2017, which mature on June 1, 2022, and which, as of the Initial Petition Date, the principal nominal amount was $65.98 million[10] plus unliquidated amounts including interest, fees, expenses, charges and other obligations.

Series D Local Bonds means those local bonds sold by LATAM Parent, as issuer, on the Santiago Stock Exchange on August 17, 2017, which mature on January 1, 2028, and which, as of the Initial Petition Date, the principal nominal amount was $65.98 million[11] plus unliquidated amounts including interest, fees, expenses, charges and other obligations.

Series E Local Bonds means those local bonds sold by LATAM Parent, as issuer, on the Santiago Stock Exchange on July 6, 2019, which mature in April 2029, and as of the Initial Petition Date, the principal nominal amount was $178.3 million[12] plus unliquidated amounts including interest, fees, expenses, charges and other obligations.

Shareholders' Agreements has the definition set forth in Section 5.13 hereof.

Short Term Bank Loans means that series of short-term local unsecured bank loans provided by ScotiaBank Chile S.A., Banco del Estado de Chile, HSBC Bank (Chile), and Itaú Corpbanca maturing from May 2020 until September 2020.

SOL means those certain Spanish Operating Leases through which aircraft are leased directly to the LATAM Parent or TAM Linhas Aéreas S.A.

Spare Engine Facility means the credit facility provided under the Spare Engine Facility Agreement.

Spare Engine Facility Agent means Crédit Agricole Corporate and Investment Bank in its capacity as agent and security agent under the Spare Engine Facility Agreement.

Spare Engine Facility Agreement means that certain Amended and Restated Loan Agreement, dated as of June 29, 2018 (as may be amended, restated, supplemented or otherwise modified from time to time) by and among LATAM 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 as identified in and under the Spare Engine Facility Agreement.

Spare Engine Facility Borrower means LATAM Parent, acting through its Florida branch, as borrower under the Spare Engine Facility Agreement.

[9] Denominated in UF as UF 2,500,000.
[10] Denominated in UF as UF 1,850,000.
[11] Denominated in UF as UF 1,850,000.
[12] Denominated in UF as UF 5,000,000.

Spare Engine Facility Claims means any Claim against any Debtor on account of, arising from or related to the Spare Engine Facility Agreement or other Spare Engine Facility Documents including accrued but unpaid interest, costs, fees and indemnities.

Spare Engine Facility Documents means the Spare Engine Facility Agreement and all related agreements, documents, and instruments delivered or executed in connection with the Spare Engine Facility.

Spare Engine Facility Lenders means Crédit Agricole Corporate and Investment Bank as lender, and the other lenders party as identified in and under the Spare Engine Facility Agreement

Spare Engine Facility Secured Parties means the Spare Engine Facility Lenders together with Crédit Agricole Corporate and Investment Bank in its capacity as agent and security agent under the Spare Engine Facility Agreement.

SPVs means the various entities incorporated in the Cayman Islands and Delaware, some of which are owned by LATAM Parent.

SPV Financings means the EETC Facilities together with the EX-IM Facilities, ECA Facilities and Aircraft Bank Loans.

Subsequent Debtor means those affiliates of LATAM Parent who filed their voluntary petitions for relief on July 7 or July 9, 2020, including Piquero Leasing Limited, TAM S.A.; TAM Linhas Aéreas S.A., ABSA Aerolinhas Brasileiras S.A., Prismah Fidelidade Ltda., Fidelidade Viagens e Turismo S.A., TP Franchising Ltda., Holdco I S.A. and Multiplus Corretora de Seguros Ltda.

Subsequent Petition Date means July 7, 2020 or July 9, 2020 as applicable to each Subsequent Debtor.

Subsidiary Equity Interest means any Equity Interest in any Debtor other than LATAM Parent.

Substantial Contribution Claim means a Claim by any Professional or Creditor for reasonable compensation for services or reasonable expenses incurred in connection with the Chapter 11 Cases pursuant to sections 503(b)(3)(D) or (b)(4) of the Bankruptcy Code.

Supplemental Bar Date Order means the *Order Establishing Supplemental Bar Date for Filing Proofs of Claim Applicable Only to Those Claimants List on Exhibit I*, ECF No. 1503.

Supplemental Submission means *Supplemental Submission in Furtherance of Debtors' Motion for Order (I) Authorizing the Debtors to (A) Obtain Postpetition Financing and (B) Granting Superpriority Administrative Expense Claims and (II) Granting Related Relief*, ECF No. 1079.

Tax Leases means those tax leasing structures through instruments styled as a SOL, JOL or JOLCO relating to sixteen aircraft leased directly to LATAM Parent or TAM Linhas Aéreas S.A.

Third DIP Motion means the *Debtors' Motion for an Order (I) Authorizing the Debtors to (A) Obtain Tranche B Postpetition Financing and (B) Grant Superpriority Administrative Expense Claims and (II) Granting Related Relief*, ECF No. 3243.

Tranche A DIP Lender means Oaktree Capital Management L.P., as lender under the Tranche A facility pursuant to the DIP Credit Agreement and any other entities that become a "Tranche A Lender" under the DIP Credit Agreement from time to time.

Tranche B Amendment means that certain Fourth Amendment to the Credit Agreement approved pursuant to the Tranche B DIP Order.

Tranche B DIP Lenders means, collectively, Oaktree Capital Management L.P. together with such funds, accounts and entities advised by Oaktree Capital Management L.P. and its affiliates and Apollo Management Holdings L.P. together with such funds, accounts and entities advised by Apollo Management Holdings L.P. and its affiliates and any other entities that become a "Tranche B Lender" under the DIP Credit Agreement from time to time.

Tranche B DIP Order means the *Order (I) Authorizing the Debtors to (A) Obtain Tranche B Postpetition Financing and (B) Grant Superpriority Administrative Expense Claims, and (II) Granting Related Relief*, ECF No. 3378.

Tranche C DIP Lenders means the Original Tranche C DIP Lenders, the Tranche C Knighthead Group Lenders and any other entities that become a "Tranche C Lender" under the Revised DIP Credit Agreement from time to time.

Tranche C Knighthead Group Lenders means Knighthead Capital Management, LLC or one of its Affiliates.

Transfer means, with respect to any security or the right to receive a security or to participate in any offering of any security, the sale, transfer, pledge, hypothecation, encumbrance, assignment, constructive sale, participation in or other disposition of such security or right or the beneficial ownership thereof, the offer to make such a sale, transfer, constructive sale or other disposition, and each option, agreement, arrangement or understanding, whether or not in writing and whether or not directly or indirectly, to effect any of the foregoing. The term "constructive sale" for purposes of this definition means (i) a short sale with respect to such security or right, (ii) entering into or acquiring an offsetting derivative contract with respect to such security or right, (iii) entering into or acquiring a futures or forward contract to deliver such security or right or (iv) entering into any transaction that has substantially the same effect as any of the foregoing. The term "beneficially owned" or "beneficial ownership" as used in this definition shall include, with respect to any security or right, the beneficial ownership of such security or right by a Person and by any direct or indirect subsidiary of such Person.

Treatment Objection has the meaning set forth in Section 8.12 of this Plan.

UF means Unidades de Fomento, the daily indexed Chilean peso-denominated monetary unit that takes into account the effect of the Chilean inflation rate.

Unexpired Lease means a lease to which any Debtor is a party that is subject to assumption or rejection under section 365 of the Bankruptcy Code.

Unimpaired means, when used in reference to a Claim or Equity Interest, a Claim or Equity Interest that is not Impaired within the meaning of section 1124 of the Bankruptcy Code.

Unused Allocation Amount has the meaning set forth in Section 3.2(e) of this Plan.

Unused Allowed Claims has the meaning set forth in Section 3.2(e) of this Plan.

U.S. Dollar Equivalent means the amount of U.S. dollars obtained by converting any Claim not in U.S. dollars into U.S. dollars at the opening rate for the purchase of U.S. dollars as published in by Bloomberg News (or, if Bloomberg News did not publish the rate or if such information is no longer available, such sources as may be selected in good faith by the Debtors) on one of the following dates, as applicable: (i) with respect to an Allowed amount of a Claim or a Pro Rata share of Allowed Claims, the Petition Date; or (ii) with respect to a distribution on or after the Effective Date, one day before the date of such distribution.

U.S. Trustee means the United States Trustee appointed under section 581 of title 28 of the United States Code to serve in the Southern District of New York.

Voting Deadline means March 4, 2022.

Voting Record Date means [•].

Wilmington means Wilmington Trust Company.

1.2 Exhibits to the Plan. All Exhibits, including those in the Plan Supplement, are incorporated into and are a part of this Plan as if set forth in full herein. Holders of Claims and Equity Interests may obtain a copy of the Exhibits, including those in the Plan Supplement, upon written request to the Debtors. The Exhibits, including those in the Plan Supplement, may be inspected in the office of the clerk of the Bankruptcy Court or its designee during normal business hours, obtained by written request to counsel to the Debtors or obtained on the website of the Debtors' claims and noticing agent at http://cases.primeclerk.com/LATAM.

1.3 Rules of Interpretation and Computation of Time. For purposes of this Plan, unless otherwise provided herein:

(a) whenever from the context it is appropriate, each term, whether stated in the singular or the plural, will include both the singular and the plural;

(b) any reference in this Plan to an existing document or schedule Filed or to be Filed means such document or schedule, as it may have been or may be amended, modified or supplemented in accordance with this Plan;

(c) any reference to an Entity as a Holder of a Claim or Equity Interest includes that Entity's successors and assigns;

(d) unless otherwise specific herein, all references in this Plan to Sections and Articles are references to Sections and Articles of or to this Plan;

(e) unless otherwise specific herein, the words "herein," "hereunder," "hereof" and "hereto" refer to this Plan in its entirety rather than to a particular portion of this Plan;

(f) captions and headings to Articles and Sections are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation of this Plan;

(g) subject to the provisions of any contract, certificates of incorporation, by-laws, instrument, release or other agreement or document entered into in connection with this Plan, the rights and obligations arising under this Plan shall be governed by, and construed and enforced in accordance with, federal law, including the Bankruptcy Code and the Bankruptcy Rules;

(h) the words "include" and "including," and variations thereof, shall not be deemed to be terms of limitation, and shall be deemed to be followed by the words "without limitation";

(i) the rules of construction set forth in section 102 of the Bankruptcy Code will apply to this Plan; and

(j) in computing any period of time prescribed or allowed by this Plan, the provisions of Bankruptcy Rule 9006(a) will apply.

In the event of an inconsistency between the Plan and the Disclosure Statement, the terms of the Plan shall control in all respects. In the event of an inconsistency between the Plan and the Plan Supplement, the terms of the relevant document in the Plan Supplement shall control (unless stated otherwise in such Plan Supplement document or in the Confirmation Order). In the event of an inconsistency between the Restructuring Support Agreement and the Plan, except with respect to consents and approvals, the Plan shall control. In the event of an inconsistency between the Confirmation Order and the Plan, the Confirmation Order shall control.

ARTICLE II
CLASSIFICATION OF CLAIMS AND EQUITY INTERESTS

All Claims, except Administrative Expense Claims, Priority Tax Claims, Other Priority Claims and DIP Claims are placed in the Classes set forth below. In accordance with section 1123(a)(1) of the Bankruptcy Code, Administrative Expense Claims, Priority Tax Claims, Other Priority Claims and DIP Claims have not been classified as described below.

A Claim or an Equity Interest is placed in a particular Class only to the extent that the Claim or Equity Interest falls within the description of that Class and is classified in other Classes to the extent that any portion of such Claim or Equity Interest falls within the description of such other Classes. A Claim or Equity Interest is also placed in a particular Class for the purpose of receiving distributions pursuant to this Plan only to the extent that such Claim or Equity Interest is an Allowed Claim or Equity Interest in that Class and such Claim or Equity Interest has not been paid, released or otherwise settled prior to the Effective Date.

2.1 Unclassified Claims Against All Debtors

The following constitute unclassified Claims that are Unimpaired and, therefore, not entitled to vote on the Plan:

(i) Administrative Expense Claims;

(ii) Priority Tax Claims;

(iii) Other Priority Claims; and

(iv) DIP Claims.

2.2 Classification of Claims Against All Debtors and Equity Interests in Debtors

Section 1129(a)(10) of the Bankruptcy Code shall be satisfied for the purposes of confirmation by acceptance of the Plan by an Impaired Class of Claims; provided, however, that in the event no holder of a Claim with respect to a specific Class for a particular Debtor timely submits a Ballot that complies with the Disclosure Statement Order indicating acceptance or rejection of the Plan, such Class will be presumed to have Accepted the Plan. The Debtors may seek confirmation of the Plan pursuant to section 1129(b) of the Bankruptcy Code with respect to any rejecting Class of Claims or Equity Interests.

The following chart assigns a number to each Class of Claims and Equity Interests for purposes of identifying such Class. The classification and treatment of Classes of Claims and Equity Interests is consistent for each Debtor, but for certain of the Debtors, there are no Claims or Equity Interests, as applicable, in one or more Classes of Claims or Equity Interests, and such Classes shall be treated as set forth in Section 5.5

Summary of Classification of Claims and Equity Interests			
Class	Claim	Status	Voting Rights Pursuant to Section 1126 of the Bankruptcy Code
1	RCF Claims	Unimpaired	Presumed to Accept
2	Spare Engine Facility Claims	Unimpaired	Presumed to Accept
3	Other Secured Claims	Unimpaired	Presumed to Accept
4	LATAM 2024/2026 Bond Claims	Unimpaired	Presumed to Accept
5	General Unsecured Claims against LATAM Parent	Impaired	Entitled to Vote
6	General Unsecured Claims against each Debtor other than LATAM Parent, Piquero Leasing Limited and LATAM Finance Ltd.	Unimpaired	Presumed to Accept
7	Pre-Delivery Payment Facility Claim other than LATAM Parent, Piquero Leasing Limited, and LATAM Finance Ltd.	Impaired	Entitled to Vote
8	Litigation Claims	Unimpaired	Presumed to Accept
9	Intercompany Claims	Unimpaired	Presumed to Accept
10	Equity Interests in LATAM Parent	Impaired	Deemed to Reject pursuant to Section 1126(g) of the Bankruptcy Code
11	Equity Interests in each Debtor other than LATAM Parent	Unimpaired	Presumed to Accept pursuant to Section 1126(f) of the Bankruptcy Code

ARTICLE III
TREATMENT OF CLAIMS AND EQUITY INTERESTS

3.1 Unclassified Claims

(a) *Administrative Expense Claims Generally*. Subject to the provisions of sections 330(a), 331 and 503(b) of the Bankruptcy Code, each Allowed Administrative Expense Claim shall be paid in full by the Disbursing Agent, at the election of the Disbursing Agent (i) in Cash, in such amount as is incurred in the ordinary course of business by the Debtors, or in such amount as such Administrative Expense Claim is Allowed by the Bankruptcy Court upon the later of the Initial Distribution Date or the date upon which there is a Final Order allowing such Administrative Expense Claim, (ii) upon such other terms as may exist in the ordinary course of the Debtors' business, or (iii) upon such other terms as may be agreed upon in writing between

the Holder of such Allowed Administrative Expense Claim and the Disbursing Agent, in each case in full satisfaction, settlement, discharge and release of, such Allowed Administrative Expense Claim.

(i) *Substantial Contribution Claims*. All requests for compensation or reimbursement of Substantial Contribution Claims shall be Filed and served on Reorganized Debtors and their counsel, the Office of the United States Trustee (201 Varick Street, Room 1006, New York, NY 10014 Attn: Brian Masumoto, Esq.), counsel to the Disbursing Agent, and such other entities who are designated by the Bankruptcy Rules, the Confirmation Order or any other order(s) of the Bankruptcy Court, no later than thirty days after the Effective Date. Unless such deadline is extended by agreement of the Debtors, Holders of Substantial Contribution Claims that are required to File and serve applications for final allowance of their Substantial Contribution Claims and that do not File and serve such applications by the required deadline shall be forever barred from asserting such Substantial Contribution Claims against the Reorganized Debtors or their respective properties, and such Substantial Contribution Claims shall be deemed discharged as of the Effective Date. Objections to any Substantial Contribution Claims must be Filed and served on Reorganized Debtors and their counsel, the U.S. Trustee, and the requesting Professional no later than fifteen days (or such longer period as may be allowed by the Disbursing Agent or by order of the Bankruptcy Court) after the date on which an application for final allowance of such Substantial Contribution Claims was Filed and served.

(b) *Professional Fees*.

(i) *Professional Fee Escrow Amount*. Professionals shall estimate in good faith their unpaid Professional Fee Claims and other unpaid fees and expenses incurred in rendering services compensable by the Debtors' Estates before and as of the Effective Date and shall deliver such reasonable, good faith estimate to the Debtors no later than five (5) Business Days prior to the Effective Date.

(ii) *Professional Fee Escrow Account*. As soon as reasonably practicable after the Confirmation Date, and no later than one Business Day prior to the Effective Date, the Debtors shall establish and fund the Professional Fee Escrow Account with Cash equal to the Professional Fee Escrow Amount. The Professional Fee Escrow Account shall be maintained in trust solely for the Professionals and for no other Entities until all Professional Fee Claims Allowed by the Bankruptcy Court have been irrevocably paid in full to the Professionals pursuant to one or more Final Orders of the Bankruptcy Court. No Liens, Claims or interests shall encumber the Professional Fee Escrow Account or Cash held in the Professional Fee Escrow Account in any way. Such funds shall not be considered property of the Estates, the Debtors or the Reorganized Debtors. The amount of Professional Fee Claims owing to the Professionals shall be paid in Cash to such Professionals from the funds held in the Professional Fee Escrow Account as soon as reasonably practicable after such Professional Fee Claims are Allowed by an order of the Bankruptcy Court; *provided*, however, that obligations with respect to Allowed Professional Fee Claims shall not be limited nor be deemed limited to funds held in the Professional Fee Escrow Account. When all Professional Fee Claims Allowed by the Bankruptcy Court have been irrevocably paid in full to the Professionals pursuant to one or more Final Orders of the Bankruptcy Court, any remaining funds held in the Professional Fee Escrow

Account shall promptly be paid to the Reorganized Debtors without any further notice to or action, order or approval of the Bankruptcy Court.

(iii) *Final Fee Applications.* All final requests for payment of Professional Fee Claims must be filed with the Bankruptcy Court by the Professional Fees Bar Date. Such requests shall be filed with the Bankruptcy Court and served as required by the Case Management Order. The objection deadline relating to the final requests shall be 4:00 p.m. (prevailing Eastern Time) on the date that is fourteen calendar days after the filing deadline. If no objections are timely filed and properly served in accordance with the Case Management Order with respect to a given request, or all timely objections are subsequently resolved, such Professional shall submit to the Bankruptcy Court for consideration a proposed order approving the Professional Fee Claim as an Allowed Administrative Expense Claim in the amount requested (or in the amount otherwise agreed), and the order may be entered without a hearing or further notice to any party. The Allowed amounts of any Professional Fee Claims subject to unresolved timely objections shall be determined by the Bankruptcy Court at a hearing to be held no sooner than ten (10) calendar days after the objection deadline. All distributions on account of Allowed Professional Fee Claims shall be made as soon as reasonably practicable after such Claims become Allowed.

(iv) *Payment of Interim Amounts.* Professionals shall be paid pursuant to the "Monthly Statement" process set forth in the Interim Compensation Order with respect to all calendar months ending prior to the Confirmation Date.

(v) *Post-Confirmation Date Fees*. Upon the Confirmation Date, any requirement that Professionals comply with sections 327 through 331 of the Bankruptcy Code in seeking retention or compensation for services rendered after such date shall terminate, and the Debtors and Reorganized Debtors may employ and pay all Professionals in the ordinary course of business (including with respect to the month in which the Confirmation Date occurred) without any further notice to, action by or order or approval of the Bankruptcy Court or any other party.

(c) *Priority Tax Claims*. The legal, equitable and contractual rights of the Holders of Allowed Priority Tax Claims are unaltered by this Plan. On, or as soon as reasonably practicable after, the later of (i) the Initial Distribution Date if such Priority Tax Claim is an Allowed Priority Tax Claim as of the Effective Date or (ii) the date on which such Priority Tax Claim becomes an Allowed Priority Tax Claim, in full satisfaction, settlement, discharge and release of, such Allowed Priority Tax Claim, at the election of the Disbursing Agent, each Holder of such Allowed Priority Tax Claim shall receive: (a) Cash equal to the amount of such Allowed Priority Tax Claim; (b) such other less favorable treatment as to which the Disbursing Agent and the Holder of such Allowed Priority Tax Claim shall have agreed upon in writing; or (c) for every Priority Tax Claim, such other treatment that complies with section 1129(a)(9)(C) of the Bankruptcy Code and such that it will not be Impaired pursuant to section 1124 of the Bankruptcy Code. On the Effective Date, the Liens (if any) securing any Priority Tax Claims shall be deemed released, terminated and extinguished, in each case without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order or rule or the vote, consent, authorization or approval of any Person.

(d) *Other Priority Claims.* The legal, equitable and contractual rights of the Holders of Allowed Other Priority Claims are unaltered by this Plan. On, or as soon as reasonably practicable after, the later of (i) the Initial Distribution Date if such Other Priority Claim is an Allowed Other Priority Claim as of the Effective Date or (ii) the date on which such Other Priority Claim becomes an Allowed Claim, in full satisfaction, settlement, discharge and release of, such Allowed Other Priority Claim, at the election of the Disbursing Agent, each Holder of such Allowed Other Priority Claim shall receive: (x) Cash equal to the amount of such Allowed Other Priority Claim; or (y) such other less favorable treatment as to which the Disbursing Agent and the Holder of such Allowed Other Priority Claim shall have agreed upon in writing.

(e) *DIP Claims.*

(i) *Allowance of DIP Claims*. All DIP Claims shall be deemed Allowed as of the Effective Date in an aggregate amount due and owing under the DIP Credit Agreement including, for the avoidance of doubt, (a) the principal amounts outstanding under the DIP Facility on such date; (b) all interest accrued and unpaid thereon through and including the date of payment; and (c) all accrued fees, costs, expenses, and indemnification obligations payable under the DIP Facility Documents. For the avoidance of doubt, the DIP Claims shall not be subject to any avoidance, reduction, setoff, recoupment, recharacterization, subordination (equitable or contractual or otherwise), counterclaim, defense, disallowance, impairment, objection or any challenges under applicable law or regulation.

(ii) *Treatment.* On the Effective Date, or as soon as reasonably practicable thereafter, each Holder of an Allowed DIP Claim shall receive: (x) Cash equal to the amount of such Allowed DIP Claim; or (y) such other less favorable treatment as to which the Disbursing Agent and the Holder of such Allowed DIP Claim shall have agreed upon in writing.

(iii) *Release of Liens and Discharge of Obligations*. Distributions to the Holders of Allowed DIP Claims shall be deemed completed when made to or at the direction of the DIP Agents. Contemporaneously with the foregoing payment, the DIP Facility and the DIP Facility Documents shall be deemed terminated, all Liens on the property of the Debtors and Reorganized Debtors arising out of or related to the DIP Facility shall automatically terminate, all obligations of the Debtors and/or the Reorganized Debtors arising out of or related to the DIP Claims shall be automatically discharged and released and all collateral subject to such Liens shall be automatically released, in each case without further action by the DIP Agents or DIP Lenders. The DIP Agents and the DIP Lenders shall take all actions necessary to effectuate and confirm such termination, release and discharge as reasonably requested by the Debtors or the Reorganized Debtors including, for the avoidance of doubt, executing any termination and release of security interests. Notwithstanding any other provision of this Plan, (i) any provision of the DIP Facility Documents governing the DIP Facility that by their terms survive payoff and termination shall survive in accordance with the terms of the DIP Facility Documents and (ii) the provisions of the DIP Facility Documents shall survive to the extent necessary to preserve any rights of the DIP Agents against any money or property distributable to the Holder of Allowed DIP Claims and to appear and be heard in the Chapter 11 Cases or any related proceeding for the purposes of enforcing the obligations owed to the DIP Agent under this Plan.

(iv) *Fees and Expenses*. To the extent not previously paid during the course of the Chapter 11 Cases, on the Effective Date and thereafter as invoiced, the Debtors shall pay all fees, expenses, disbursements, contribution or indemnification obligations, including without limitation, attorneys' and agents' fees, costs, expenses and disbursements incurred by the DIP Agents and the DIP Lenders. Such fees, costs, expenses, disbursements, contribution or indemnification obligations shall constitute Allowed Administrative Claims. Nothing herein shall require the DIP Agents or DIP Lenders or their respective Professionals to file applications or proofs of claims, or otherwise seek approval of the Court as a condition to payment of such Allowed Administrative Claims.

(f) *Commitment Creditor Fees and Backstop Shareholder Fees*

(i) To the extent not previously paid during the course of the Chapter 11 Cases, the Debtors agree that they shall pay to the Backstop Shareholders and Commitment Creditors the Backstop Shareholder Fees and the Commitment Creditor Fees, in each case to the extent properly invoiced, (i) upon Bankruptcy Court approval of each Backstop Agreement, such Backstop Shareholder Fees and Commitment Creditor Fees that are respectively accrued through the date of such approval in Cash upon such approval of each Backstop Agreement, (ii) following Bankruptcy Court approval of each Backstop Agreement, with respect to such Backstop Shareholder Fees and the Commitment Creditor Fees that are respectively due and payable, each month within 30 days of receiving an invoice from such Commitment Creditor or Backstop Shareholder (or their advisors) in full in cash and (iii) on the Effective Date with respect to such Backstop Shareholder Fees and the Commitment Creditor Fees that are respectively due and payable in full in cash.

3.2 Treatment of Claims and Interests

Except to the extent lesser treatment is agreed to in writing (email being sufficient) by the Reorganized Debtors and the Holder of such Allowed Claim or Allowed Equity Interest, as applicable, each Holder of an Allowed Claim or Allowed Equity Interest, as applicable, shall receive under the Plan the treatment described below in full and final satisfaction, settlement, release, and discharge of and in exchange for such Holder's Allowed Claim or Allowed Interest.

(a) *Class 1: RCF Claims*.

(i) *Classification*. Class 1 consists of RCF Claims against each RCF Obligor.

(ii) Treatment. Effective as of the later of (i) the Effective Date or, (ii) the date such Class 1 Claim becomes Allowed or as soon as reasonably practicable thereafter, at the discretion of the Debtors or the Reorganized Debtors, (x) each Allowed Class 1 Claim shall be, refinanced or amended and extended pursuant to the terms of the Revised RCF Agreement; (y) each Holder of an Allowed Class 1 Claims shall receive such other less favorable treatment as to which the Administrative and Disputed Claims Agent and the Holder of such Allowed Class 1 Claim shall have agreed upon in writing; or (z) each Holder of an Allowed Class 1 Claims shall receive such other treatment such that the applicable Allowed Class 1 Claim will be rendered Unimpaired pursuant to section 1124 of the Bankruptcy Code.

(iii) *Voting*. Class 1 Claims are Unimpaired and the Holders of Allowed Class 1 Claims are conclusively presumed to have Accepted the Plan pursuant to section 1126 of the Bankruptcy Code and are therefore not entitled to vote.

(b) *Class 2: Spare Engine Facility Claims*.

(i) *Classification*. Class 2 consists of Spare Engine Facility Claims against the Spare Engine Facility Borrower.

(ii) Treatment. Effective as of the later of (i) the Effective Date or, (ii) the date such Class 2 Claim becomes Allowed or as soon as reasonably practicable thereafter, at the discretion of the Debtors or the Reorganized Debtors, (x) each Allowed Class 2 Claim shall be, Reinstated, refinanced, or amended and extended pursuant to the terms of the Revised Spare Engine Facility Agreement; (y) each Holder of an Allowed Class 2 Claims shall receive such other less favorable treatment as to which the Administrative and Disputed Claims Agent and the Holder of such Allowed Class 2 Claim shall have agreed upon in writing; or (z) each Holder of an Allowed Class 2 Claims shall receive such other treatment such that the applicable Allowed Class 2 Claim will be rendered Unimpaired pursuant to section 1124 of the Bankruptcy Code.

(iii) *Voting*. Class 2 Claims are Unimpaired and the Holders of Allowed Class 2 Claims are conclusively presumed to have Accepted the Plan pursuant to section 1126 of the Bankruptcy Code and are therefore not entitled to vote.

(c) *Class 3: Other Secured Claims*.

(i) *Classification*. Class 3 consists of Other Secured Claims against each Debtor.

(ii) Treatment. Effective as of the later of (i) the Effective Date or, (ii) the date such Class 3 Claim becomes Allowed or as soon as reasonably practicable thereafter, at the discretion of the Debtors or the Reorganized Debtors, (x) each Allowed Class 3 Claim shall be Reinstated as amended and extended; (y) each Holder of an Allowed Class 3 Claim shall receive such other less favorable treatment as to which the Administrative and Disputed Claims Agent and the Holder of such Allowed Class 3 Claim shall have agreed upon in writing; or (z) each Holder of an Allowed Class 3 Claim shall receive such other treatment such that the applicable Allowed Class 3 Claim will be rendered Unimpaired pursuant to section 1124 of the Bankruptcy Code.

(iii) *Voting*. Class 3 Claims are Unimpaired and the Holders of Allowed Class 3 Claims are conclusively presumed to have Accepted the Plan pursuant to section 1126 of the Bankruptcy Code and are therefore not entitled to vote.

(d) *Class 4: LATAM 2024/2026 Bond Claims Against LATAM Finance and LATAM Parent*.

(i) *Classification*. Class 4 consists of LATAM 2024 Bond Claims and LATAM 2026 Bond Claims against LATAM Finance and LATAM Parent.

(ii) *Treatment*. Effective as of the later of (i) the Effective Date or, (ii) the date such Class 4 Claim becomes Allowed or as soon as reasonably practicable thereafter, at the discretion of the Debtors or Reorganized Debtors, each Holder of an Allowed LATAM 2024 Bond Claim and LATAM 2026 Bond Claim shall receive, in full satisfaction, settlement, discharge and release of, its Allowed Class 4 Claim, (x) a distribution in Cash of its Pro Rata share of the LATAM International Bond Claim Amount; (y) such other less favorable treatment as to which the Administrative and Disputed Claims Agent and the Holder of such Allowed Class 4 Claim shall have agreed upon in writing or (z) such other treatment that the applicable Allowed Class 4 Claim will be rendered Unimpaired pursuant to section 1124 of the Bankruptcy Code.

(iii) *Voting*. Class 4 Claims are Unimpaired and the Holders of Allowed Class 4 Claims are conclusively presumed to have Accepted the Plan pursuant to section 1126 of the Bankruptcy Code and therefore not entitled to vote.

(e) *Class 5: General Unsecured Claims Against LATAM Parent.*

(i) *Classification*. Class 5 consists of General Unsecured Claims against LATAM Parent.

(ii) *Treatment*. On the Effective Date, on, or as soon as reasonably practicable after the Initial Distribution Date, each Holder of an Allowed General Unsecured Claim against LATAM Parent shall receive a distribution pursuant to Class 5a Treatment described below, unless an Eligible Holder elects to receive Class 5b Treatment in connection with the solicitation of this Plan. For the avoidance of doubt, such election to receive Class 5a Treatment or Class 5b Treatment shall apply to all of such Holder's General Unsecured Allowed Claims against LATAM Parent, consistent with the provisions below.

Class 5a Treatment. Effective as of the Effective Date, on, or as soon as reasonably practicable after the Initial Distribution Date, each Holder of Allowed General Unsecured Claims against LATAM Parent (excluding Participating Holders of General Unsecured Claims and Ineligible Holders) shall receive, in full satisfaction, settlement, discharge and release of, its Allowed Class 5 Claim (x) (A) its Pro Rata share of New Convertible Notes Class A, subject to reduction by the subscription and purchase of New Convertible Notes Class A by Eligible Equity Holders during the New Convertible Notes Preemptive Rights Offering Period, and (B) its Pro Rata share of the New Convertible Notes Class A Preemptive Rights Proceeds (if any) in an amount up to the Allowed Class 5a Treatment Cash Amount; or (y) such other less favorable treatment as to which the Administrative and Disputed Claims Agent and the Holder of such Allowed Class 5 Claim shall have agreed upon in writing. Each Holder of an Allowed General Unsecured Claim against LATAM Parent that is an Ineligible Holder shall receive, in lieu of the above, a distribution of cash in respect of their Allowed Class 5 Claim equal to their Pro Rata share of the Net Sale Proceeds in respect of the New Convertible Notes Class A such Ineligible Holder would be entitled to receive under this Plan if it were not an Ineligible Holder. No more than ninety (90) days after the Effective Date, New Convertible Notes Class A that would otherwise be distributed to Ineligible Holders will be sold by the Sales Agent in one or more block trades or otherwise in an manner

intended to maximize the sale proceeds from such sale and such sale proceeds shall be distributed for Ineligible Holders Pro Rata as soon as practical thereafter.

Class 5b Treatment. Effective as of the Effective Date, on, or as soon as reasonably practicable after the Initial Distribution Date, each Participating Holder of General Unsecured Claims shall receive, in full satisfaction, settlement, discharge and release of, its Allowed Class 5 Claim (x) its share of New Convertible Notes Class C, subject to reduction by the subscription and purchase of New Convertible Notes Class C by the Eligible Equity Holders in the New Convertible Notes Preemptive Rights Offering Period, in accordance with the following waterfall:

1. First, 50% of the New Convertible Notes Class C shall be allocated to the New Convertible Notes Class C Backstop Parties for purchase, to the extent available after the conclusion of New Convertible Notes Preemptive Rights Offering Period (the "Direct Allocation Amount"). The New Convertible Notes Class C Backstop Parties shall subscribe to the Direct Allocation Amount with an amount of Allowed Claims (and related new money) equal to approximately 50% of the Allowed Claims held by the New Convertible Notes Class C Backstop Parties;

2. Second, the remainder shall be allocated to the New Convertible Notes Class C Unsecured Creditors and the New Convertible Notes Class C Backstop Parties as described below (the "Unused Allocation Amount");

or (y) such other less favorable treatment as to which the Administrative and Disputed Claims Agent and the Holder of such Allowed Class 5 Claim shall have agreed upon in writing.

The Unused Allocation Amount shall be subscribed as follows:

1. The New Convertible Notes Class C Unsecured Creditors shall subscribe to the Unused Allocation Amount with an amount of Allowed Claims (and related new money) equal to approximately 35.37%[13] of the Allowed Claims that are held by the New Convertible Notes Class C Unsecured Creditors.

2. The New Convertible Notes Class C Backstop Parties shall subscribe to the Unused Allocation Amount with an amount of Allowed Claims (and related new money) equal to approximately 70.74%[14] of the Unused Allowed Claims held by the New Convertible Notes Class C Backstop Parties that remain after reduction by Allowed Claims used in the Direct Allocation Amount.

[13] Subject to revision prior to the Effective Date based on ongoing claims reconciliation process.
[14] Subject to revision prior to the Effective Date based on ongoing claims reconciliation process.

3. Any Unused Allocation Amount of New Convertible Notes Class C that remains unsubscribed after such applications shall be allocated to and subscribed by the New Convertible Notes Class C Backstop Parties in accordance with their New Convertible Notes Class C Backstop commitment.

To the extent of any Allowed Claims held by Participating Holders of General Unsecured Claims which have not been provided as consideration for the Direct Allocation Amount or the Unused Allocation Amount (including with respect to the New Convertible Notes Class C backstop commitment) (the "Unused Allowed Claims"), each Participating Holder of General Unsecured Claims shall receive in respect of such Unused Allowed Claims, (x) their Pro Rata share of Convertible Notes Class A to the extent of any of its Unused Allowed Claims, and their Pro Rata share of New Convertible Notes Class A Preemptive Rights Proceeds up to the Allowed Class 5a Treatment Cash Amount or (y) such other less favorable treatment as to which the Administrative and Disputed Claims Agent and the Holder of such Allowed Class 5 Clam shall have agreed upon in writing. For the avoidance of doubt, the treatment of such Unused Allowed Claims shall be on the same terms and Conversion Ratio applicable to non-Participating Holders of General Unsecured Claims. The consideration provided by the New Convertible Notes Class C Backstop Parties for the Direct Allocation Amount and the consideration provided by Participating Holders of General Unsecured Claims for the Unused Allocation Amount (including with respect to the New Convertible backstop commitment) shall comprise $0.921692 of new money for each $1 of Allowed General Unsecured Claims against LATAM Parent.

For the avoidance of doubt, no Ineligible Holder shall be able to become a Participating Holder of a General Unsecured Claim.

(iii) *Voting*. Class 5 Claims are Impaired and the Holders of Allowed Class 5 Claims are entitled to vote.

(f) *Class 6*: *General Unsecured Claims Against Debtors Other Than LATAM Parent, Piquero Leasing Limited and LATAM Finance*.

(i) *Classification*. Class 6 consists of General Unsecured Claims against Debtors other than LATAM Parent, Piquero Leasing Limited and LATAM Finance.

(ii) Treatment. Effective as of the Effective Date, on, or as soon as reasonably practicable after the Initial Distribution Date, each Holder of an Allowed General Unsecured Claim against a Debtor other than LATAM Parent, Piquero Leasing Limited or LATAM Finance shall receive, in full satisfaction, settlement, discharge and release of its Allowed Class 6 Claim (x) Cash equal to the amount of such Allowed Class 6 Claim; (y) such other less favorable treatment as to which the Administrative and Disputed Claims Agent and the Holder of such Allowed Class 6 Claim shall have agreed upon in writing., or (z) such other treatment such that the applicable Allowed Class 6 Claim will be rendered Unimpaired pursuant to section 1124 of the Bankruptcy Code.

(iii) *Voting*. Class 6 Claims are Unimpaired and the Holders of Allowed Class 6 Claims are conclusively presumed to have Accepted the Plan pursuant to section 1126 of the Bankruptcy Code and are therefore not entitled to vote.

(g) *Class 7:Pre-Delivery Payment Facility Claims*.

(i) *Classification*. Class 7 consists of Pre-Delivery Payment Facility Claims.

(ii) *Treatment*. Effective as of the Effective Date, on, or as soon as reasonably practicable after the Initial Distribution Date, each Holder of Pre-Delivery Payment Facility Claims shall receive, in full satisfaction, settlement, discharge and release of both Pre-Delivery Payment Facility Claims, the treatment provided to Allowed General Unsecured Claims against LATAM Parent (with the right to receive recovery solely for a single Allowed Claim.)

(iii) *Voting*. Class 7 Claims are Impaired and the Holders of Allowed Class 7 Interests are entitled to vote.

(h) *Class 8: Litigation Claims Against All Debtors*.

(i) *Classification*. Class 8 consists of Litigation Claims against each Debtor.

(ii) *Treatment*. On, or as soon as reasonably practicable after, the Initial Distribution Date if such Class 8 Claim is Allowed on the Effective Date or otherwise the date on which such Class 8 Claim becomes Allowed, (i) each Allowed Class 8 Claim shall be Reinstated and paid in the ordinary course if and when finally resolved under applicable local law or (ii) each Holder of an Allowed Class 8 Claim shall receive such other less favorable treatment as to which the Administrative and Disputed Claims Agent and the Holder of such Allowed Class 8 Claim shall have agreed upon in writing. For the avoidance of doubt, the Reinstatement of Allowed Class 8 claims shall be without prejudice to the rights, claims and defenses of the Debtors and/or Reorganized Debtors pursuant to all applicable non-bankruptcy law.

(i) *Voting*. Class 8 Claims are Unimpaired and the Holders of Allowed Class 8 Claims are conclusively presumed to have Accepted the Plan pursuant to section 1126 of the Bankruptcy Code and are therefore not entitled to vote.

(j) *Class 9: Intercompany Claims*.

(i) *Classification*. Class 9 consists of Intercompany Claims at each Debtor.

(ii) *Treatment*. On the Effective Date or, if such Claim is subsequently Allowed, then the date such Class 9 Claim becomes Allowed or as soon as reasonably practicable thereafter, each Allowed Class 9 Claim shall be Reinstated.

(iii) *Voting*. Class 9 Claims are Unimpaired and the Holders of Allowed Class 9 Claims are deemed to have Accepted the Plan pursuant to section 1126 of the Bankruptcy Code and are therefore not entitled to vote.

(k) *Class 10: Existing Equity Interests in LATAM Parent*.

(i) *Classification*. Class 10 consists of Existing Equity Interests in LATAM Parent.

(ii) *Treatment*. Existing Equity Interests in LATAM Parent shall be retained and reinstated subject to the dilution referred to below. No distribution shall be made under the Plan in respect of Existing Equity Interests in LATAM Parent. On the Effective Date, holders of Existing Equity Interests in LATAM Parent shall be substantially diluted by the issuance of ERO New Common Stock and the New Convertible Notes Back-Up Shares pursuant to the Plan, including any conversion of the New Convertible Notes into equity, and by the Management Incentive Plan, such that they hold no more than 0.1% of the common stock in LATAM Parent.

(iii) *Voting*. Class 10 Claims are Impaired and the Holders of Allowed Class 10 Interests are deemed to Reject the Plan pursuant to section 1126 of the Bankruptcy Code and are therefore not entitled to vote.

(l) *Class 11: Equity Interests in Debtors Other Than LATAM Parent*.

(i) *Classification*. Class 11 consists of Equity Interests in Debtors other than LATAM Parent.

(ii) *Treatment*. Effective as of the Effective Date, (i) Equity Interests in Debtors other than LATAM Parent shall be preserved and Reinstated so as to maintain the organizational structure of the Debtors as such structure exists on the Effective Date or (ii) each Holder of an Allowed Class 11 Claim shall receive such other less favorable treatment as to which the Administrative and Disputed Claims Agent and the Holder of such Allowed Class 11 Interest shall have agreed upon in writing.

(iii) *Voting*. Class 11 Claims are Unimpaired and the Holders of Allowed Class 11 Claims are conclusively presumed to have Accepted the Plan pursuant to section 1126 of the Bankruptcy Code and are therefore not entitled to vote.

3.3 Special Provision Regarding Unimpaired Claims

Except as otherwise provided in this Plan, nothing under the Plan shall affect the Debtors' rights in respect of any Unimpaired Claims, including, without limitation, all rights with respect to legal and equitable defenses, including setoff or recoupment, against any such Unimpaired Claim.

ARTICLE IV
ACCEPTANCE OR REJECTION OF THE PLAN

4.1 Impaired Classes of Claims Entitled to Vote

Holders of Claims in Classes 5 and 7 are entitled to vote to Accept or Reject this Plan as provided in the Disclosure Statement Order, or any other order(s) of the Bankruptcy Court.

4.2 Acceptance by an Impaired Class

(a) In accordance with section 1126(c) of the Bankruptcy Code and except as provided in section 1126(e) of the Bankruptcy Code, an Impaired Class of Claims shall have Accepted this Plan if this Plan is Accepted by the Holders of at least two-thirds (2/3) in dollar amount and more than one-half (1/2) in number of the Allowed Claims of such Class that have timely and properly voted to Accept or Reject this Plan.

4.3 Presumed Acceptances by Unimpaired Classes

Classes 1, 2, 3, 4, 6, 8, 9 and 11 are Unimpaired by this Plan. Accordingly, under section 1126(f) of the Bankruptcy Code, Holders of such Claims or Interests are conclusively presumed to Accept this Plan, and therefore the votes of the Holders of such Claims or Interests will not be solicited.

4.4 Deemed Rejections by Impaired Classes

Class 10 is Impaired by this Plan and Holders of such Interests will not receive any recovery on account of their Interests. Accordingly, under section 1126(g) of the Bankruptcy Code, Holders of such Interests are deemed to Reject this Plan, and therefore the votes of the Holders of such Interests will not be solicited.

4.5 Elimination of Vacant Classes; Presumed Acceptance by Non-Voting Classes

(a) Any Class of Claims that is not occupied as of the commencement of the Confirmation Hearing by an Allowed Claim or a Claim temporarily Allowed under Bankruptcy Rule 3018 shall be deemed eliminated from this Plan for purposes of voting to Accept or Reject this Plan and for purposes of determining acceptance or rejection of this Plan by such Class pursuant to section 1129(a)(8) of the Bankruptcy Code.

(b) If no votes to accept or reject the Plan are properly completed and timely received in compliance with the Disclosure Statement Order with respect to a Class whose votes have been solicited under the Plan (other than a Class that is deemed eliminated pursuant to Section 4.5(a) hereof), such Class shall be deemed to have voted to Accept the Plan.

4.6 Conversion or Dismissal of Certain of the Chapter 11 Cases

If the requisite Classes do not vote to Accept the Plan pursuant to section 1129 of the Bankruptcy Code or the Bankruptcy Court does not confirm the Plan, the Debtors reserve the

right to have each Debtor's Chapter 11 Case dismissed or converted, or to liquidate or dissolve such Debtor under applicable non-bankruptcy procedure or chapter 7 of the Bankruptcy Code, consistent with the terms and conditions of this Plan and other Restructuring Documents and any consents or approvals required thereunder (as applicable).

4.7 Confirmation Pursuant to Section 1129(b) of the Bankruptcy Code

In the event that any Impaired Class of Claims or Equity Interests rejects the Plan, the Debtors reserve the right, without any delay in the occurrence of the Confirmation Hearing or Effective Date, to (a) request that the Bankruptcy Court confirm the Plan in accordance with section 1129(b) of the Bankruptcy Code with respect to such non-accepting Class, in which case the Plan shall constitute a motion for such relief, and/or (b) amend the Plan in accordance with Section 13.8 of this Plan.

ARTICLE V
MEANS FOR IMPLEMENTATION OF THE PLAN

5.1 No Substantive Consolidation

The Plan is being proposed as a joint plan of reorganization of the Debtors for administrative purposes only. The Plan is not premised upon the substantive consolidation of the Debtors with respect to the Classes of Claims or Interests set forth in the Plan.

5.2 General Settlement of Claims and Interests

Pursuant to section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, and in consideration for the classification, distributions, releases, and other benefits provided under the Plan, on the Effective Date, the provisions of the Plan shall constitute a good faith compromise and settlement of all Claims and Interests and controversies resolved pursuant to the Plan.

5.3 Management Incentive Plan

The Debtors' management will be able to participate in a Management Incentive Plan the terms of which shall be agreed by the Debtors and the Commitment Parties at the time of the execution of the Backstop Agreements and which shall be consummated and implemented on the Effective Date.

At the time of the execution of the Backstop Agreements, the Debtors will seek to amend and assume up to approximately forty (40) executives' existing employment agreements, which amended agreements shall include management protection provisions (the "Management Protection Provisions") in the amount of no less than $35 million in the aggregate.

5.4 Corporate Existence

Except as otherwise provided in the Plan, each Debtor shall continue to exist after the Effective Date as a separate corporate Entity, limited liability company, partnership, or other form, as the case may be, with all the powers of a corporation, limited liability company,

partnership, or other form, as the case may be, pursuant to the applicable law in the jurisdiction in which each applicable Debtor is incorporated or formed and pursuant to the respective certificate of incorporation and bylaws (or other formation documents) in effect prior to the Effective Date, except to the extent such certificate of incorporation and bylaws (or other formation documents) are amended by the Plan or otherwise, and to the extent such documents are amended, such documents are deemed to be amended pursuant to the Plan and without any further notice to or action, order, or approval of the Bankruptcy Court or any other court of competent jurisdiction (other than any requisite filings required under applicable state, provincial, or federal law).

5.5 Issuance of the Plan Securities

Pursuant to Article VI hereof, and following all necessary shareholder, board and other corporate approvals as set forth in the Rights Offering Procedures and New Convertible Notes Offering Procedures or as otherwise required under applicable law, Reorganized LATAM Parent is authorized to sell, issue, place and distribute, or cause to be distributed, the Plan Securities, including the ERO New Common Stock, the New Convertible Notes and any and all other securities, notes, stock, instruments, certificates and other documents or agreements required to be issued, executed or delivered pursuant to the Plan (collectively, the "New Securities and Documents") in accordance with the terms and conditions of the Restructuring Documents. Except as otherwise set forth herein, the issuance of the Plan Securities shall be authorized, as of the Effective Date, without the need for any approvals, authorizations, or consents except for those expressly required pursuant to this Plan, the Restructuring Documents or required under the Debtors' or Reorganized Debtors' applicable corporate documents or applicable foreign nonbankruptcy law.

5.6 Effectuating Documents; Further Transactions

(a) Except as otherwise set forth herein, including Article VI hereof, each of the matters provided for by this Plan involving the corporate structure of the Debtors or corporate or related actions to be taken by or required of the Reorganized Debtors, whether taken prior to or as of the Effective Date, shall be authorized without the need for any approvals, authorizations, or consents except for those expressly required pursuant to this Plan or required under the Debtors' or Reorganized Debtors' applicable corporate documents or applicable foreign nonbankruptcy law, consistent with the terms and conditions of the Plan and the other Restructuring Documents (as applicable). Such actions may include, without limitation, (i) the appointment of any officers or directors of any Reorganized Debtor, (ii) the authorization, issuance and distribution of ERO New Common Stock, the New Convertible Notes and any other securities to be authorized, issued and distributed pursuant to the Plan, and (iii) the consummation and implementation of the Exit Financing.

(b) On and after the Effective Date, the Reorganized Debtors, and the officers and members of the boards of directors thereof, are authorized to and may issue, execute, deliver, file, or record such contracts, securities, instruments, releases, and other agreements or documents and take such actions as may be necessary or appropriate to effectuate, implement, and further evidence the terms and conditions of this Plan and the securities issued pursuant to this Plan in the name of and on behalf of the Reorganized Debtors, without the need for any

approvals, authorizations, or consents except for those expressly required pursuant to this Plan or required under the Debtors' or Reorganized Debtors' applicable corporate documents or applicable foreign nonbankruptcy law consistent with the terms and conditions of the Plan and the other Restructuring Documents (as applicable).

5.7 Restructuring Transactions

(a) On, prior to, or after the Effective Date, the Debtors or the Reorganized Debtors, as applicable, may enter into any transaction (each a "Restructuring Transaction") and take any actions as may be necessary or appropriate to effectuate the Plan and the Restructuring Support Agreement that are consistent with and pursuant to the terms and conditions of the Plan, including, without limitation, conducting the ERO Rights Offering, conducting the New Convertible Notes Offering, obtaining the Exit Financing, and all other steps necessary to effectuate the Plan pursuant to any corporate governance obligation from any of the Debtors; provided that, for the avoidance of doubt, the Restructuring Transaction and documentation with respect to the Restructuring Transactions shall be consistent with the terms and conditions of the Plan and the other Restructuring Documents (as applicable).

(b) The actions to effectuate the Restructuring Transactions may include (i) the execution and delivery of appropriate agreements, amendment of by-laws, or other documents containing terms that are consistent with the terms of the Plan and the Restructuring Support Agreement and that satisfy the applicable requirements of applicable law and such other terms to which the applicable entities may agree; (ii) the execution and delivery of appropriate instruments of transfer, assignment, assumption or delegation of any asset, property, right, liability, duty or obligation on terms consistent with the terms of the Plan and having such other terms to which the applicable entities may agree; (iii) the filing of appropriate certificates pursuant to applicable law; (iv) pledging, granting of liens or security interests over, assuming or guarantying obligations or taking such similar actions as may be necessary to preserve the rights and collateral interests of the Holders of Secured Claims of the Debtors and their subsidiaries at all times prior to the effectiveness and consummation of the Plan; (v) the payment, transfer or assignment of intercompany debt among the Debtors as may be necessary to comply with the term of the Plan and (vi) all other actions that the applicable entities determine to be necessary or appropriate to effectuate the Restructuring Transactions, including making filings or recordings that may be required by applicable law in connection with such transactions (including without limitation, any filings that may be required with the CMF and the Chilean stock exchanges) consistent with the terms and conditions of the Plan and the other Restructuring Documents (as applicable).

(c) The Confirmation Order shall and shall be deemed to, pursuant to sections 363 and 1123 of the Bankruptcy Code, authorize, among other things, all actions as may be necessary or appropriate to effect any transaction described in, approved by, contemplated by, or necessary to effectuate the Plan, including the Restructuring Transactions consistent with the terms and conditions of the Plan and the other Restructuring Documents (as applicable).

5.8 Exit Financing

On the Effective Date, the Exit Financing shall become effective. From and after the Effective Date, the Reorganized Debtors, subject to any applicable limitations set forth in any post-Effective Date financing documentation, shall have the right and authority without further order of the Bankruptcy Court to raise additional capital and obtain additional financing as the boards of directors of the applicable Reorganized Debtors deem appropriate.

5.9 Secured Aircraft

The aircraft and equipment securing the Exit Financing (if any) shall be retained by the Debtors and the Reorganized Debtors.

5.10 Sources of Consideration for Plan Distributions

The Debtors and Reorganized Debtors, as applicable, shall fund distributions under the Plan with: (i) Cash on hand, including Cash from operations or asset dispositions; (ii) Cash proceeds from the subscription of ERO New Common Stock pursuant to the Rights Offering Procedures (including the subscription of ERO New Common Stock by Eligible Equity Holders during the Preemptive Rights Offering Period), (iii) the New Convertible Notes Class A, (iv) the New Convertible Notes Class C, (v) the Cash proceeds from the subscription of the New Convertible Notes (including any Cash proceeds from the subscription of the New Convertible Notes Class A and New Convertible Notes Class C by Eligible Equity Holders during the New Convertible Notes Preemptive Rights Offering Period above the Allowed Class 5a Cash Amount), and (vi) the proceeds of the Exit Financing. Each distribution and issuance referred to herein shall be governed by the terms and conditions set forth herein applicable to such distribution or issuance and by the terms and conditions of the instruments or other documents evidencing or relating to such distribution or issuance, which terms and conditions shall bind each Entity receiving such distribution or issuance.

5.11 Vesting of Assets in the Reorganized Debtors

Except as otherwise set forth herein, in the Plan Supplement or in the Confirmation Order, as of the Effective Date, all property of each of the Estates, including without limitation all Causes of Action (unless released pursuant to Section 11.3(a) shall vest and revest in each of the appropriate Reorganized Debtors free and clear of all Claims, Liens, encumbrances and Equity Interests. From and after the Effective Date, the Reorganized Debtors are authorized to operate their businesses and use, acquire and dispose of property and settle and compromise Claims, Equity Interests, or Causes of Action without supervision by the Bankruptcy Court and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules, other than those restrictions expressly imposed by this Plan and the Confirmation Order consistent with the terms and conditions of the Plan and the other Restructuring Documents (as applicable). Without limiting the generality of the foregoing, the Reorganized Debtors may, without application to or approval by the Bankruptcy Court, pay fees that they incur after the Effective Date for professional fees and expenses.

The Plan shall be conclusively deemed to be adequate notice that Liens, Claims, charges and other encumbrances are being extinguished. Any Person having a Lien, Claim, charge or other encumbrance against any of the property vested in accordance with the foregoing

paragraph shall be conclusively deemed to have consented to the transfer, assignment and vesting of such property to or in the Reorganized Debtors free and clear of all Liens, Claims, charges or other encumbrances by failing to object to confirmation of the Plan, except as otherwise provided in the Plan.

5.12 Closing of the Chapter 11 Cases

At any time following the Effective Date, the Reorganized Debtors shall be authorized to file a motion for the entry of a final decree closing the Chapter 11 Cases pursuant to section 350 of the Bankruptcy Code.

5.13 Corporate Governance, Directors, and Officers

(a) *Certificates of Incorporation and By-Laws*. The certificates or articles of incorporation of the Reorganized Debtors shall be amended on terms reasonably acceptable to the Commitment Creditors and the Backstop Shareholders, and the by-laws of the Reorganized Debtors shall be amended on terms acceptable to the Commitment Creditors and the Backstop Shareholders, in each case, including to satisfy the provisions of the Plan and the Bankruptcy Code, shall be included in the Plan Supplement, and, among other things, (i) shall include pursuant to section 1123(a)(6) of the Bankruptcy Code, a provision prohibiting the issuance of non-voting equity securities at emergence, but only to the extent required by section 1123(a)(6) of the Bankruptcy Code and without waiver of any right to further modify or amend the certificates or articles of incorporation and by-laws of the Reorganized Debtors as permitted therein and pursuant to applicable non-bankruptcy law on and after the Effective Date, (ii) to the extent necessary or appropriate, shall include such provisions as may be needed to effectuate and consummate the Plan and the transactions contemplated herein and (iii) shall include, in a transitory article of the by-laws for LATAM Parent, an increase of the threshold for LATAM Parent shareholder approval of corporate actions identified in the second paragraph of Section 67 of Law 18,046 to 73% of shareholders of the Reorganized Debtors for two (2) years. The foregoing amendments shall be included in the Plan Supplement.

(b) *Directors of Reorganized LATAM Parent.* The Commitment Creditors and the Backstop Shareholders, acting reasonably and in good faith, shall enter into an agreement on terms acceptable to such parties (the "Shareholders' Agreement"), or enter into other arrangements mutually acceptable to the Commitment Creditors, the Backstop Shareholders and the Debtors, that provides, (A) for a two (2) year term following the Effective Date, that the parties shall vote their shares so the Reorganized LATAM Parent Board will be comprised, both initially and in the filling of any vacancies thereon, of nine (9) directors, who in accordance with Chilean law, shall be appointed as follows: (i) five (5) directors, including the vice-chair of the Reorganized LATAM Parent Board, nominated by the Commitment Creditors; (ii) four (4) directors, including the chair of the Reorganized LATAM Parent Board (who shall be a Chilean national), nominated by the Backstop Shareholders (such a board of directors constituted as described in clauses (i) through (ii), the "Effective Date Board"); and (B) for the first five (5) years after the Effective Date, in the event of a wind-down liquidation, or dissolution of LATAM Parent, recoveries on the new common stock 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 new common stock or to be delivered upon conversion for the

New Convertible Notes Class A or New Convertible Notes Class C, in each case held by the Commitment Creditors on the Effective Date. A list of the directors comprising the Effective Date Board shall be filed as Exhibit B. The Shareholders' Agreement shall be registered in the shareholders registry of Reorganized LATAM Parent.

(c) *Officers and Directors of Reorganized Debtors*. By and after the Effective Date, each director, officer, or manager of the Reorganized Debtors shall continue to serve pursuant to the terms of their respective charters and bylaws or other formation and constituent documents, and applicable laws of the respective Reorganized Debtor's jurisdiction of formation. Subject to any requirement of Bankruptcy Court approval pursuant to section 1129(a)(5) of the Bankruptcy Code, unless otherwise provided for herein, the existing named executive officers of the Debtors shall continue in office on and after the Effective Date in accordance with the applicable governing documents and employment arrangements.

5.14 Cancellation of Notes, Instruments and Debentures

On the Effective Date, except to the extent otherwise provided herein, all notes, instruments, certificates, and other documents including credit agreements and indentures, shall be canceled, and the Debtors' obligations thereunder or in any way related thereto shall be deemed satisfied in full and discharged, *provided, however* that Existing Letters of Credit, Existing Surety Bonds, insurance bonds, financial assurances, Cartas Fianzas, Boletas Bancarias, Boletas Garantía, Seguros de Caución, seguro garantia, fiança bancária, fiança de qualquer natureza, cartas de crédito, and other similar instruments (as amended, restated, renewed, modified, supplemented, extended, confirmed, or counter guaranteed from time to time) issued by various banks and other financial institutions to the Debtors on an unsecured or secured basis in the various countries where the Debtors operate shall not be canceled, satisfied or discharged; provided that nothing shall limit the Debtors' ability to object to or seek a discharge of any contingent claims arising prior to the Effective Date, provided further, any indenture or agreement that governs the rights of the Holder of a Claim shall continue in effect solely for purposes of (i) allowing Holders to receive distributions under the Plan, and (ii) allowing and preserving the rights of the Local Bond Trustees and LATAM 2024/LATAM 2026 Bond Trustees.

5.15 Exemption from Registration

All Plan Securities shall be registered with the CMF and listed on the Santiago Stock Exchange, and the ERO New Common Stock and New Convertible Notes shall be freely transferrable in Chile by affiliates and non-affiliates as of the Effective Date.

The offer, issuance, sale and/or distribution (as applicable) of Plan Securities will be made in reliance on exemptions from registration under the Securities Act of 1933 (the "Securities Act"), including (but not limited to) Section 4(a)(2) and Regulation S under the Securities Act.

Securities issued in reliance on the exemptions provided by Section 4(a)(2) and Regulation S will become eligible for resale within the time periods set forth in Rule 144 and Regulation S, respectively or pursuant to other valid exemptions from the Securities Act.

The Registration Rights Agreement shall include (i) customary registration rights that will include an agreement to re-sale shelf registration rights and/or piggy back registration rights, (ii) agreement regarding reinstating the ADRs in the U.S., and (iii) a determination regarding whether the common stock will be listed on the New York stock exchange/NASDAQ or other applicable "national securities market" and Chile.

All documents, agreements and instruments entered into and delivered prior to, on or as of the Effective Date contemplated by or in furtherance of this Plan, and any other agreement or document related to or entered into in connection with same, shall become, and shall remain, effective and binding in accordance with their respective terms and conditions upon the parties thereto, in each case without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order or rule or the vote, consent, authorization or approval of any Person or Entity (other than as expressly required by such applicable agreement, the Debtors' or Reorganized Debtors' applicable corporate documents or applicable foreign non-bankruptcy law.).

5.16 Settlement of Qatar and Delta Fraudulent Conveyance Claims

Pursuant to Bankruptcy Rule 9019, as of the Effective Date, for good and valuable consideration including, without limitation, that provided in connection with the Plan, the Restructuring Support Agreement, Backstop Shareholder Backstop Commitment Agreements, and other Restructuring Documents, the adequacy of which is hereby confirmed, any purported avoidance, fraudulent conveyance claims and other claims referenced in (i) the *Motion of the Official Committee of Unsecured Creditors for (I) Leave, Standing, and Authority to Commence and Prosecute Certain Claims and Causes of Action On Behalf of the Debtors' Estates Against Delta Air Lines, Inc. and Its Affiliates and (II) Non-Exclusive Settlement Authority Regarding Such Claims* (ECF No. 2531) and (ii) the *Motion of the Official Committee of Unsecured Creditors for (I) Leave, Standing, and Authority to Commence and Prosecute Certain Claims and Causes of Action On Behalf of the Debtors' Estates Against Qatar Airways Q.C.S.C. and Its Affiliates and (II) Non-Exclusive Settlement Authority Regarding Such Claims* (ECF No. 2532) held by the Debtors that may exist against Qatar Airways Q.C.S.C. and Delta Air Lines, Inc. under Sections 544, 548, 550 of the Bankruptcy Code and analogous laws shall be deemed forever released, waived and discharged conclusively, absolutely, unconditionally, and irrevocably by the Debtors, the Debtors' Estates and the Reorganized Debtors to the maximum extent permitted by applicable law.

5.17 Intercompany Claims and Subsidiary Equity Interests

Notwithstanding anything in this Plan to the contrary, on the Effective Date, the Intercompany Claims shall be Reinstated.

Notwithstanding anything in this Plan to the contrary, on the Effective Date, the Subsidiary Equity Interests shall be preserved and Reinstated.

5.18 Intercompany Account Settlement

The Debtors and the Reorganized Debtors, and their respective Affiliates, will be entitled to transfer funds between and among themselves consistent with the terms of the Cash Management Order, provided that upon emergence the provisions of the Cash Management Order will not have any effect. Any changes in intercompany account balances resulting from such transfers will be accounted for and settled in accordance with the ordinary course intercompany account settlement practices and will not violate the terms of this Plan.

ARTICLE VI
ERO RIGHTS OFFERING AND NEW CONVERTIBLE NOTES

6.1 ERO New Common Stock

Reorganized LATAM Parent shall conduct the ERO Rights Offering in accordance with the ERO Rights Offering Procedures and the Restructuring Support Agreement. As more fully set forth in the ERO Rights Offering Procedures and the Restructuring Support Agreement, the ERO Rights Offering shall be open to all Eligible Equity Holders and shall comply with all Chilean law requirements, including the provision of preemptive rights.

LATAM Parent will issue $800 million of ERO New Common Stock, $400 million of which shall be backstopped by the Commitment Creditors in their capacity as ERO New Common Stock Backstop Parties in exchange for an aggregate 20% backstop payment payable in cash on the Effective Date and $400 million of which shall be backstopped by the Backstop Shareholders (up to the Backstop Shareholders Cap) without requiring the payment of a fee.

Backstop Shareholders shall use their preemptive rights during the ERO Preemptive Rights Offering Period to subscribe to the ERO New Common Stock up to the full amount of such preemptive rights, provided that the total number of Reorganized LATAM Parent Stock issued to Backstop Shareholders (inclusive of the Backstop Shareholders' equity ownership in Reorganized LATAM Parent on an as converted basis with respect to New Convertible Notes Class B) is no greater than 27% (the "Backstop Shareholders Cap") (the apportionment of which among the Backstop Shareholders shall be determined by the Backstop Shareholders in their sole discretion) of the total amount of Reorganized LATAM Parent Stock.

In the event not all ERO New Common Stock is subscribed and purchased during the ERO Preemptive Rights Offering Period, there shall be a second, substantially concurrent, round of subscription and purchase in which, Eligible Equity Holders (including, without limitation, the Backstop Shareholders and the Non-Backstop Shareholders) that subscribed for the ERO New Common Stock during the ERO Preemptive Rights Offering Period shall have the option of subscribing and purchasing any unsubscribed ERO New Common Stock on a Pro Rata basis (based on the amount subscribed by such subscribing holders), provided that the amount of Reorganized LATAM Parent Stock issued to the Backstop Shareholders (inclusive of the Backstop Shareholders' equity ownership in Reorganized LATAM Parent on an as converted basis with respect to New Convertible Notes Class B) following the purchase of any such unsubscribed ERO New Common Stock is no greater than the Backstop Shareholders Cap. If

any shares of ERO New Common Stock remain unsubscribed following the second round of subscription and purchase, the ERO New Common Stock Backstop Parties shall subscribe and purchase any remaining unsubscribed ERO New Common Stock.

6.2 New Convertible Notes

a) *Authorization*. Subject to the following paragraph, Reorganized LATAM Parent shall be authorized to issue and distribute the New Convertible Notes as set forth in Article III of this Plan, the Restructuring Support Agreement, and the ERO Rights Offering Procedures.

b) *Compliance with Non-Bankruptcy Laws*. As more fully set forth in the Restructuring Support Agreement and as contemplated by the New Convertible Notes Offering Procedures, LATAM Parent shall conduct the New Convertible Notes Offering in compliance with all Chilean law requirements, including first offering the New Convertible Notes to Eligible Equity Holders pursuant to preemptive rights offerings in accordance with Chilean law. As provided for herein, New Convertible Notes Class A, to the extent not subscribed and purchased by Eligible Equity Holders during the New Convertible Notes Preemptive Rights Offering Period, shall be distributed to Holders of General Unsecured Claims against LATAM Parent *except* (i) on account of Allowed General Unsecured Claims against LATAM Parent (other than Unused Allowed Claims) held by Participating Holders of General Unsecured Claims and (ii) on account of General Unsecured Claims against LATAM Parent held by Ineligible Holders. In addition, New Convertible Notes Class C, to the extent not subscribed and purchased by Eligible Equity Holders during the New Convertible Notes Preemptive Rights Offering Period, shall be distributed to New Convertible Notes Class C Backstop Parties and the other Participating Holders of General Unsecured Claims as provided under Class 5 with respect to Class 5b Treatment.

c) *Class 5b Treatment Opt-in*: The Holders of Allowed General Unsecured Claims against LATAM Parent that agree to be Participating Holders of General Unsecured Claims will be eligible to purchase their Pro Rata share of $3.269 billion[15] in New Convertible Notes Class C, subject to the preemptive rights of Eligible Equity Holders and provided that each Holder of an Allowed General Unsecured Claim against LATAM Parent will only be able to subscribe and purchase New Convertible Notes Class C by providing consideration of $0.921692 of new money for each $1 of Allowed General Unsecured Claims held against LATAM Parent. To the extent any Participating Holder of General Unsecured Claims that elected to receive Class 5b Treatment does not receive a full allocation on account of its Allowed Class 5 Claim, the remaining amount of such Allowed Class 5 Claim shall receive Class 5a Treatment and shall receive New Convertible Notes Class A and New Convertible Notes Class A Preemptive Rights Proceeds with respect to such amount (as an Unused Allowed Claim). Further, any Holder of an Allowed Class 5 Claim who agrees to be a Participating Holder of General Unsecured Claims but does not timely comply with all applicable requirements of the New Convertible Notes Offering Procedures, including by delivering the necessary cash consideration for its purchase of New Convertible Notes Class C and New Convertible Notes Class A Preemptive Rights

[15] The total amount of distributions and new money contributions is subject to change based on Holders of General Unsecured Claims that opt into Class 5b Treatment.

Proceeds, shall be treated as having not elected Class 5b Treatment, and shall receive New Convertible Notes Class A with respect to its Allowed Claim and shall not have any right to purchase or to receive an allocation of Convertible Notes Class C.

ARTICLE VII
PROVISIONS GOVERNING DISTRIBUTIONS

7.1 Distributions for Claims Allowed as of the Effective Date

(a) Except as otherwise provided herein or as ordered by the Bankruptcy Court, distributions to be made on account of Claims that are Allowed Claims as of the Effective Date shall be made on the Initial Distribution Date or as soon thereafter as is practicable.

(b) Notwithstanding anything to the contrary herein, on the Initial Distribution Date, or as soon thereafter as is reasonably practicable, the Disbursing Agent will distribute to (i) the RCF Agent and Spare Engine Facility Agent, the treatment accorded to Holders of Allowed Class 1 and 2 Claims in Article III, (ii) each Holder of an Allowed Claim in Classes 3, 5, 6 and 11, the treatment accorded to such Holder in Article III; and (iii) the LATAM 2024/2026 Bond Trustees, the treatment accorded to the Class 4 Claims.

(c) Any distribution to be made pursuant to this Plan shall be deemed to have been made on the Effective Date. Any payment or distribution required to be made under this Plan on a day other than a Business Day shall be made on the next succeeding Business Day. Distributions on account of Disputed Claims that first become Allowed Claims after the Effective Date shall be made pursuant to Article IX of this Plan.

7.2 Disbursing Agent

Except as otherwise provided herein, all Cash distributions and other distributions to be made by the Debtors or the Reorganized Debtors, under the Plan or otherwise in connection with the Chapter 11 Cases (including, without limitation, professional compensation and statutory fees) shall be made by the Disbursing Agent. The Disbursing Agent shall not be required to give any bond or surety or other security for the performance of its duties unless otherwise ordered by the Bankruptcy Court. The Disbursing Agent may employ or contract with other entities to assist in or make the distributions required by this Plan.

7.3 Delivery of Distributions and Undeliverable or Unclaimed Distributions

(a) *Delivery of Distributions to Holders of Allowed Claims in General.*

(i) Unless otherwise agreed to between the Debtors or the Reorganized Debtors, as applicable, and the Holder of an Allowed Claim, the Debtors shall cause distributions to be made to the Holders of Allowed Claims in the same manner and to the same addresses as such payments are made in the ordinary course of the Debtors' businesses, unless another address is listed on the Holder's proof of claim form, in which case such address will be used.

(ii) No distributions shall be made on a Disputed Claim until and unless and until such Disputed Claim becomes an Allowed Claim.

(iii) In order to permit distributions under the Plan, Reorganized Debtors may, but will not be required to, establish reasonable reserves for Disputed Claims.

(iv) Physical certificates representing the New Convertible Notes will not be issued pursuant to the Plan. Physical certificates representing the ERO New Common Stock will be issued pursuant to the requirements of applicable law. The ERO New Common Stock and the New Convertible Notes will be registered with the CMF and on the Bolsa de Comercio de Santiago, Bolsa de Valores, and Bolsa Electrónica de Chile, Bolsa de Valores.

(b) *Undeliverable, Unnegotiated and Unclaimed Distributions*.

(i) *Holding of Undeliverable, Unnegotiated and Unclaimed Distributions*. If the distribution to any Holder of an Allowed Claim is returned to the Disbursing Agent or the Debtors as undeliverable or is otherwise unclaimed or not negotiated, no further distributions shall be made to such Holder unless and until the Disbursing Agent is notified in writing of such Holder's then-current address.

(ii) *After Distributions Become Deliverable*. The Disbursing Agent shall make all distributions that have become deliverable or have been claimed since the Initial Distribution Date as soon as practicable after such distribution has become deliverable or has been claimed.

(iii) *Failure to Claim Undeliverable or Unnegotiated Distributions*. Any Holder of an Allowed Claim (or any successor or assignee or other Person or Entity claiming by, through, or on behalf of, such Holder) that does not assert a claim pursuant to this Plan for an undeliverable or unclaimed distribution within six months after the later of the Effective Date or the date such distribution was made shall be deemed to have forfeited its Claim for such undeliverable or unclaimed distribution and shall be forever barred and enjoined from asserting any such Claim for an undeliverable or unclaimed distribution against the Debtors or their Estates, the Reorganized Debtors or their property. In such cases, (a) any Cash for distribution on account of such Claims for undeliverable or unclaimed distributions shall become the property of the Reorganized Debtors free of any restrictions thereon and notwithstanding any federal or state escheat laws or other applicable local laws to the contrary and (b) any New Securities and Documents held for distribution on account of such Claim shall be converted into equity (if applicable) and sold by Reorganized LATAM Parent in a manner consistent with applicable law and the applicable Reorganized Debtor's governing documents, and the proceeds of such sale shall become the property of the Reorganized Debtors free of any restrictions thereon. Nothing contained in this Plan shall require the Debtors, the Reorganized Debtors, or the Disbursing Agent to attempt to locate any Holder of an Allowed Claim.

(iv) *Non-Complying Holders*. Any Non-Complying Holder that fails to cure its non-compliance with the New Convertible Notes Offering Procedures within thirty (30) days after the Effective Date shall be deemed to have forfeited its Claim for distributions on account of its General Unsecured Claim against LATAM Parent and shall be forever barred and

enjoined from asserting any such Claim for distributions against the Debtors or their Estates, the Reorganized Debtors or their property. In such cases, (a) any Cash for distribution on account of such General Unsecured Claim against LATAM Parent shall become the property of the Reorganized Debtors free of any restrictions thereon and notwithstanding any federal or state escheat laws or other applicable local laws to the contrary and (b) any New Securities and Documents held for distribution on account of such General Unsecured Claim against LATAM Parent shall be converted into equity (if applicable) and sold by Reorganized LATAM Parent in a manner consistent with Reorganized LATAM Parent's governing documents, and the proceeds of such sale shall become the property of the Reorganized Debtors free of any restrictions thereon.

(v) *No Effect on Cash Distributions*. Any Holder of an Allowed Claim (or any successor or assignee or other Person or Entity claiming by, through, or on behalf of, such Holder) entitled to receive both a distribution of Cash and a distribution of Plan Securities may receive such Cash distribution even if its distribution of Plan Securities has not yet occurred, is returned to the Disbursing Agent as undeliverable, or is otherwise unclaimed.

7.4 Distribution Record Date

On the Distribution Record Date, the Claims Register shall be closed and the Disbursing Agent shall be authorized and entitled to recognize only those Holders listed on the Claims Register as of the close of business on the Distribution Record Date. Notwithstanding the foregoing, if a Claim is transferred less than twenty days before the Distribution Record Date, the Disbursing Agent shall make distributions to the transferee only to the extent practical and in any event only if the relevant transfer form contains an unconditional and explicit certification and waiver of any objection to the transfer by the transferor.

7.5 Cash Payments

At the Debtors' discretion, payments made pursuant to this Plan shall be made by the Disbursing Agent in Cash and by (i) checks drawn on the Disbursing Agent, (ii) wire transfer from a bank selected by the Disbursing Agent or (iii) any other customary payment method. Any Cash distributions required under the Plan to foreign Creditors may be made, at the option of the Disbursing Agent, by such means as are necessary or customary in a particular foreign jurisdiction. Any check issued by the Disbursing Agent shall be null and void if not negotiated within ninety days. Any Cash distributions required under the Plan in respect of Allowed RCF Claims, Allowed Spare Engine Facility Claims, and Allowed Local Bond Claims shall be paid by the Disbursing Agent to the RCF Agents, Spare Engine Facility Agent, or Local Bond Trustees (as applicable) by federal funds wire transfer on the Initial Distribution Date.

7.6 Limitation on Recovery

No Holder of an Allowed Claim shall receive in respect of such Claim any distribution in excess of the Allowed amount of such Claim including, without limitation, distributions from more than one Debtor due to guarantees, undertakings, or joint and several obligations. In the event that the sum of distributions from several Debtors' Estates with respect to an Allowed Claim would be in excess of one hundred percent (100%) of the applicable

Holder's Allowed Claim, then the proceeds remaining to be distributed to such Holder in excess of such one hundred percent (100%) shall be redistributed to other Holders of Allowed Claims against such Debtor or Debtors, or shall revest in the Reorganized Debtors, in accordance with the provisions of the Plan and the Bankruptcy Code. Further, to the extent that an Allowed Claim arises in whole or in part of out of a guarantee or other form of co-liability between multiple Debtors and any other Allowed Claim asserted in respect of such co-liability is Unimpaired, so long as the aggregate disbursement on account of such Allowed Claims results in the Holder(s) recovering the full value to which they are entitled on account of such Unimpaired Allowed Claim(s), the Debtors or Reorganized Debtors shall retain the discretion to determine how to allocate such aggregate recovery across such multiple Allowed Claims, including, for the avoidance of doubt, the extent of such Holder(s)' eligibility to participate in the New Convertible Notes Offering.

7.7 Withholding and Reporting Requirements

In connection with this Plan and all distributions hereunder, the Reorganized Debtors shall comply with all withholding and reporting requirements imposed by any U.S. federal, state or local taxing authority or foreign taxing authority and all distributions hereunder shall be subject to any such withholding and reporting requirements. The Reorganized Debtors shall be authorized to take any and all actions that may be necessary or appropriate to comply with such withholding and reporting requirements. All Persons holding Claims shall be required to provide any information necessary to effectuate information reporting and the withholding of such taxes. Notwithstanding any other provision of this Plan to the contrary, (a) each Holder of an Allowed Claim shall be liable for any tax obligations imposed by any governmental unit, including income, withholding and other tax obligations, on account of such distribution, (b) any amounts deducted or withheld from any distribution to a Holder by the Reorganized Debtors in respect of any tax shall be treated as if distributed to such Holder in connection with the Plan, and (c) at the discretion of the Reorganized Debtors, no distribution shall be made to or on behalf of such Holder pursuant to this Plan unless and until such Holder has made arrangements satisfactory to the Reorganized Debtors for the payment and satisfaction of such tax obligations. Any Cash, New Securities and Documents and/or other consideration or property to be distributed pursuant to this Plan shall, pending the implementation of such arrangements, be treated as an unclaimed distribution pursuant to Section 7.3(b) of this Plan.

7.8 Setoffs

The Reorganized Debtors may, pursuant to section 553 of the Bankruptcy Code and applicable non-bankruptcy law, but shall not be required to, set off against any payments or other distributions to be made pursuant to this Plan in respect of an Allowed Claim, claims of any nature whatsoever that the Debtors or the Reorganized Debtors may have against the Holder of such Claim; provided, however, that neither the failure to do so nor the allowance of any Claim hereunder shall constitute a waiver or release by the Reorganized Debtors of any claim that the Debtors or the Reorganized Debtors may have against such Holder.

7.9 No Fractional Shares

There shall be no distribution of fractional shares. Where a fractional share would otherwise be called for, the actual issuance shall reflect a rounding down of such fraction.

7.10 Compliance with Hart-Scott-Rodino and Similar Requirements

Any shares of Reorganized LATAM Parent to be distributed under the Plan to any entity required to file a Premerger Notification and Report Form under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, or to meet any similar requirements under applicable non-U.S. law, shall not be distributed until the notification and waiting periods applicable under such law to such entity shall have expired or been terminated.

ARTICLE VIII
TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES

8.1 Contracts and Leases Entered into after the Petition Date

Contracts and leases entered into after the Petition Date by any Debtor will be performed by the applicable Debtor or Reorganized Debtor, as the case may be, liable thereunder in the ordinary course of its business or as authorized by the Bankruptcy Court. Accordingly, such contracts and leases (including any assumed executory contracts and unexpired leases) will survive and remain unaffected by entry of the Confirmation Order, and, on the Effective Date, shall revest in and be fully enforceable by the applicable Reorganized Debtor in accordance with its terms, except as such terms may have been modified by order of the Bankruptcy Court.

8.2 Assumption, Rejection and Assignment of Executory Contracts and Unexpired Leases

(a) Except as otherwise provided for herein, on the Effective Date, all executory contracts and unexpired leases of the Debtors will be deemed automatically rejected in accordance with and subject to the provisions and requirements of sections 365 and 1123 of the Bankruptcy Code without the need for any further notice to or action, order or approval of the Bankruptcy Court, unless such executory contracts and unexpired leases are (i) identified on Exhibit D as Assumed Contracts or Exhibit E as Assigned Contracts and not removed from such exhibit prior to the Effective Date, (ii) previously assumed by order of the Bankruptcy Court, or (iii) the subject of a motion to assume filed with the Bankruptcy Court on or before the Effective Date; provided that the Debtors reserve the right to seek, following entry of the Confirmation Order, assumption of an executory contract or unexpired lease that was deemed rejected. The amendment of an executory contract or unexpired lease after the Petition Date shall not, by itself, constitute the assumption of such executory contract or unexpired lease. For the avoidance of doubt, an executory contract or unexpired lease may be deemed automatically rejected even if not specifically listed on Exhibit C hereof.

(b) With respect to Aircraft Leases that were not previously assumed, had not previously expired or terminated pursuant to their terms, or are not subject to a motion to assume or assume and assign filed on or before the date the Confirmation Order is entered, the Debtors shall assume only those Aircraft Leases and related executory contracts that are designated

specifically as an unexpired lease or executory contract on Exhibit D. For the avoidance of doubt, any executory contracts or unexpired leases that are ancillary to Aircraft Leases that have been previously assumed or are being assumed under the Plan shall be deemed assumed. To the extent certain of the Debtors' finance leases that were amended during the course of these Chapter 11 Cases, the debt associated with such leases shall be provided the treatment agreed between the applicable Debtor(s) and the lease counterparties in the applicable governing amendment documents.

(c) The assumption of Executory Contracts and Unexpired Leases hereunder may include the assignment of certain of such contracts to Affiliates. Each Assigned Contract shall be listed on Exhibit E, along with the proposed counterparty to such Assigned Contract.

(d) Each Rejected Contract shall be rejected only to the extent that it constitutes an executory contract or unexpired lease.

(e) Without amending or altering any prior order of the Bankruptcy Court approving the assumption, assignment or rejection of any executory contracts and unexpired leases, entry of the Confirmation Order shall constitute approval of the assumptions, assignments and rejections as applicable, provided herein, pursuant to sections 365(a), 365(f) and 1123 of the Bankruptcy Code. To the extent any provision in any executory contracts and unexpired leases assumed or assigned pursuant to this Plan (including, without limitation, any "change of control" provision) conditions, restricts or prevents, or purports to restrict or prevent, or is breached or deemed breached by, the applicable assumption or assignment of such executory contract or unexpired lease, or that terminates or modifies such executory contract or unexpired lease or allows the counterparty to such executory contract or lease to terminate, modify, recapture, impose any penalty, condition renewal or extension, or modify any term or condition upon any such assumption or assignment, then such provision shall be deemed void and of no force or effect such that the transactions contemplated by this Plan shall not entitle the non-debtor party thereto to terminate or modify such executory contract or unexpired lease or to exercise any other default-related rights with respect thereto. Confirmation of the Plan and consummation of the transactions contemplated thereby shall not constitute a change of control under any executory contract or unexpired lease assumed by the Debtors on or prior to the Effective Date.

8.3 Insurance Policies and Indemnification Obligations

Notwithstanding anything to the contrary herein or in the Plan Supplement, each of the insurance policies of the Debtors, including all director and officer insurance policies in place as of or subsequent to the Petition Date, are deemed to be and treated as executory contracts under the Plan. Unless listed on Exhibit C, on the Effective Date, the Debtors shall be deemed to have assumed all insurance policies, including all director and officer insurance policies in place as of the Petition Date, provided, that the Reorganized Debtors shall not indemnify officers, directors, equity holders, agents, or employees, as applicable, of the Debtors for any claims or Causes of Action arising out of or relating to any act or omission that is a criminal act or constitutes intentional fraud, gross negligence, or willful misconduct.

In addition, after the Effective Date, all current and former officers, directors, agents, or employees who served in such capacity at any time before the Effective Date shall be entitled to

the full benefits of any D&O Policy (including any "tail" policy) for the full term of such policy regardless of whether such officers, directors, agents, and/or employees remain in such positions after the Effective Date, in each case, to the extent set forth in such policies. In addition, after the Effective Date, the Reorganized Debtors shall not terminate or otherwise reduce the coverage under any D&O Policy (including any "tail" policy) in effect as of or subsequent to the Petition Date; provided, that, for the avoidance of doubt, any insurance policy, including tail insurance policies, for directors', members', trustees', and officers' liability to be purchased or maintained by the Reorganized Debtors after the Effective Date shall be subject to the ordinary-course corporate governance of the Reorganized Debtors.

Notwithstanding anything in the Plan, any Indemnification Obligation to indemnify current and former officers, directors, members, managers, agents, sponsors, or employees with respect to all present and future actions, suits, and proceedings against the Debtors or such officers, directors, members, managers, agents, or employees based upon any act or omission for or on behalf of the Debtors shall (i) remain in full force and effect, (ii) not be discharged, impaired, or otherwise affected in any way, including by the Plan, the Plan Supplement, or the Confirmation Order, (iii) not be limited, reduced or terminated after the Effective Date, and (iv) survive unimpaired and unaffected irrespective of whether such Indemnification Obligation is owed for an act or event occurring before, on or after the Petition Date; provided, that the Reorganized Debtors shall not indemnify officers, directors, members, or managers, as applicable, of the Debtors for any claims or Causes of Action that are not indemnified by such Indemnification Obligation. All such obligations shall be deemed and treated as executory contracts to be assumed by the Debtors under the Plan and shall continue as obligations of the Reorganized Debtors, and, if necessary to effectuate such assumption under local law, Reorganized LATAM Parent shall contractually assume such obligations. Any claim based on the Debtors' obligations under the Plan shall not be a Disputed Claim or subject to any objection, in either case, by reason of section 502(e)(1)(B) of the Bankruptcy Code.

8.4 Intellectual Property Licenses and Agreements

Notwithstanding anything to the contrary herein or in the Plan Supplement, all intellectual property contracts, licenses, royalties, or other similar agreements to which the Debtors have any rights or obligations in effect as of the date of the Confirmation Order shall be deemed and treated as executory contracts pursuant to the Plan and shall be assumed by the Debtors and Reorganized Debtors, as applicable, and shall continue in full force and effect unless any such intellectual property contract, license, royalty, or other similar agreement otherwise is listed on Exhibit C, specifically rejected pursuant to a separate order of the Bankruptcy Court or is the subject of a separate rejection motion filed by the Debtors. Unless otherwise noted hereunder, all other intellectual property contracts, licenses, royalties, or other similar agreements shall vest in the Reorganized Debtors and the Reorganized Debtors may take all actions as may be necessary or appropriate to ensure such vesting as contemplated herein.

8.5 Compensation and Benefit Programs; Other Employee Obligations

Notwithstanding anything to the contrary herein or in the Plan Supplement, all employment, confidentiality, and non-competition agreements (including, for the avoidance of doubt, any agreements with third-party personnel vendors or any agreements with independent

contractors), collective bargaining agreements, offer letters (including any severance set forth therein), bonus, gainshare and incentive programs, vacation, holiday pay, paid-time off, leaves, severance, retirement, supplemental retirement, indemnity, executive retirement, pension, deferred compensation, medical, dental, vision, life and disability insurance, flexible spending account, and other health and welfare benefit plans, programs, agreements and arrangements, and all other wage, compensation, employee expense reimbursement, unemployment insurance, workers' compensation, and all other benefit obligations (including, for the avoidance of doubt, letter agreements with respect to certain employees' rights and obligations in the event of certain terminations of their employment in connection with and following the implementation of the Restructuring Transactions) (collectively, the "Compensation and Benefits Plans") are deemed to be, and will be treated as, Executory Contracts under the Plan and, on the Effective Date, will be deemed assumed pursuant to sections 365 and 1123 of the Bankruptcy Code (in each case, as amended prior to or on the Effective Date) unless any such Compensation and Benefit Plan is listed on Exhibit C, specifically rejected pursuant to a separate order of the Bankruptcy Court or is the subject of a separate rejection motion filed by the Debtors; provided, that no employee equity or equity-based incentive plans, or any provisions set forth in any Compensation and Benefits Plans that provide for rights to acquire equity interests in any of the Debtors will be assumed, or deemed assumed, by the Reorganized Debtors.

8.6 Intercompany Agreements

Notwithstanding anything to the contrary herein or in the Plan Supplement, all contracts, unexpired leases and other agreements solely between a Debtor and (i) any other Debtor or (ii) any subsidiary or Affiliate of a Debtor (each, an "Intercompany Agreement" and collectively, the "Intercompany Agreements") are deemed to be, and will be treated as, Executory Contracts under the Plan and, on the Effective Date, will be deemed assumed pursuant to sections 365 and 1223 of the Bankruptcy Code (in each case, as amended prior to or on the Effective Date) unless any such Intercompany Agreement is listed on Exhibit C, specifically rejected pursuant to a separate order of the Bankruptcy Court or is the subject of a separate rejection motion filed by the Debtors.

8.7 Critical Airline Agreements

Notwithstanding anything to the contrary herein or in the Plan Supplement, all agreements with or administered by the International Air Transport Association and any bilateral interline agreements with other airlines (including interline agreements related to the Debtors' cargo business) along with all related clearinghouse agreements are deemed to be, and will be treated as, Executory Contracts under the Plan and, on the Effective Date, will be deemed assumed pursuant to sections 365 and 1123 of the Bankruptcy Code (in each case, as amended prior to or on the Effective Date) unless any such agreement or contract is listed on Exhibit C, specifically rejected pursuant to a separate order of the Bankruptcy Court or is the subject of a separate rejection motion filed by the Debtors. Furthermore, all reciprocal and unilateral code share agreements, lounge access agreements, special prorate agreements and frequent flyer program agreements, as well as all related clearinghouse agreements, are deemed to be, and will be treated as, Executory Contracts under the Plan and, on the Effective Date, will be deemed assumed pursuant to sections 365 and 1123 of the Bankruptcy Code (in each case, as amended prior to or on the Effective Date) unless any such agreement or contract is listed on Exhibit C,

specifically rejected pursuant to a separate order of the Bankruptcy Court or is the subject of a separate rejection motion filed by the Debtors.

8.8 Preexisting Obligations to the Debtors Under Rejected Contracts

Rejection of any Rejected Contract pursuant to the Plan shall not constitute a termination of pre-existing obligations owed to the applicable Debtor(s) under such Rejected Contract. In particular, notwithstanding any non-bankruptcy law to the contrary, the Reorganized Debtors expressly reserve and do not waive any right to receive, or any continuing obligation of a counterparty to provide, warranties or continued maintenance obligations on goods previously purchased by the contracting Debtors or Reorganized Debtors, as applicable, from counterparties to any Rejected Contract.

8.9 Subsequent Modifications, Amendments, Supplements or Restatements.

Unless otherwise provided by the Plan or by separate order of the Bankruptcy Court, each executory contract and unexpired lease that is assumed, whether or not such executory contract or unexpired lease relates to the use, acquisition or occupancy of real property, shall include (a) all modifications, amendments, supplements, restatements or other agreements made directly or indirectly by any agreement, instrument or other document that in any manner affects such executory contract or unexpired lease and (b) all executory contracts or unexpired leases appurtenant to the premises, if any, including all easements, licenses, permits, rights, privileges, immunities, options, rights of first refusal, powers, and uses, unless any of the foregoing agreements has been or is rejected pursuant to an order of the Bankruptcy Court or is otherwise rejected as part of the Plan. Modifications, amendments, supplements and restatements to prepetition executory contracts and unexpired leases that have been executed by the Debtors during the Chapter 11 Cases and actions taken in accordance therewith (i) do not alter in any way the prepetition nature of the executory contracts and unexpired leases, or the validity, priority or amount of any Claims against the Debtors that may arise under the same, (ii) are not and do not create postpetition contracts or leases, (iii) do not elevate to administrative expense priority any Claims of the counterparties to the executory contracts and unexpired leases against any of the Debtors, and (iv) do not entitle any entity to a Claim under any section of the Bankruptcy Code on account of the difference between the terms of any prepetition executory contracts or unexpired leases and subsequent modifications, amendments, supplements or restatements.

8.10 Reservation of Rights

(a) The Debtors reserve their right, on or before **4:00 p.m. (prevailing Eastern Time)** on the Business Day immediately before the Confirmation Hearing, as may be rescheduled or continued, to (i) amend Exhibit C, Exhibit D and Exhibit E to delete or add any unexpired lease or executory contract. The counterparty to any executory contracts or unexpired leases first listed on or removed from Exhibit C, Exhibit D or Exhibit E, as applicable, on or before the date that is five calendar days before the Confirmation Hearing, shall have five calendar days from the date of such amended Exhibit to file a Treatment Objection. The counterparty to any executory contract or unexpired lease first listed on or removed from Exhibit C, Exhibit D or Exhibit E, as applicable, later than the date that is five calendar days before the

Confirmation Hearing, shall have until the Confirmation Hearing to file a Treatment Objection. The counterparty to any executory contracts or unexpired leases first listed on or removed from in Exhibit C, Exhibit D or Exhibit E, as applicable, on or after the date of the Confirmation Hearing, shall have ten calendar days from the service of such amended Exhibit to file a Treatment Objection.

(b) If the Debtors, in their discretion, determine that the amount asserted to be the necessary "cure" amount would, if ordered by the Bankruptcy Court, make the assumption and/or assignment of the executory contract or unexpired lease imprudent, then the Debtors may elect to (i) reject the relevant executory contract or unexpired lease or (ii) request an expedited hearing on the resolution of the "cure" dispute, exclude assumption or rejection of the contract or lease from the scope of the Confirmation Order, and retain the right to reject the executory contract or unexpired lease pending the outcome of such dispute.

(c) If the Debtors, in their discretion, determine that the amount asserted to be the necessary rejection damages amount would, if ordered by the Bankruptcy Court, make the rejection of the executory contract or unexpired lease imprudent, then the Debtors may elect to (i) assume the relevant executory contract or unexpired lease, (ii) assume and assign the relevant executory contract or unexpired lease, or (iii) request an expedited hearing on the resolution of the rejection damages dispute, exclude assumption or rejection of the contract or lease from the scope of the Confirmation Order, and retain the right to assume or assume and assign the executory contract or unexpired lease pending the outcome of such dispute.

(d) Neither the exclusion nor inclusion of any contract or lease in Exhibit C, Exhibit D or Exhibit E, nor anything contained in the Plan, shall constitute an admission by the Debtors that any such contract or lease is in fact an executory contract or unexpired lease or that the Reorganized Debtors have any liability thereunder.

8.11 Rejection Damages for Rejected Contracts; Cure of Defaults of Assumed Executory Contracts and Unexpired Leases

(a) **All executory contracts and unexpired leases that are not expressly assumed shall be deemed rejected as of the Effective Date.** Unless otherwise provided for herein, in Exhibit C, or in the Plan Supplement, the rejection damages for each Rejected Contract shall be zero. In the event that the rejection of an executory contract or unexpired lease hereunder results in damages to the other party or parties to such contract or lease, any Claim for such damages shall be classified and treated as a General Unsecured Claim against the applicable Debtor(s), and may be objected to in accordance with the provisions of Section 8.12 hereof and the applicable provisions of the Bankruptcy Code and Bankruptcy Rules. Such Claim shall be forever barred and unenforceable against any Debtor or Reorganized Debtor, their respective Affiliates, successors or assigns or the property of any of them, unless a proof of Claim is filed with the Bankruptcy Court and served upon counsel for the Debtors by the later of (i) the date of entry of an order of the Bankruptcy Court approving such rejection, (ii) entry of the Confirmation Order, and (iii) the effective date of the rejection of such executory contract or unexpired lease.

(b) With respect to any Assigned Contracts and Assumed Contracts, other than those assumed pursuant to Sections 8.1, 8.3, 8.4. 8.5, or 8.6 hereof, at least ten (10) days before the deadline to object to confirmation of the Plan, the Debtors shall serve a notice on parties to all Assigned Contracts and Assumed Contracts reflecting the Debtors' intention to potentially assume or assume and assign the Assumed Contract or Assigned Contract in connection with this Plan and, where applicable, setting forth the proposed cure amount (the "Cure Amount") (if any) (the "Assumption Notice"). Except as otherwise provided for herein or in the Assumption Notice or as may be otherwise agreed in writing by the applicable Debtor and counterparty, the Cure Amount for each Assigned Contract and Assumed Contract shall be zero. All Cure Amounts shall be satisfied, pursuant to section 365(b)(1) of the Bankruptcy Code, by payment in Cash in the amounts set forth in the Assumption Notice, or on such other terms as the parties to each such executory contract or unexpired lease may otherwise agree in writing, on or as soon as practicable following the Effective Date or on such other terms as the parties to each such executory contract or unexpired lease may otherwise agree. Pursuant to section 365(b)(2)(D) of the Bankruptcy Code, no counterparty to an executory contract or unexpired lease shall be allowed a Claim, as part of its Cure Amount, for a default rate of interest or any other form of late payment penalty.

(c) In the event of a dispute pertaining to assumption, assignment, or the Cure Amount set forth in the Assumption Notice, the cure payments required by section 365(b)(1) of the Bankruptcy Code shall be made following the resolution of the dispute in accordance with Section 8.12 of this Plan. Pending the resolution of such dispute, the executory contract or unexpired lease at issue shall be deemed conditionally assumed by the relevant Reorganized Debtor unless otherwise ordered by the Bankruptcy Court. To the extent that any Person fails to timely File an objection to the assumption, assumption and assignment, or the Cure Amount listed in the Assumption Notice or otherwise as set forth in Section 8.12 hereof, such Person is deemed to have consented to such Cure Amounts and the assumption or assumption and assignment of such executory contracts or unexpired leases pursuant to this Plan. The Cure Amounts set forth in the Assumption Notice shall be final and binding on all non-debtor parties (including any successors and designees) to such executory contracts or unexpired leases set forth in the Assumption Notice, and shall not be subject to further dispute or audit based on performance prior to the time of assumption, irrespective of the terms and conditions of such executory contract or unexpired lease. Each counterparty to an assumed or assumed and assigned executory contract or unexpired lease, whether entered before or after the Petition Date, shall be forever barred, estopped, and permanently enjoined from (i) asserting against any Reorganized Debtor, its Affiliates, successors or assigns or the property of any of them, any default existing as of the Effective Date or any counterclaim, defense, setoff or any other interest asserted or assertable against the Debtors; and (ii) imposing or charging against any Reorganized Debtor any accelerations, assignment fees, increases or any other fees as a result of any assumption or assignment pursuant to this Plan.

(d) Upon the assignment of any Assigned Contract, no default shall exist thereunder and no counterparty to any such Assigned Contract shall be permitted to declare a default by the Debtors or the Reorganized Debtors thereunder or otherwise take action against the Reorganized Debtors, their Affiliates, successors or assigns or the property of any of them as a result of any of the Restructuring Transactions, or any Debtor's financial condition, bankruptcy or failure to perform any of its obligations under such Assigned Contract prior to the Effective

Date. Any provision in any Assigned Contract that is assigned under this Plan which prohibits or conditions the assignment or allows the counterparty thereto to terminate, recapture, impose any penalty, condition on renewal or extension, or modify any term or condition upon such assignment, constitutes an unenforceable anti-assignment provision that is void and of no force and effect.

8.12 Objections to Rejection, Assumption, Assignment or Cure

Except as provided by Section 8.10 of this Plan regarding amendments to Exhibit C, Exhibit D and Exhibit E, responses or objections, if any, to the (i) rejection, including any applicable rejection damages, (ii) assumption, (iii) assumption and assignment, or (iv) any Cure Amount related to any contracts or leases to be assumed or assumed and assigned under the Plan (each a "Treatment Objection"), shall be Filed, together with proof of service, with the Clerk of the United States Bankruptcy Court, Southern District of New York, One Bowling Green, New York, NY 10004, and served such that the responses or objections are actually received no later than 4:00 p.m. **(prevailing Eastern Time) on [●]** (the "Confirmation Objection Deadline") by each of the following parties:

(a) counsel to the Debtors, Cleary Gottlieb Steen & Hamilton LLP, One Liberty Plaza, New York, New York 10006, Attention: Richard J. Cooper, Esq., Lisa M. Schweitzer, Esq., Luke A. Barefoot, Esq. and Thomas S. Kessler, Esq.;

(b) the Office of the United States Trustee, U.S. Department of Justice, 201 Varick Street, Room 1006, New York, New York 10014, Attention: Brian Masumoto, Esq.;

(c) counsel to the Committee, Dechert LLP, 1095 Avenue of the Americas, New York, New York 10036, Attention: Allan S. Brilliant, Esq, Craig P. Duehl, Esq. and David H. Herman, Esq.;

(d) counsel to the Commitment Creditors Kramer Levin Naftalis & Frankel LLP, 1177 Avenue of the Americas, New York, New York 10036, Attn: Kenneth H. Eckstein, Esq. and Rachael L. Ringer, Esq.;

(e) counsel to each of the Backstop Shareholders and the Eblen Group: (i) Davis Polk & Wardwell LLP, 450 Lexington Ave, New York, New York 10017, Attn: Marshall Huebner, Esq, Lara Samet Buchwald, Esq. and Adam L. Shpeen, Esq., and Gene Goldmintz, Esq.; (ii) Alston & Bird LLP, 90 Park Avenue, New York, New York 10016, Attn: Gerard S. Catalanello, Esq. and James J. Vincequerra, Esq.; and (iii) Wachtell, Lipton, Rosen & Katz, 51 West 52nd Street, New York, New York 10019, Attn: Richard G. Mason, Esq. and Angela K. Herring, Esq.; and

(f) any non-Debtor parties to such executory contract or unexpired lease.

Any objection to the proposed Cure Amount or to the proposed rejection damages shall state with specificity the cure amount or rejection damages amount, as applicable, the objecting party believes is required and provide appropriate documentation in support thereof. If any Treatment Objection is not timely Filed and served before the Confirmation Objection

Deadline, each counterparty to an assumed, assumed and assigned, or rejected executory contract or unexpired lease, whether entered before or after the Petition Date, shall be forever barred from (i) objecting to the rejection, assumption, assignment, rejection damages amount, and/or Cure Amount provided hereunder, and shall be precluded from being heard at the Confirmation Hearing with respect to such objection; (ii) asserting against any Reorganized Debtor, its Affiliates, successors or assigns or the property of any of them, any default existing as of the Effective Date or any counterclaim, defense, setoff or any other interest asserted or assertable against the Debtors; and (iii) imposing or charging against any Reorganized Debtor any accelerations, assignment fees, increases or any other fees as a result of any assumption or, assumption and assignment or rejection pursuant to this Plan.

On and after the Effective Date, the Reorganized Debtors may, in their sole discretion, settle Treatment Objections without any further notice to or action by the Bankruptcy Court or any other party (including by paying any agreed "cure" amounts).

For each executory contract or unexpired lease as to which a Treatment Objection is timely Filed and properly served and that is not otherwise resolved by the parties on or before the date of the Confirmation Hearing, the Debtors, subject to the availability of the Bankruptcy Court, may schedule a hearing on such Treatment Objection and provide at least twenty-one calendar days' notice of such hearing to the party filing such Treatment Objection.

Unless the Bankruptcy Court expressly orders or the parties agree otherwise, any assumption, rejection, or assignment approved by the Bankruptcy Court notwithstanding a Treatment Objection shall be effective as of the effective date originally proposed by the Debtors or specified in the Plan or the Confirmation Order. Any cure shall be paid as soon as reasonably practicable following the entry of a Final Order resolving a Cure Amount or assumption or assignment dispute unless the Debtors elect to reject the executory contract or unexpired lease as described above.

ARTICLE IX
PROCEDURES FOR RESOLVING DISPUTED CLAIMS

9.1 Resolution of Disputed Claims

Unless otherwise ordered by the Bankruptcy Court after notice and a hearing, the Reorganized Debtors and the Disbursing Agent shall have the exclusive right to make and File objections to Claims (other than Administrative Expense Claims and Professional Fees Claims to which other parties may object as set forth in Section 3.1 and Section 13.5 of this Plan) and shall serve a copy of each objection upon the Holder of the Claim to which the objection is made as soon as practicable, but in no event later than ninety days after the Effective Date (the "Claims Objection Deadline") or such later date as is established by the filing of a notice by the Reorganized Debtors prior to the expiration of the then current Claims Objection Deadline. Notwithstanding any authority to the contrary, an objection to a Claim shall be deemed properly served on the Holder thereof if service is effected in any of the following manners: (a) in accordance with Rule 4 of the Federal Rules of Civil Procedure, as modified and made applicable by Bankruptcy Rule 7004; (b) by email or first class mail, postage prepaid, on the signatory on the proof of claim or interest or other representative identified in the proof of claim

or interest or any attachment thereto; (c) by email or first class mail, postage prepaid, on any counsel that has appeared on the Holder's behalf in the Chapter 11 Cases or (d) any other method that may be agreed by the Debtors and the Holder. Pursuant to Bankruptcy Rule 9019(a), the Debtors may compromise, settle and resolve all Disputed Claims up to the Effective Date. After the Effective Date, any such right shall pass to the Reorganized Debtors without the need for further approval of the Bankruptcy Court.

9.2 No Distributions Pending Allowance

Notwithstanding any other provision of this Plan to the contrary, no payments or distributions of any kind or nature shall be made with respect to all or any portion of a Disputed Claim unless and until all objections to such Disputed Claim have been settled or withdrawn or have been determined by Final Order and the Disputed Claim has become an Allowed Claim.

9.3 Distributions on Account of Disputed Claims Once They Are Allowed

If a Disputed Claim becomes an Allowed Claim after the Initial Distribution Date, the Disbursing Agent shall be authorized to cause a distribution to be made on account of such Disputed Claim on the date of Allowance or as soon as reasonably practicable thereafter. Such distributions will be made pursuant to the applicable provisions of Article VII of this Plan, subject to Section 9.5 of this Plan.

9.4 Estimation of Claims

The Debtors or the Reorganized Debtors may at any time request that the Bankruptcy Court estimate any contingent Claim, unliquidated Claim or Disputed Claim pursuant to section 502(c) of the Bankruptcy Code regardless of whether any of the Debtors or the Reorganized Debtors previously objected to such Claim or whether the Bankruptcy Court has ruled on any such objection, and the Bankruptcy Court will retain jurisdiction to estimate any Claim at any time during litigation concerning any objection to such Claim, including, without limitation, during the pendency of any appeal relating to any such objection. In the event that the Bankruptcy Court estimates any contingent Claim, unliquidated Claim or Disputed Claim, the amount so estimated shall constitute either the Allowed amount of such Claim or a maximum limitation on such Claim, as determined by the Bankruptcy Court. If the estimated amount constitutes a maximum limitation on the amount of such Claim, the Debtors or the Reorganized Debtors may pursue supplementary proceedings to object to the allowance of such Claim. All of the aforementioned objection, estimation and resolution procedures are intended to be cumulative and not exclusive of one another. Claims may be estimated and subsequently compromised, settled, withdrawn or resolved by any mechanism approved by the Bankruptcy Court.

9.5 Disputed Claims Reserve

(a) On the Effective Date, the Disbursing Agent in coordination with Reorganized LATAM Parent (to the extent the Disbursing Agent is not Reorganized LATAM Parent) shall reserve in the Disputed Claims Reserve the amount of Cash and Plan Securities that the Reorganized Debtors determine would likely have been distributed to the Holders of all Disputed Claims if such Disputed Claims had been Allowed on the Effective Date. The amount

of such Disputed Claims is to be determined, solely for the purposes of establishing reserves and for maximum distribution purposes, to be the lesser of (a) the asserted amount of the Disputed Claim filed with the Bankruptcy Court as set forth in the non-duplicative Proof of Claim, or (if no proof of such Claim was filed) listed by the Debtors in the Schedules, (b) the amount, if any, estimated by the Bankruptcy Court pursuant to section 502(c) of the Bankruptcy Code or ordered by other order of the Bankruptcy Court, or (c) the amount otherwise agreed to by the Debtors or the Reorganized Debtors, as applicable, in consultation with the Holder of such Disputed Claim for distribution purposes. With respect to all Disputed Claims that are unliquidated or contingent and/or for which no dollar amount is asserted on a Proof of Claim, the Debtors will reserve Cash equal to the amount reasonably determined by the Debtors or Reorganized Debtors. With respect to any Plan Securities reserved pursuant to this Section 9.5, the Debtors and the Disbursement Agent shall have the right, in their sole discretion, to sell such Plan Securities (including following conversion of any New Convertible Notes to Reorganized LATAM Common Stock) at prevailing market rates, with any cash proceeds of such sale held in the Disputed Claims Reserve in accordance with this Section 9.5.

(b) The Disbursing Agent may, at the direction of the Debtors or the Reorganized Debtors, adjust the Disputed Claims Reserve to reflect all earnings thereon (net of any expenses relating thereto, and net of taxes calculated at the applicable combined highest marginal tax rates imposed on a corporation in the jurisdiction in which the Disbursing Agent maintains all or a portion of the Disputed Claims Reserve, for federal, state and local tax purposes in each of the relevant jurisdictions on the amount of all such earnings recognized by the Debtors or Reorganized Debtors for federal, state or local tax purposes in each of the relevant jurisdictions) to be distributed on the Distribution Dates, as required by the Plan. The Disbursing Agent shall hold in the Disputed Claims Reserve all dividends, payments and other distributions made on account of, as well as any obligations arising from, the property held in the Disputed Claims Reserve, to the extent that such property continues to be so held at the time such distributions are made or such obligations arise. To the extent that dividends are issued on the Plan Securities that the Disbursing Agent holds in reserve, the Disbursing Agent will also distribute such dividends in accordance with this Section 9.5 when distributions are made on Disputed Claims.

(c) After any reasonable determination by the Reorganized Debtors that the Disputed Claims Reserve should be adjusted downward in accordance with this Section 9.5, the Disbursing Agent shall, at the direction of the Debtors or the Reorganized Debtors, effect a distribution to the Reorganized Debtors in the amount of such adjustment as required by this Plan (an "Adjustment Distribution").

(d) After all Disputed Claims have become either Allowed or disallowed and all distributions required pursuant to Article VII of this Plan have been made, the Disbursing Agent shall, at the direction of the Reorganized Debtors, distribute the Cash remaining in the Disputed Claims Reserve to the Reorganized Debtors.

9.6 No Amendments to Claims

A Claim may be amended before the Confirmation Date only as agreed upon by the Debtors and the holder of such Claim, or as otherwise permitted by the Bankruptcy Court, the

Bankruptcy Rules or applicable non-bankruptcy law. On or after the Confirmation Date, the holder of a Claim (other than an Administrative Expense Claim or a Professional Fees Claim) must obtain prior authorization from the Bankruptcy Court or Reorganized Debtors to file or amend a Claim. Any new or amended Claim (other than Rejection Claims) filed after the Confirmation Date without such prior authorization will not appear on the Claims Register and will be deemed disallowed in full and expunged without any action required of the Debtors or the Reorganized Debtors and without the need for any court order.

9.7 No Late-Filed Claims

In accordance with the Bar Date Order, the Supplemental Bar Date Order and section 502(b)(9) of the Bankruptcy Code, any Entity that failed to file a proof of Claim by the applicable Bar Date or was not otherwise permitted to file a proof of Claim after the applicable Bar Date by a Final Order of the Bankruptcy Court is and shall be barred, estopped and enjoined from asserting any Claim against the Debtors (a) in an amount that exceeds the amount, if any, that is identified in the Schedules on behalf of such Entity as undisputed, noncontingent and liquidated; or (b) of a different nature or a different classification than any Claim identified in the Schedules on behalf of such Entity.

All Claims filed after the applicable Bar Date and for which no Final Order has been entered by the Bankruptcy Court determining that such Claims were timely filed shall be disallowed and expunged without any further action required by the Debtors, the Reorganized Debtors or the Bankruptcy Court. Any Distribution on account of such Claims shall be limited to the amount, if any, listed in the applicable Schedules as undisputed, noncontingent and liquidated. The Debtors or the Reorganized Debtors have no obligation to review or respond to any Claim filed after the applicable Bar Date unless: (y) the filer has obtained an order from the Bankruptcy Court authorizing it to file such Claim after the Bar Date; or (z) the Reorganized Debtors have consented to the filing of such Claim in writing.

ARTICLE X
CONFIRMATION AND CONSUMMATION OF THE PLAN

10.1 Conditions to Confirmation

Subject to Section 10.3, it shall be a condition precedent to the confirmation of this Plan that (i) each of the Plan, Disclosure Statement, and Plan Supplement (including, with respect to any amendments, modifications, supplements and exhibits thereto related to the foregoing) shall be in form and substance reasonably satisfactory to the Debtors; (ii) the Confirmation Order shall have been entered and not stayed; and (iii) all governmental or other approvals required to effectuate the terms of this Plan (including, without limitation, the registration of all Plan Securities with the CMF) shall have been obtained.

10.2 Conditions to Effective Date

Subject to Section 10.3, each of the following is a condition precedent to the occurrence of the Effective Date:

(a) the Confirmation Order (including any amendment or modification thereof) shall (i) have been entered by the Bankruptcy Court in form and substance acceptable to the Debtors, the Backstop Shareholders and the Requisite Commitment Creditors, and (ii) not have been stayed, vacated or set aside;

(b) all actions, documents, certificates, and agreements necessary to implement the Plan shall have been effected or executed and delivered to the required parties and, to the extent required, filed with the applicable government units in accordance with applicable law;

(c) all shareholder approvals and board approvals necessary to implement the Plan and issue the New Convertible Notes and ERO New Common Stock and amend the bylaws of LATAM Parent shall have been obtained;

(d) to the extent that the Debtors seek recognition of the Plan in Chile or Colombia , the Plan shall have been granted recognition or its equivalent status in Chile or Colombia, as the case may be, provided, however, that if the Debtors seek such recognitions or equivalent status, any failure or delay in obtaining such recognition or equivalent status shall not be a condition precedent to the extent then-remaining Restructuring Transactions may be consummated in Chile and Colombia by the Effective Date;

(e) the Plan shall have been granted approval in the joint provisional liquidator proceeding pending in the Cayman Islands;

(f) all of the conditions precedent for effectiveness of the Exit Financing shall have been satisfied or waived in accordance with the terms thereof;

(g) notice of the projected Effective Date shall have been provided to the Committee, or its counsel, no later than five (5) Business Days prior to the projected Effective Date;

(h) all government and regulatory filings and approvals necessary to implement the Plan shall have been completed or received, as applicable, including, without limitation, anti-trust filings (to the extent required) and registration of Plan Securities with the CMF

(i) the Plan and the Disclosure Statement, and the Restructuring Documents have not been amended or modified other than in a manner in form and substance consistent in all material respects with the Restructuring Term Sheet and otherwise acceptable to the Debtors, the Requisite Commitment Creditors and the Backstop Shareholders;

(j) the Restructuring Support Agreement is in full force and effect and no Termination Event (as defined in the Restructuring Support Agreement) has occurred and is continuing;

(k) all outstanding Commitment Creditor Fees and Backstop Shareholder Fees that are due and payable have been paid in full by the Debtors in Cash to the extent invoiced in advance of the Effective Date; and

(l) there shall be no ruling, judgment or order issued by any Governmental Unit making illegal, enjoining or otherwise preventing or prohibiting the consummation of the Restructuring Transactions unless such ruling, judgment or order has been stayed, reversed or vacated.

10.3 Waiver of Conditions

Each of the conditions set forth in Sections 10.1 and 10.2 of this Plan may be waived in whole or in part by the Debtors with the consent of the Commitment Parties, without any other notice to parties in interest or notice to or order of the Bankruptcy Court and without a hearing. The failure to satisfy or waive a condition to the Effective Date may be asserted by the Debtors regardless of the circumstances giving rise to the failure of such condition to be satisfied. The failure of a Debtor to exercise any of the foregoing rights shall not be deemed a waiver of any other rights and each right shall be deemed an ongoing right that may be asserted at any time.

10.4 Notice of Effective Date

Upon satisfaction of all the conditions to the Effective Date set forth in Section 10.2, or if waivable, waiver pursuant to Section 10.3, or as soon thereafter as is reasonably practicable thereafter, the Reorganized Debtors shall File with the Bankruptcy Court the "Notice of Effective Date" in a form reasonably acceptable to the Reorganized Debtors in their sole discretion, which notice shall constitute appropriate and adequate notice that this Plan has become effective; provided, however, that the Debtors shall have no obligation to notify any Person. The Plan shall be deemed to be effective as of 12:01 a.m., prevailing Eastern Time, on the Effective Date. A courtesy copy of the Notice of Effective Date may be sent by email, United States mail, postage prepaid (or at the Debtors' option, by courier or facsimile) to those Persons who have Filed with the Bankruptcy Court requests for notices pursuant to Bankruptcy Rule 2002.

10.5 Consequences of Non-Occurrence of Effective Date

If the Effective Date does not occur with respect to any of the Debtors, then, with respect to any such Debtor, the Confirmation Order will be deemed vacated by the Bankruptcy Court without further notice or order. If the Confirmation Order is vacated pursuant to this Section, then (a) the applicable Debtor(s) shall File a notice to this effect with the Bankruptcy Court, (b) this Plan shall be null and void in its entirety solely with respect to such Debtor(s), (c) any settlement of Claims provided for hereby shall be null and void without further order of the Bankruptcy Court, and (d) the time within which the Debtors may assume, assume and assign or reject all executory contracts and unexpired leases shall be extended for a period of sixty days

after the date the Confirmation Order is vacated; provided, however, that the Debtors retain their rights to seek further extensions of such deadline in accordance with, and subject to, section 365 of the Bankruptcy Code, and nothing contained in the Plan or Disclosure Statement shall (x) constitute a waiver or release of any Claims, Equity Interests, or Causes of Action, (y) prejudice in any manner the rights of any Debtor or any other Entity or (z) constitute an admission, acknowledgement, offer or undertaking of any sort by any Debtor or any other Entity.

ARTICLE XI
EFFECT OF PLAN CONFIRMATION

11.1 Binding Effect; Plan Binds All Holders of Claims and Equity Interests

(a) On the Effective Date, and effective as of the Effective Date, the Plan, the Plan Supplement and the Confirmation Order shall, and shall be deemed to, be binding upon the Debtors and all present and former Holders of Claims against and Equity Interests in any Debtor, and their respective Related Persons, regardless of whether any such Holder of a Claim or Equity Interest has voted or failed to vote or been deemed or presumed to accept or reject this Plan.

(b) Further, pursuant to section 1142 of the Bankruptcy Code and in accordance with the Confirmation Order, the Debtors and any other necessary party shall execute, deliver and join in the execution or delivery (as applicable) of any instrument, document or agreement required to effect a transfer of property, a satisfaction of a Lien or a release of a Claim dealt with by the Plan, and to perform any other act, and the execution of documents necessary to effectuate the Restructuring Transactions and all other documents set forth or contemplated in the Plan, including in the Plan Supplement, that are necessary for the consummation of the Plan and the transactions contemplated herein.

11.2 Revesting of Assets.

Except as provided in this Plan, on the Effective Date, all property of the Estates, to the fullest extent provided by section 541 of the Bankruptcy Code, and any and all other rights and assets of the Debtors of every kind and nature shall revest in the Reorganized Debtors free and clear of all Liens, Claims and Interests other than (a) those Liens, Claims and Interests retained or created pursuant to this Plan or any document entered into in connection with the transactions described in this Plan and (b) Liens that have arisen subsequent to the Petition Date on account of taxes that arose subsequent to the Petition Date. On and after the Effective Date, except as otherwise provided in the Plan, each Reorganized Debtor may operate its business and may use, acquire, or dispose of property and compromise or settle any Claims, Equity Interests, or Causes of Action without supervision or approval by the Bankruptcy Court and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules.

11.3 Releases and Related Injunctions

(a) ***Releases by the Debtors*. As of the Effective Date, the Releasing Parties shall be deemed to forever release, waive, and discharge conclusively, absolutely, unconditionally and irrevocably to the maximum extent permitted by applicable law, each of the Released Parties from any and all Claims, interests, obligations (contractual or otherwise), suits, judgments, damages, demands, debts, remedies, rights, Causes of Action**

(including Avoidance and Other Actions), rights of setoff and liabilities whatsoever (including any derivative claims asserted or assertable on behalf of the Debtors) in connection with or in any way relating to the Debtors, the Chapter 11 Cases, the Restructuring Support Agreement, the Disclosure Statement, or the Plan (other than the rights of the Debtors, or the Reorganized Debtors to enforce the obligations under the Confirmation Order and the Plan and the contracts, instruments, releases, and other agreements or documents delivered or that survive thereunder) whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, then existing or thereafter arising, in law, equity, or otherwise, that are based in whole or part on any act, omission, transaction, event, or other occurrence taking place on or prior to the Effective Date; provided, however, that nothing in this Section 11.3 of the Plan:

(i) shall be deemed to prohibit the Reorganized Debtors from asserting and enforcing any Claims, obligations, suits, judgments, demands, debts, rights, causes of action or liabilities they may have against any employee (including directors and officers) for alleged breach of confidentiality, or any other contractual obligations owed to the Debtors or the Reorganized Debtors, including non-compete and related agreements or obligations;

(ii) shall operate as a release, waiver, or discharge of any causes of action or liabilities unknown to the Debtors as of the Petition Date arising out of gross negligence, willful misconduct, fraud or criminal acts of such Released Party; or

(iii) shall release any of the Causes of Actions preserved under this Plan against any Persons other than Released Parties.

Entry of the Confirmation Order on the Confirmation Date shall constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019, of the foregoing release by the Debtors, which includes by reference each of the related provisions and definitions contained herein, and further, shall constitute the Bankruptcy Court's finding that the foregoing release by the Debtors: (1) is an essential means of implementing the Plan; (2) is an integral and non-severable element of the Plan and the transactions incorporated herein; (3) confers substantial benefits to the Debtors' Estates; (4) is in exchange for the good and valuable consideration provided by the released parties; (5) is a good-faith settlement and compromise of the claims released by the foregoing by the Debtors; (6) is in the best interests of the Debtors and all Holders of Claims and Equity Interests; (7) is fair, equitable and reasonable; (8) is given and made after due notice and opportunity for hearing; and (9) is a bar to any of the Debtors or the Reorganized Debtors asserting any claim or cause of action released pursuant to the foregoing release by the Debtors. The releases described herein shall, on the Effective Date, have the effect of res judicata (a matter adjudged), to the fullest extent permissible under applicable law of Chile, Colombia, Brazil, Peru, Ecuador, Cayman Islands, the United States and any other jurisdiction in which the Debtors operate.

(b) ***Releases by Holders of Claims and Equity Interests.*** **As of the Effective Date, for good and valuable consideration, the adequacy of which is hereby confirmed, the**

Holders of Claims against and Equity Interests in the Debtors and the Reorganized Debtors who: (i) either vote to Accept the Plan or are presumed to have voted for the Plan under section 1126(f) of the Bankruptcy Code, (ii) (x) exercise their preemptive rights to subscribe to the ERO New Common Stock or the New Convertible Notes or (y) elect to receive New Convertible Notes Class C or (iii) are entitled to vote to Accept or Reject the Plan and reject the plan or abstain from voting and do not timely submit a ballot to indicate their refusal to grant the releases in this paragraph, shall be deemed to forever release, waive, and discharge conclusively, absolutely, unconditionally and irrevocably to the maximum extent permitted by applicable law each of the Released Parties from any and all Claims, interests obligations (contractual or otherwise), suits, judgments, damages, demands, debts, rights, Causes of Action (including Avoidance and Other Actions), rights of setoff and liabilities whatsoever (including any derivative claims asserted or assertable on behalf of the Debtors) in connection with or in any way relating to the Debtors, the conduct of the Debtors' businesses, the Chapter 11 Cases, the Restructuring Support Agreement, the Disclosure Statement, or the Plan (other than the rights of the Debtors, the Reorganized Debtors, or a Creditor holding an Allowed Claim to enforce the obligations under the Confirmation Order and the Plan and the contracts, instruments, releases, and other agreements or documents delivered thereunder) whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, then existing or thereafter arising, in law, equity, or otherwise, whether for tort, contract, violation of federal or state securities law or otherwise, that are based in whole or part on any act, omission, transaction, event, or other occurrence taking place on or prior to the Effective Date; provided, however, that nothing in this Section 11.3 of the Plan shall operate as a release, waiver or discharge of any Causes of Action or liabilities unknown to such holder as of the Petition Date arising out of gross negligence, willful misconduct, fraud or criminal acts of any such Released Party.

11.4 Discharge of Claims

To the fullest extent provided under section 1141(d)(1)(A) and other applicable provisions of the Bankruptcy Code, except as otherwise expressly provided by this Plan or the Confirmation Order: (1) all consideration distributed under this Plan shall be in exchange for, and in complete satisfaction, settlement, discharge and release of, all Claims of any kind or nature whatsoever against the Debtors or any of their assets or properties and regardless of whether any property shall have been distributed or retained pursuant to this Plan on account of such Claims; (2) the Plan shall bind all Discharge and Injunction Parties, notwithstanding whether any such Holders failed to vote to Accept or Reject the Plan or voted to reject the Plan; and (3) all Persons and Entities shall be precluded from asserting against the Debtors, the Debtors' Estates, the Reorganized Debtors, their successors and assigns, and their assets and properties any other Claims based upon any documents, instruments, or any act or omission, transaction, or other activity of any kind or nature that occurred prior to the Effective Date. Except as otherwise expressly provided by this Plan or the Confirmation Order, upon the Effective Date, the Debtors shall be deemed discharged and released under and to the fullest extent provided under section 1141(d)(1)(A) of the Bankruptcy Code from any and all Claims of any kind or nature whatsoever, including, without limitation, demands and liabilities that arose on or before the Effective Date, and all debts of the kind specified in section 502(g), 502(h) or 502(i) of the Bankruptcy Code.

11.5 Preservation of Rights of Action

(a) Except as otherwise provided in the Plan, the Confirmation Order or in any document, instrument, release or other agreement entered into in connection with the Plan or approved by order of the Bankruptcy Court, in accordance with section 1123(b) of the Bankruptcy Code, the Debtors and their Estates shall retain and may enforce all rights to commence and pursue, as appropriate, any and all Causes of Action, whether arising before or after the Petition Date, including the Avoidance and Other Actions, and the Reorganized Debtors' rights to commence, prosecute, or settle such Causes of Action shall be preserved notwithstanding the occurrence of the Effective Date; provided that no Causes of Action released pursuant to Section 11.3(a) of this Plan against the Released Parties, including the settled and released claims and causes of action described in Section 5.16 herein, shall vest in the Reorganized Debtors. **No Entity may rely on the absence of a specific reference in the Plan, the Plan Supplement, the Disclosure Statement, or the Confirmation Order to any Cause of Action against them as any indication that the Debtors or the Reorganized Debtors will not pursue any and all available Causes of Action against them.** The Debtors and the Reorganized Debtors expressly reserve all rights to prosecute any and all Causes of Action against any Entity, except as otherwise expressly provided in the Plan.

(b) Unless any Causes of Action against an Entity are expressly waived, relinquished, exculpated, released, compromised, or settled in the Plan or a final order of the Bankruptcy Court, the Reorganized Debtors expressly reserve all Causes of Action, for later adjudication, and, therefore no preclusion doctrine, including the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable or otherwise), or laches, shall apply to such Causes of Action upon, after, or as a consequence of the confirmation or consummation of the Plan. In accordance with section 1123(b)(3) of the Bankruptcy Code, any Causes of Action that a Debtor may hold against any Entity shall vest in the Reorganized Debtors. The Reorganized Debtors may pursue such Causes of Action, or decline to do any of the foregoing, as appropriate, in accordance with the best interests of the Reorganized Debtors and without further notice to or action, order or approval of the Bankruptcy Court.

11.6 Exculpation and Limitation of Liability

For purposes of the Plan, "Exculpated Parties" means (i) each of the Debtors, non-Debtor Affiliates, Reorganized Debtors, and all of their respective Affiliates, (ii) the Backstop Parties, in their capacity as such, (iii) the DIP Secured Parties, in their capacity as such, (iv) the Commitment Creditors, in their capacity as such, (v) the Backstop Shareholders, in their capacity as such, and (vi) with respect to the foregoing Persons in clauses (i)—(v), each of their respective officers, directors, employees, representatives, advisors, attorneys, notaries (pursuant to the laws of the United States and any other jurisdiction), auditors, agents and professionals, in each case acting in such capacity on or any time after the Petition Date, and any person claiming by or through any of them but excluding any other Causes of Action preserved by the Debtors.

On the Effective Date, the Exculpated Parties shall neither have nor incur any liability to any Holder of a Claim or Equity Interest, the Debtors, the Reorganized

Debtors, or any other party-in-interest, or any of their Related Persons for any prepetition or postpetition act or omission in connection with, relating to, or arising out of the Chapter 11 Cases, the formulation, negotiation, or implementation of the Restructuring Support Agreement, Disclosure Statement, the Plan, the solicitation of acceptances of the Plan, the pursuit of confirmation of the Plan, the confirmation of the Plan, the consummation of the Plan or the administration of the Plan, except for acts or omissions that are the result of willful misconduct, gross negligence, fraud or criminal acts; provided, however, that (i) the foregoing is not intended to limit or otherwise impact any defense of qualified immunity that may be available under applicable law; (ii) each Exculpated Party shall be entitled to rely upon the advice of counsel concerning his, her, or its duties pursuant to, or in connection with, the Plan; and (iii) the foregoing exculpation shall not be deemed to release, affect, or limit any of the rights and obligations of the Exculpated Parties from, or exculpate the Exculpated Parties with respect to, any of the Exculpated Parties' obligations or covenants arising pursuant to the Plan or the Confirmation Order.

11.7 Injunction

(a) **Except as otherwise provided in this Plan or in any document, instrument, release or other agreement entered into in connection with this Plan or approved by order of the Bankruptcy Court, the Confirmation Order shall provide, among other things, that from and after the Effective Date all Discharge and Injunction Parties are (i) permanently enjoined from taking any of the following actions against the Estate(s) or any of their property on account of the applicable Discharge and Injunction Parties Rights and (ii) permanently enjoined from taking any of the following actions against any of the Debtors, the Reorganized Debtors or their property on account of their respective Discharge and Injunction Parties Rights: (A) commencing or continuing, in any manner or in any place, any action or other proceeding; (B) enforcing, attaching, collecting or recovering in any manner any judgment, award, decree or order; (C) creating, perfecting, or enforcing any Lien or encumbrance; (D) asserting a setoff, right of subrogation or recoupment of any kind against any debt, liability or obligation due to the Debtors; and (E) commencing or continuing, in any manner or in any place, any action that does not comply with or is inconsistent with the provisions of this Plan; provided, however, that nothing contained herein shall preclude such Persons or Entities from exercising their rights pursuant to and consistent with the terms of this Plan and the contracts, instruments, releases, indentures and other agreements or documents delivered under or in connection with this Plan.**

(b) **By accepting distributions pursuant to this Plan, each of the Discharge and Injunction Parties will be deemed to have specifically consented to the injunctions set forth in this Section 11.7.**

11.8 Term of Bankruptcy Injunction or Stays

All injunctions or stays provided for in the Chapter 11 Cases under section 105 or 362 of the Bankruptcy Code, or otherwise, and in existence on the Confirmation Date, shall remain in full force and effect until the Effective Date. Upon the Effective Date, all injunctions or stays provided for in the Chapter 11 Cases under section 105 or 362 of the Bankruptcy Code,

or otherwise, shall be lifted and of no further force or effect—being replaced, to the extent applicable, by the injunctions, discharges, releases and exculpations of this Article XI.

11.9 Reimbursement or Contribution

If the Bankruptcy Court disallows a Claim for reimbursement or contribution of an Entity pursuant to section 502(e)(1)(B) of the Bankruptcy Code, then to the extent that such Claim is contingent as of the Effective Date, such Claim shall be forever disallowed notwithstanding section 502(j) of the Bankruptcy Code, unless prior to the Effective Date (1) such Claim has been adjudicated as non-contingent, or (2) the relevant Holder of a Claim has Filed a non-contingent Proof of Claim on account of such Claim and a Final Order has been entered determining such Claim as no longer contingent.

11.10 Termination of Subordination Rights and Settlement of Related Claims

The classification and manner of satisfying all Claims and Equity Interests under this Plan take into consideration all subordination rights, whether arising by contract or under general principles of equitable subordination, section 510(b) or 510(c) of the Bankruptcy Code or otherwise. All subordination rights that a Holder of a Claim or Equity Interest may have with respect to any distribution to be made pursuant to this Plan will be discharged and terminated and all actions related to the enforcement of such subordination rights will be permanently enjoined. Accordingly, distributions pursuant to this Plan to Holders of Allowed Claims will not be subject to payment to a beneficiary of such terminated subordination rights or to levy, garnishment, attachment or other legal process by a beneficiary of such terminated subordination rights; provided, however, that nothing contained herein shall preclude any Person or Entity from exercising their rights pursuant to and consistent with the terms of this Plan and the contracts, instruments, releases, indentures and other agreements or documents delivered under or in connection with this Plan.

ARTICLE XII
RETENTION OF JURISDICTION

Pursuant to sections 105(c) and 1142 of the Bankruptcy Code and notwithstanding entry of the Confirmation Order and the occurrence of the Effective Date, the Bankruptcy Court will retain jurisdiction over all matters arising in, arising under or related to the Chapter 11 Cases and this Plan to the fullest extent permitted by law, including, among other things, jurisdiction to:

(a) allow, disallow, determine, liquidate, classify, estimate or establish the priority or secured or unsecured status of any Claim or Equity Interest, including the resolution of any request for payment of any Administrative Expense Claim and the resolution of any objections to the allowance or priority of Claims or Equity Interests;

(b) resolve any matters related to the assumption, assumption and assignment or rejection of any executory contract or unexpired lease to which any Debtor is a party or with respect to which any Debtor or any Reorganized Debtor may be liable and to hear, determine, and, if necessary, liquidate any Claims arising therefrom;

(c) ensure that distributions to Holders of Allowed Claims are accomplished pursuant to the provisions of this Plan;

(d) adjudicate, decide or resolve any motions, adversary proceedings, contested or litigated matters and any other matters and grant or deny any applications involving the Debtors that may be pending on the Effective Date;

(e) enter and implement such orders as may be necessary or appropriate to implement or consummate the provisions of this Plan and all contracts, instruments, releases and other agreements or documents created in connection with this Plan, the Disclosure Statement or the Confirmation Order;

(f) enter and enforce any order for the sale or transfer of property pursuant to sections 363, 1123 or 1146(a) of the Bankruptcy Code;

(g) resolve any cases, controversies, suits or disputes that may arise in connection with the consummation, interpretation or enforcement of this Plan, including, without limitation, any other contract, instrument, release (including the existence, nature, scope or enforcement of such release) or other agreement or document that is executed or created pursuant to this Plan, or any Entity's rights arising from or obligations incurred in connection with this Plan or such documents;

(h) modify this Plan before or after the Effective Date pursuant to section 1127 of the Bankruptcy Code or modify the Confirmation Order, or any contract, instrument, release or other agreement or document created in connection with this Plan, the Disclosure Statement or the Confirmation Order, or remedy any defect or omission or reconcile any inconsistency in any Bankruptcy Court order, this Plan, the Confirmation Order or any contract, instrument, release or other agreement or document created in connection with this Plan or the Confirmation Order, in such manner as may be necessary or appropriate to consummate this Plan;

(i) hear and determine all applications for compensation and reimbursement of expenses of Professionals under sections 327, 330, 331, 363, 503(b), 1103 and 1129(c)(9) of the Bankruptcy Code; provided, however, that from and after the Effective Date the payment of fees and expenses of the Reorganized Debtors, including counsel fees, shall be made in the ordinary course of business and shall not be subject to the approval of the Bankruptcy Court;

(j) issue injunctions, enter and implement other orders or take such other actions as may be necessary or appropriate to restrain interference by any Person or Entity with consummation, implementation or enforcement of this Plan or the Confirmation Order;

(k) hear and determine Causes of Action by or on behalf of the Debtors or the Reorganized Debtors;

(l) hear and determine matters concerning state, local and federal taxes in accordance with sections 346, 505 and 1146 of the Bankruptcy Code;

(m) hear and implement such orders as are necessary or appropriate if the Confirmation Order is for any reason or in any respect modified, stayed, reversed, revoked or vacated, or distributions pursuant to this Plan are enjoined or stayed;

(n) hear and determine whether and in what amount a Claim or Interest is Allowed, including all requests for payment of Claims and Interests entitled to priority pursuant to section 507 of the Bankruptcy Code;

(o) resolve any disputes concerning whether an Entity had sufficient notice of the Chapter 11 Cases, the Disclosure Statement, any solicitation conducted in connection with the Chapter 11 Cases, any bar date established in the Chapter 11 Cases, or any deadline for responding or objecting to the amount of a cure, in each case, for the purpose of determining whether a Claim or Interest is discharged hereunder or for any other purposes;

(p) recover all assets of the Debtors and property of the Estate, wherever located;

(q) determine any other matters that may arise in connection with or related to this Plan, the Plan Supplement, the Confirmation Order or any contract, instrument, release (including the releases in favor of the Released Parties) or other agreement or document created in connection with this Plan, the Plan Supplement or the Confirmation Order;

(r) enforce all orders, judgments, injunctions, releases, exculpations, indemnifications and rulings entered in connection with the Chapter 11 Cases;

(s) hear and determine such other matters as may be provided in the Confirmation Order or as may be authorized under the Bankruptcy Code; and

(t) enter orders closing the Chapter 11 Cases.

ARTICLE XIII
MISCELLANEOUS PROVISIONS

13.1 Effectuating Documents and Further Transactions

Each of the Debtors and the Reorganized Debtors are authorized to execute, deliver, file or record such contracts, instruments, releases, consents, certificates, resolutions, programs and other agreements or documents and take such acts and actions as may be reasonable, necessary or appropriate to effectuate, implement, consummate or further evidence the terms and conditions of this Plan, any notes or securities issued pursuant to this Plan, and any transactions described in or contemplated by this Plan consistent with the terms and conditions of the Plan and other Restructuring Documents.

13.2 Authority to Act

Prior to, on or after the Effective Date (as appropriate), all matters expressly provided for under this Plan that would otherwise require approval of the stockholders, security holders, officers, directors, partners, managers, members or other owners of one or more of the

Debtors or Reorganized Debtors shall be deemed to have occurred and shall be in effect prior to, on or after the Effective Date (as appropriate) pursuant to the applicable law of the states or jurisdictions in which the Debtors or the members of Reorganized Debtors are formed, without the need for any approvals, authorizations, or consents except for those expressly required pursuant to this Plan, the Restructuring Documents or required under the Debtors' or Reorganized Debtors' applicable corporate documents or applicable foreign nonbankruptcy law.

13.3 Insurance Preservation

Nothing in this Plan, including any releases, shall diminish or impair the enforceability of any insurance policies or other policies of insurance that may cover insurance Claims or other Claims against the Debtors or any other Person.

13.4 Exemption from Transfer Taxes

Pursuant to section 1146(a) of the Bankruptcy Code, (a) the issuance, Transfer or exchange (or deemed issuance, Transfer or exchange) of the Plan Securities; (b) the creation of any mortgage, deed of trust, Lien, pledge or other security interest; (c) the making or assignment of any lease or sublease; or (d) the making or delivery of any deed or other instrument of transfer under, in furtherance of, or in connection with this Plan (including, without limitation, any merger agreements, agreements of consolidation, restructuring, disposition, liquidation, dissolution, deeds, bills of sale and transfers of tangible property) will not be subject to any stamp tax, recording tax, personal property tax, real estate transfer tax, transaction privilege tax, privilege taxes, or other similar taxes in the United States. Unless the Bankruptcy Court orders otherwise, all sales, transfers and assignments of owned and leased property approved by the Bankruptcy Court on or prior to the Effective Date shall be deemed to have been in furtherance of or in connection with this Plan.

13.5 Bar Dates for Administrative Expense Claims

Holders of asserted Administrative Expense Claims (other than Professional Fees Claims) not paid prior to the Effective Date shall submit proofs of Claim on or before the Administrative Expense Claims Bar Date or forever be barred from doing so, unless such alleged Administrative Expense Claim is incurred in the ordinary course of business by any Debtor and is not yet past-due, in which case the applicable Administrative Expense Claims Bar Date shall be thirty days after such due date or as otherwise ordered by the Bankruptcy Court. The Debtors and the Reorganized Debtors shall have one year from the later of (i) the Effective Date and (ii) the date of the proof of Claim (or such longer period as may be allowed by order of the Bankruptcy Court) to review and File objections to such Administrative Expense Claims, if necessary. In the event an objection is Filed as contemplated by this Section 13.5, the Bankruptcy Court shall determine the Allowed amount of such Administrative Expense Claim.

13.6 Administrative Claims Reserve

(a) On the Effective Date, the Disbursing Agent shall reserve in the Administrative Claims Reserve Account the amount of Cash that the Debtors determine will be required after the Effective Date to satisfy Allowed Administrative Expense Claims (the "Administrative Claims Reserve").

(b) The Disbursing Agent may, at the direction of the Debtors or the Reorganized Debtors, adjust the Administrative Claims Reserve to reflect all earnings thereon (net of any expenses relating thereto, and net of taxes calculated at the applicable combined highest marginal tax rates imposed on a corporation resident in New York for federal, state and local tax purposes on the amount of all such earnings recognized by the Debtors or Reorganized Debtors for federal, state or local tax purposes), to be distributed on the Distribution Dates, as required by the Plan. The Disbursing Agent shall hold in the Administrative Claims Reserve all payments and other distributions made on account of, as well as any obligations arising from, the property held in the Administrative Claims Reserve, to the extent that such property continues to be so held at the time such distributions are made or such obligations arise.

(c) After any reasonable determination by the Reorganized Debtors that the Administrative Claims Reserve should be adjusted downward in accordance with this Section 13.6, the Disbursing Agent shall, at the direction of the Debtors or the Reorganized Debtors, effect an Adjustment Distribution, and any date of such distribution shall be an Interim Distribution Date.

(d) Pursuant to Bankruptcy Rule 9019(a), the Debtors may compromise, settle and resolve all Administrative Expense Claims up to the Effective Date. After the Effective Date, any such right shall pass to the Reorganized Debtors without the need for further approval of the Bankruptcy Court. After all Administrative Expense Claims have become either Allowed or disallowed and all distributions required pursuant to Article VII of this Plan have been made, the Disbursing Agent shall, at the direction of the Reorganized Debtors, effect a final distribution of the Cash remaining in the Administrative Claims Reserve. Any amounts remaining in such reserve or reserves shall revest in the Reorganized Debtors.

13.7 Payment of Statutory Fees

All fees payable pursuant to section 1930 of title 28, United States Code, as determined by the Bankruptcy Court, shall be paid for each quarter (including any fraction thereof) until the Chapter 11 Cases are converted, dismissed or closed, whichever occurs first.

13.8 Amendment or Modification of the Plan

Subject to section 1127 of the Bankruptcy Code and, to the extent applicable, sections 1122, 1123 and 1125 of the Bankruptcy Code, the Debtors reserve the right to alter, amend or modify this Plan at any time prior to or after the Confirmation Date but prior to the substantial consummation of this Plan consistent with the terms and conditions of the Plan and other Restructuring Documents. A Holder of a Claim that has Accepted this Plan shall be presumed to have Accepted this Plan, as altered, amended or modified, if the proposed alteration, amendment or modification does not materially and adversely change the treatment of the Claim of such Holder.

13.9 Severability of Plan Provisions

If, prior to the Confirmation Date, any term or provision of this Plan is determined by the Bankruptcy Court to be invalid, void or unenforceable, the Bankruptcy Court will have

the power to alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void or unenforceable, and such term or provision will then be applicable as altered or interpreted. Notwithstanding any such holding, alteration or interpretation, the remainder of the terms and provisions of this Plan will remain in full force and effect and will in no way be affected, impaired or invalidated by such holding, alteration or interpretation. The Confirmation Order will constitute a judicial determination and will provide that each term and provision of this Plan, as it may have been altered or interpreted in accordance with the foregoing, is valid and enforceable pursuant to its terms.

13.10 Successors and Assigns

This Plan shall be binding upon and inure to the benefit of the Debtors and their respective successors and assigns, including, without limitation, the Reorganized Debtors. The rights, benefits and obligations of any Person or Entity named or referred to in this Plan shall be binding on, and shall inure to the benefit of, any heir, executor, administrator, successor or assign of such Person or Entity.

13.11 Subordinated Claims

The allowance, classification, and treatment of all Allowed Claims and Equity Interests and the respective distributions and treatments under the Plan take into account and conform to the relative priority and rights of the Claims and Equity Interests in each Class in connection with any contractual, legal and equitable subordination rights relating thereto, whether arising under general principles of equitable subordination, section 510(b) of the Bankruptcy Code or otherwise. Except as otherwise provided in the Plan, pursuant to section 510 of the Bankruptcy Code, the Reorganized Debtors reserve the right to re-classify any Allowed Claim or Allowed Equity Interest in accordance with any contractual, legal, or equitable subordination relating thereto.

13.12 Revocation, Withdrawal, or Non-Consummation

The Debtors reserve the right, consistent with the terms and conditions of the Plan and other Restructuring Documents, to revoke or withdraw this Plan as to any or all of the Debtors prior to the Confirmation Date and to File subsequent plans of reorganization. If the Debtors revoke or withdraw this Plan as to any or all of the Debtors, or if confirmation or consummation as to any or all of the Debtors does not occur, then, with respect to such Debtors only, except as otherwise provided by the Debtors, (a) this Plan shall be null and void in all respects, (b) any settlement or compromise embodied in this Plan (including the fixing or limiting to an amount certain any Claim or Equity Interest or Class of Claims or Equity Interests), assumption or rejection of executory contracts or leases affected by this Plan, and any document or agreement executed pursuant to this Plan shall be deemed null and void and (c) nothing contained in this Plan shall (i) constitute a waiver or release of any Claims by or against, or any Equity Interests in, such Debtors or any other Person or Entity, (ii) prejudice in any manner the rights of such Debtors or any other Person or Entity or (iii) constitute an admission of any sort by the Debtors or any other Person or Entity.

13.13 Notice

All notices, requests and demands to be effective shall be in writing and, unless otherwise expressly provided herein, shall be deemed to have been duly given or made when actually delivered or, in the case of notice by facsimile transmission, when received and telephonically confirmed, addressed as follows:

If to any Debtor or any Reorganized Debtor:

Cleary Gottlieb Steen & Hamilton LLP
One Liberty Plaza
New York, New York 10006
Facsimile: (212) 225-3999
Attention: Richard J. Cooper, Esq., Lisa M. Schweitzer, Esq., Luke A. Barefoot, Esq. and Thomas S. Kessler, Esq.

If to the Committee, prior to its dissolution:

Dechert LLP
1095 Avenue of the Americas
New York, NY 10036
Attn: Allan S. Brilliant, Esq., Craig P. Duehl, Esq., and David H. Herman, Esq.

If to the United States Trustee:

Office of the United States Trustee for the Southern District of New York
201 Varick Street
Room 1006
New York, NY 10014
Attn: Brian Masumoto, Esq.

in each case, with copies (which shall not constitute notice hereunder) to:

Cleary Gottlieb Steen & Hamilton LLP
One Liberty Plaza
New York, New York 10006
Facsimile: (212) 225-3999
Attention: Richard J. Cooper, Esq., Lisa M. Schweitzer, Esq., Luke A. Barefoot, Esq. and Thomas S. Kessler, Esq.

If to the Commitment Creditors:

Kramer Levin Naftalis & Frankel LLP,
1177 Avenue of the Americas, New York, New York 10036,

Attn: Kenneth H. Eckstein, Esq. and Rachael L. Ringer, Esq.;Davis Polk & Wardwell LLP

If to the Backstop Shareholders:

Davis Polk & Wardwell LLP
450 Lexington Avenue, New York, New York 10017
Attn: Marshall Huebner, Esq., Adam L. Shpeen, Esq. and Gene Goldmintz, Esq.;

Alston & Bird LLP
90 Park Avenue, New York, New York 10016
Attn: Gerard S. Catalanello, Esq. and James J. Vincequerra, Esq.;

Wachtell, Lipton, Rosen & Katz
51 West 52nd Street, New York, New York 10019
Attn: Richard G. Mason, Esq. and Angela K. Herring, Esq.

If to the Eblen Group

Wachtell, Lipton, Rosen & Katz
51 West 52nd Street, New York, New York 10019
Attn: Richard G. Mason, Esq. and Angela K. Herring, Esq.

13.14 Governing Law

Except to the extent that the Bankruptcy Code, the Bankruptcy Rules or other federal law is applicable, or to the extent that a Restructuring Document or Exhibit provides otherwise, the rights and obligations arising under this Plan shall be governed by, and construed and enforced in accordance with, the laws of the State of New York, without giving effect to the principles of conflicts of law of such jurisdiction.

13.15 Tax Reporting and Compliance

Reorganized LATAM Parent is hereby authorized, on behalf of each of the Debtors, to request an expedited determination under section 505(b) of the Bankruptcy Code of the tax liability of the Debtors for all taxable periods ending after the Petition Date through and including the Effective Date.

13.16 Fees and Expenses

From and after the Effective Date, the Reorganized Debtors may, in the ordinary course of business and without the necessity for any approval by the Bankruptcy Court, pay the reasonable fees and expenses of Professionals employed by the Debtors or the Reorganized Debtors thereafter incurred, including those fees and expenses incurred in connection with the implementation and consummation of this Plan.

13.17 No Admissions

Notwithstanding anything herein to the contrary, nothing in the Plan shall be deemed as an admission by the Debtors with respect to any matter set forth herein, including liability on any Claim.

13.18 Dissolution of Committee

The Committee appointed in the Chapter 11 Cases pursuant to section 1102 of the Bankruptcy Code shall be dissolved on the Effective Date and its members shall be released from any further duties and responsibilities in the Chapter 11 Cases and under the Bankruptcy Code without need for a further order of the Bankruptcy Court; provided, however that obligations owing to or from the Committee arising under confidentiality agreements, joint interest agreements and protective orders, if any, entered during the Chapter 11 Cases shall remain in full force and effect according to their terms; provided further that the Committee shall continue to prepare and prosecute fee applications filed in compliance with this Plan. The Debtors and the Reorganized Debtors shall have no obligation to pay or reimburse any fees or expenses of any official or unofficial committee of creditors incurred after the Effective Date except with regard to the preparation and prosecution of fee applications.

13.19 Filing of Additional Documents

On or before substantial consummation of this Plan, the Debtors shall, consistent with the terms and conditions of the Plan and the other Restructuring Documents (as applicable), File such agreements and other documents as may be necessary or appropriate to effectuate and further evidence the terms and conditions of this Plan.

[*The remainder of this page is left blank intentionally*]

Dated: November 26, 2021
New York, New York

Respectfully Submitted,

LATAM AIRLINES GROUP S.A.

FAST AIR ALMACENES DE CARGA S.A.

HOLDCO COLOMBIA I SPA

HOLDCO COLOMBIA II SPA

HOLDCO ECUADOR S.A.

HOLDCO I S.A.

INVERSIONES LAN S.A.

LAN CARGO INVERSIONES S.A.

LAN CARGO S.A.

LAN CARGO OVERSEAS LTD.

LAN PAX GROUP S.A.

LATAM TRAVEL CHILE II S.A.

MAS INVESTMENT LIMITED

TECHNICAL TRAINING LATAM S.A.

TRANSPORTE AÉREO S.A.

By: DocuSigned by: Ramiro Alfonsín 35D427D8AEC64EA...
Name: Ramiro Alfonsín Balza
Title: Attorney-in-Fact

PROFESSIONAL AIRLINE CARGO SERVICES, LLC

By: DocuSigned by: Francisco Arana 4DBE3E1865E8485...

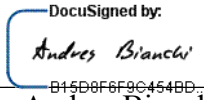
Name: Francisco Arana
Title: President

CARGO HANDLING AIRPORT SERVICES LLC

PRIME AIRPORT SERVICES, INC.

By: DocuSigned by: Gaston Greco A8C5C83472374A6...
Name: Gaston Greco
Title: President

CONNECTA CORPORATION

By: 

Name: Andres Bianchi
Title: President

PROFESSIONAL AIRLINE MAINTENANCE SERVICES, LLC

LAN CARGO REPAIR STATION, LLC

MAINTENANCE SERVICE EXPERTS LLC

By: DocuSigned by: 33B12EDD2ABD466...

Name: Jorge Hanson
Title: President

PROFESSIONAL AIRLINE SERVICES, INC.

By: DocuSigned by:
6C768895013D4CC...
Name: Paola Peñarete
Title: President

FOR AND ON BEHALF OF PEUCO FINANCE LIMITED (IN PROVISIONAL LIQUIDATION)

By: DocuSigned by: Andres Del Valle DD6A84F1314144C...

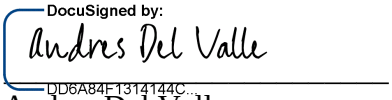
Name: Andres Del Valle
Title: Director

FOR AND ON BEHALF OF LATAM FINANCE LIMITED (IN PROVISIONAL LIQUIDATION)

By: DocuSigned by: Andres Del Valle DD6A84F1314144C...

Name: Andres Del Valle
Title: Director

FOR AND ON BEHALF OF PIQUERO LEASING LIMITED (IN PROVISIONAL LIQUIDATION)

By: 

Name: Andres Del Valle
Title: Director

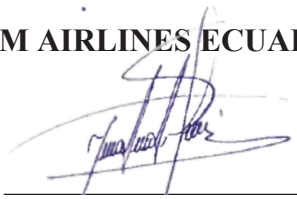
AEROVÍAS DE INTEGRACIÓN REGIONAL S.A.

By: _____
Name: Erika Zarante
Title: Ad Hoc Secretary

LÍNEA AÉREA CARGUERA DE COLOMBIA S.A.

By: _____
Name: Jaime Antonio Góngora
Title: Legal Representative

LATAM AIRLINES ECUADOR S.A.



By: _____
Name: Mariela Alexandra Anchundia Mieles
Title: Executive President

INVERSIONES AÉREAS S.A.

LATAM AIRLINES PERÚ S.A.

By: DocuSigned by: Manuel van Oordt B0BC0D0790D24BC...

Name: Manuel Van Oordt Fernández
Title: Attorney-in-Fact

TP FRANCHISING LTDA.

By: _____
Name: Jerome Paul Jacques Cadier
Title: Chief Executive Officer

By: _____
Name: Euzébio Angelotti Neto
Title: Statutory Officer

MULTIPLUS CORRETORA DE SEGUROS LTDA.

PRISMAH FIDELIDADE LTDA.

TAM S.A.

FIDELIDADE VIAGENS E TURISMO S.A.

ABSA-AEROLINHAS BRASILEIRAS S.A

TAM LINHAS AEREAS S.A.

By: _____

Name: Jerome Paul Jacques Cadier
Title: Chief Executive Officer

By: _____
Name: Felipe Ignácio Pumarino Mendoza
Title: Statutory Officer

Exhibit B
Liquidation Analysis – To Come

Exhibit C
Financial Projections – To Come

Exhibit D

Valuation Analysis and Sources and Uses of Cash Contemplated by the Plan – To Come

Exhibit E
Restructuring Support Agreement

THIS RESTRUCTURING SUPPORT AGREEMENT IS NOT AN OFFER WITH RESPECT TO ANY SECURITIES OR A SOLICITATION OF ACCEPTANCES OF A CHAPTER 11 PLAN WITHIN THE MEANING OF SECTION 1125 OF THE BANKRUPTCY CODE. ANY SUCH OFFER OR SOLICITATION WILL COMPLY WITH ALL APPLICABLE SECURITIES LAWS AND/OR PROVISIONS OF THE BANKRUPTCY CODE. NOTHING CONTAINED IN THIS RESTRUCTURING SUPPORT AGREEMENT SHALL BE AN ADMISSION OF FACT OR LIABILITY OR, UNTIL THE OCCURRENCE OF THE AGREEMENT EFFECTIVE DATE ON THE TERMS DESCRIBED HEREIN, DEEMED BINDING ON ANY OF THE PARTIES HERETO.

RESTRUCTURING SUPPORT AGREEMENT

This Restructuring Support Agreement, dated as of November 26, 2021 (including all exhibits and Schedules attached hereto, including the Restructuring Term Sheets (as defined below), the "Agreement"), by and among the following parties (each, a "Party" and, collectively, the "Parties"):

a) LATAM Airlines Group S.A. ("LATAM Parent") and each of its affiliates that are debtors-in-possession (each such entity, a "Debtor" and, together, the "Debtors") in the Chapter 11 Cases (as defined below);

b) the members of the ad hoc group (the "Parent GUC Ad Hoc Group") of LATAM Parent claimholders listed on Schedule II attached hereto (each, a "Commitment Creditor" and, together, the "Commitment Creditors", and in their capacity as parties providing a backstop with respect to (i) the Equity Rights Offering (defined below), each, an "ERO New Common Stock Backstop Party", and, together, the "ERO New Common Stock Backstop Parties", and (ii) the New Convertible Notes Class C, each, a "New Convertible Notes Class C Backstop Party" and, together, the "New Convertible Notes Class C Backstop Parties", and, in their capacity as both the ERO New Common Stock Backstop Parties and New Convertible Notes Class C Backstop Parties, the "Backstop Creditors");

c) Costa Verde Aeronáutica S.A. and Inversiones Costa Verde Ltda y Cia. en Comandita por Acciones (together, "Costa Verde"), Delta Air Lines, Inc. ("Delta"), and Qatar Airways Investment (UK) Ltd. ("Qatar", and together with Costa Verde and Delta, in their capacities as parties providing a backstop with respect to the New Convertible Notes Class B, collectively, the "Backstop Shareholders", and each, a "Backstop Shareholder" and together with the Commitment Creditors, the "Commitment Parties," and each, a "Commitment Party"); and

d) Andes Aerea SpA, Inversiones Pia SpA and Comercial Las Vertientes SpA (the "Eblen Group").

RECITALS

WHEREAS, on May 26, 2020, July 7, 2020 and July 9, 2020 (as applicable to each relevant Debtor), the Debtors commenced voluntary cases under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code"), which are being jointly administered under the caption *In re LATAM Airlines Group S.A.*, Case No. 20-11254 (the "Chapter 11 Cases") pending in the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court");

WHEREAS, certain of the Debtors sought and obtained recognition of their Chapter 11 Cases or commenced parallel proceedings with respect to the Chapter 11 Cases in three additional jurisdictions: Chile, Colombia and the Cayman Islands;

WHEREAS, on May 27, 2020 and July 10, 2020, the Grand Court of the Cayman Islands granted the applications of certain of the Debtors for the appointment of provisional liquidators pursuant to section 104(3) of the Companies Law (2020 Revision) (such proceedings, collectively the "JPL Proceedings");

WHEREAS, on June 4, 2020, the 2nd Civil Court of Santiago, Chile issued an order recognizing the Chapter 11 Cases 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.;

WHEREAS, on June 12, 2020, the Superintendence of Companies of Colombia granted recognition of the Chapter 11 Cases in Colombia;

WHEREAS, in connection with the Chapter 11 Cases, the Parties have engaged in good faith, arm's-length negotiations, including in connection with Bankruptcy Court-ordered mediation overseen by the Honorable Judge Allan L. Gropper (Ret.), regarding the principal terms of a chapter 11 plan of reorganization to be prepared and proposed by the Debtors (the "Approved Plan"), which Approved Plan shall contain the terms and conditions set forth in, and be consistent in all material respects with, the term sheet attached hereto as **Exhibit A** (such term sheet, including all annexes thereto, the "Plan Term Sheet," and such reorganization, including the transactions contemplated herein and therein, on the terms and conditions described in this Agreement, the "Restructuring Transactions");

WHEREAS, the Restructuring Transactions in connection with the Approved Plan contemplate the issuance of approximately (i) $1.467 billion in convertible "A" notes (the "New Convertible Notes Class A"), (ii) $1.373 billion in convertible "B" notes (the "New Convertible Notes Class B") and (iii) $6.816 billion in convertible "C" notes (the "New Convertible Notes Class C" and, collectively with the New Convertible Notes Class A and New Convertible Notes Class B, the "New Convertible Notes") on the terms and conditions set forth in the term sheets attached hereto as **Exhibit B**, **Exhibit C** and **Exhibit D**, respectively, (collectively, the "New Convertible Notes Term Sheets");

WHEREAS, the Restructuring Transactions in connection with the Approved Plan contemplate the direct issuance of common shares (the "ERO New Common Stock") of LATAM

Parent through a certain $800 million equity rights offering of ERO New Common Stock to be offered for subscription and purchase to LATAM Parent shareholders in a preemptive rights offering (the "Equity Rights Offering") on the terms and conditions set forth in the term sheet attached hereto as **Exhibit E** (the "Equity Rights Offering Term Sheet", and, collectively with the Plan Term Sheet and the New Convertible Notes Term Sheets, the "Restructuring Term Sheets");

WHEREAS, the Restructuring Transactions in connection with the Approved Plan contemplate the (i) issuance or incurrence, as applicable, of approximately $2.250 billion in notes or term loans (the "Exit Notes/Loans") and the entry into an approximately $500 million revolving credit facility (the "Exit Revolver") and (ii) refinancing, amendment, amendment and restatement, extension or other modification of the RCF Credit Agreement (as defined in the Plan Term Sheet) (the "Modified Existing RCF"), which in each case shall be consistent in all material respects with the Restructuring Term Sheets;

WHEREAS, in connection with the Restructuring Transactions, the Parties have engaged, and shall continue to engage, in good faith, arm's length negotiations regarding the detailed terms of a restructuring and the Parties have engaged, and shall continue to engage, in good faith, arm's length negotiations regarding the execution of binding agreements for the Restructuring Transactions, including for the backstop of, as applicable, the ERO New Common Stock, the New Convertible Notes Class B and the New Convertible Notes Class C (collectively, the "Backstop Commitment Agreements"), which Backstop Commitment Agreements shall be consistent in all material respects with the Restructuring Term Sheets;

WHEREAS, the Parties desire to express to one another their mutual support and commitment in respect of the matters set forth herein; and

WHEREAS, subject to the execution of the Definitive Documents and, as applicable, the Restructuring Documents (each as defined below), subject to appropriate approvals by the Bankruptcy Court, and, solely with respect to the Backstop Shareholders, the Eblen Group and Lan Cargo S.A., as applicable, subject to obtaining the Subsequent Approvals (as defined below), the terms of this Agreement set forth the Parties' entire agreement concerning their respective obligations with respect to the Restructuring Transactions;

NOW, THEREFORE, in consideration of the covenants and agreements contained herein, and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each Party, intending to be legally bound hereby and subject to the terms hereof, agrees as follows:

Section 1. Agreement Effective Date, Definitive and Restructuring Documentation

(a) This Agreement shall become effective, and each Party hereto shall be bound to the terms of this Agreement immediately upon the occurrence of the following conditions (the "Agreement Effective Date"); *provided*, that the Agreement Effective Date for any Joining Party shall be the date that such Joining Party executes the Joinder;

i. Each of the Debtors shall have executed and delivered counterpart signature pages of this Agreement to counsel to each of the other Parties;

ii. Each of the members of the Parent GUC Ad Hoc Group shall have executed and delivered counterpart signature pages of this Agreement to counsel to each of the other Parties; and

iii. Each of the Backstop Shareholders and the Eblen Group, which must collectively hold over fifty percent (50%) of the Existing Common Stock, shall have executed and delivered counterpart signature pages of this Agreement to counsel to each of the other Parties.

(b) The definitive documents and agreements **(**along with any amendments, modifications, or supplements thereto) set forth in clauses (vii)-(xiii) below (the "Definitive Documents" and, the Definitive Documents along with the documents and agreements (along with any amendments, modifications, or supplements thereto) set forth in clauses (i)-(xiii), collectively, the "Restructuring Documents") related to or otherwise utilized to implement, effectuate or govern the Restructuring Transactions shall consist of:

i. this Agreement (including, each of **Exhibits A – E** and Schedules attached hereto);

ii. the order of the Bankruptcy Court authorizing the Debtors to pay backstop commitment fees to the applicable ERO New Common Stock Backstop Parties or the New Convertible Notes Class C Backstop Parties (the "Backstop Order");

iii. the disclosure statement (and all exhibits and other documents and instruments related thereto, as amended or supplemented from time to time) with respect to the Approved Plan (the "Disclosure Statement"), the other solicitation materials in respect of the Approved Plan (such materials as amended or supplemented from time to time, the "Solicitation Materials");

iv. the order (the "Disclosure Statement Order") approving the Disclosure Statement and granting the other relief requested in the Disclosure Statement Motion (as defined below);

v. the Approved Plan and the order confirming the Approved Plan (the "Confirmation Order") and any documents included in or comprising the Plan Supplement (as defined in the Plan Term Sheet);

vi. (y) every other order and/or resolution entered by the Bankruptcy Court and the Grand Court of the Cayman Islands, to the extent necessary and as applicable to implement the Restructuring Transactions; and (z) any order and/or resolution entered by the 2nd Civil Court of Santiago, Chile and the Superintendence of Companies of Colombia in respect of the recognition of the Confirmation Order in Chile and Colombia (as applicable), to the extent such recognition is sought and obtained, and every other proposed order filed by the

Debtors in the Chapter 11 Cases in these proceedings, to the extent, in each case, such orders or proposed orders relate to and are necessary for the implementation or consummation of the Restructuring Transactions or are contemplated by this Agreement (including the Restructuring Term Sheets);

vii. Backstop Commitment Agreements, consistent in all material respects with the terms of this Agreement, the Backstop Order and the Restructuring Term Sheets;

viii. the bond issuance agreements with respect to each of the New Convertible Notes to be executed by LATAM Parent in furtherance of the Approved Plan and consistent in all material respects with the New Convertible Notes Term Sheets, together with the respective prospectus and other definitive documentation with respect to the New Convertible Notes;

ix. the registration rights agreement consistent in all material respects with the terms of the Plan Term Sheet (the "Registration Rights Agreement");

x. definitive documentation with respect to the Equity Rights Offering which shall be consistent in all material respects with the Equity Rights Offering Term Sheet;

xi. definitive documentation with respect to the Exit Notes/Loans, the Exit Revolver and the Modified Existing RCF;

xii. any amendments of the by-laws of LATAM Parent that effectuate the Restructuring Transactions, any shareholder's agreement with respect to the matters set forth in this Agreement (the "Shareholder's Agreement"), and the Management Incentive Plan (defined below) and Management Protection Provisions (as defined in the Plan Term Sheet); and

xiii. such other documents or agreements that are necessary to implement the Restructuring Transactions contemplated by this Agreement.

(c) The Restructuring Documents that remain subject to negotiation and/or completion shall, upon completion, contain terms, conditions, representations, warranties, and covenants consistent in all material respects with, and containing the terms and conditions set forth in, this Agreement (including the Restructuring Term Sheets and Schedules attached hereto), and otherwise shall be in form and substance reasonably acceptable to (i) the Debtors, (ii) the Commitment Creditors holding greater than 50% in principal amount of the aggregate outstanding principal amount of Allowed Claims (as defined in the Plan Term Sheet) against LATAM Parent held by the Parent GUC Ad Hoc Group (the "Requisite Commitment Creditors"), and (iii) the Backstop Shareholders; *provided, however,* and notwithstanding anything to the contrary contained herein, that the Backstop Commitment Agreements, the Backstop Order, any amendments of the by-laws of LATAM Parent that effectuate the Restructuring Transactions, the Shareholder's Agreement, the Confirmation Order, and the Approved Plan shall each be in form and substance acceptable to the Requisite Commitment Creditors and the Backstop Shareholders (with respect to the Backstop Commitment

Agreements, to the extent to the Party thereto) and the Registration Rights Agreement shall be in form and substance acceptable to the Requisite Commitment Creditors and the Debtors shall consult with the Backstop Shareholders with respect thereto.

(d) No Party shall be bound with respect to or obligated to perform any transaction contemplated by this Agreement until the agreement, execution, and delivery of definitive documentation.

Section 2. Representations of the Parties

Each of the Commitment Parties, severally and not jointly, hereby represents and warrants to the Debtors, and each of the Debtors hereby represents and warrants to each of the Commitment Parties, that, as of the Agreement Effective Date, the following statements, to the extent such statement relates to such Commitment Party or Debtor, are true, correct and complete:

(a) Each Party has all requisite corporate, partnership, limited liability company or similar authority to execute this Agreement and, solely with respect to the Backstop Shareholders, the Eblen Group and Lan Cargo S.A., subject to obtaining the Subsequent Approvals, to carry out the transactions contemplated by, and perform its obligations contemplated under, this Agreement; and the execution and delivery of this Agreement and, solely with respect to the Backstop Shareholders, the Eblen Group and Lan Cargo S.A., subject to obtaining the Subsequent Approvals, the performance of such Party's obligations under this Agreement have been duly authorized by all necessary corporate, partnership, limited liability company or other similar action on its part;

(b) The execution, delivery, and, solely with respect to the Backstop Shareholders, the Eblen Group and Lan Cargo S.A., subject to obtaining the Subsequent Approvals, performance by each Party to this Agreement does not violate (i) any provision of law, rule or regulation applicable to it, or (ii) its charter or by-laws (or other similar governing documents);

(c) Solely with respect to the Backstop Shareholders, the Eblen Group and Lan Cargo S.A., subject to obtaining the Subsequent Approvals, this Agreement is the legally valid and binding obligation of each Party, enforceable against such Party in accordance with its terms, in the case of the Debtors, subject to the Debtors' receiving approval from the Bankruptcy Court for entry into this Agreement;

(d) Although none of the Parties intends that this Agreement constitutes, and each believes it does not constitute, a solicitation and acceptance of any plan of reorganization, regardless of whether its claims or Equity Rights (defined below) constitute a "security" within the meaning of the Securities Act of 1933 (as amended, the "Securities Act"), such Commitment Party (i) is a sophisticated investor with respect to the transactions described herein with sufficient knowledge and experience in financial and business matters and is capable of evaluating the merits and risks of owning and investing in any securities that may be issued in connection with the Restructuring Transactions, making an informed decision with respect thereto, and evaluating properly the terms and conditions of this Agreement, and it has made its

own analysis and decision to enter in this Agreement, (ii) is a "qualified institutional buyer" within the meaning of Rule 144A of the Securities Act, an Institutional Accredited Investor (IAI) under the Securities Act or is a "non-U.S. Person" as defined in Rule 902 of the Securities Act, who is located outside of the United States, of such similar sophistication; (iii) is acquiring any securities that may be issued in connection with the Restructuring Transactions for its own account and not with a present view to the distribution thereof; and (iv) has made its own decision to execute this Agreement based upon its own independent assessment of documents and information available to it, as it deemed appropriate and sufficient;

(e) Each Commitment Creditor, after taking into account (x) the consummation of any transactions in respect of claims that remain pending as of the Agreement Effective Date and (y) the effect of the last sentence of this subsection (e), (i) (A) is the legal and beneficial owner of the claims (as defined in the Plan Term Sheet), or portion of the claim as set forth below its name on Schedule II hereof (or, as applicable, the Joinder (as defined below)), free and clear of all claims, liens and encumbrances, or (B) has investment and voting discretion with respect to the claims, or portions of claims, as set forth below its name on Schedule II hereof (or, as applicable, the Joinder) in respect of matters relating to the Restructuring Transactions contemplated by this Agreement and has the power and authority to bind the beneficial owner(s) of such claims to the terms of this Agreement (with respect to such Commitment Creditor, all claims under clauses (A) and (B) and any additional claims against the Debtors or any interests in the Debtors it owns or has such control over from time to time regardless of when acquired, including such claims or interests acquired after the Agreement Effective Date, the "Participating Claims"); and (ii) has full power and authority to act on behalf of, vote and consent to matters concerning such Participating Claims with respect to matters relating to the Restructuring Transactions contemplated by this Agreement and dispose of, exchange, assign and transfer such Participating Claims. Further, each Commitment Creditor has made no prior assignment, sale or other transfer of, and has not entered into any other agreement to assign, sell or otherwise transfer, in whole or in part, any portion of its right, title, or interests in such Participating Claims; *provided, however*, all Parties hereto acknowledge and agree that there may be such transactions between certain of the Commitment Creditors that remain pending as of the Agreement Effective Date. Notwithstanding anything to the contrary contained herein, the Parties hereto acknowledge and agree that the Commitment Creditors that are holders of Participating Claims may be (i) the beneficial owner of all or a portion of the principal amount of such Participating Claims pursuant to a participation agreement or sub-participation agreement or (ii) the buyer under a trade confirmation for all or a portion of the principal amount of such Participating Claims which, as of the Agreement Effective Date, remains pending for settlement; accordingly, such Commitment Creditors' investment and voting discretion for all purposes hereunder (including without limitation, the ability to dispose of, exchange, assign and transfer such Participating Claims) may be limited or restricted by the express terms of such Commitment Creditors' respective participation agreement, sub-participation agreement, or trade confirmation which may grant the sub-participation counterparty and/or the nominal or record holder of such Participating Claims the right to vote or direct actions in respect of such Commitment Creditors' Participating Claims;

(f) Schedule II reflects all Participating Claims, or portion of Participating Claims, owned by each Commitment Creditor as of the Agreement Effective Date. To the extent that Schedule II does not reflect all Participating Claims, or portion of Participating Claims, in

each case against a Debtor other than LATAM Parent, owned by each Commitment Creditor as of the Agreement Effective Date, the Commitment Creditors shall promptly provide the Debtors a supplemental schedule that reflects all such Participating Claims or portion of such Participating Claims by no later than December 3, 2021;

(g) Each of the Backstop Shareholders and the Eblen Group is the sole legal and beneficial owner of the common shares of LATAM Parent and each Commitment Creditor is the sole legal and beneficial owner of the common shares of LATAM Parent (collectively, the "Existing Common Stock"), if any, set forth next to its name on Schedule II and related preemptive rights (the "Preemptive Rights"), free and clear of all claims, liens and encumbrances (other than, in the case of Costa Verde, pledges of such shares made prior to the date hereof in favor of certain financial institutions); and

(h) With respect to Deutsche Bank Securities Inc., Citigroup Financial Products Inc. and Barclays Bank Plc, each in their capacities as Commitment Parties, the Debtors acknowledge and agree that the obligations set forth in this Agreement shall only apply to the trading desk(s) and/or business group(s) of each such Commitment Parties as set in the signature page hereto on the Effective Date, which principally manages and/or supervises each such Commitment Parties' investment in the Debtors and holds the Participating Claims for each such Commitment Parties, and shall not apply to any other affiliate, trading desk or business group of each such Commitment Parties.

Section 3. Milestones

The Debtors shall implement the Restructuring Transactions in accordance with the following milestones (the "Milestones"), which, to the extent such date (including any extension thereof), does not consist of a date certain, shall be calculated under Rule 9006 of the Federal Rules of Bankruptcy Procedure, subject to the cure periods below, unless extended, waived, or otherwise agreed to in writing (email from counsel being sufficient) by at least two unaffiliated Backstop Shareholders (the "Requisite Backstop Shareholders") and the Requisite Commitment Creditors:

(a) the Debtors shall file the Disclosure Statement and Approved Plan on or before November 26, 2021, it being acknowledged and agreed that such Disclosure Statement and Approved Plan has not been approved by any Commitment Party and that, in the event such filed Approved Plan and Disclosure Statement is not reasonably acceptable to any Commitment Party, counsel to the Commitment Parties shall provide comments to the Debtors and the Debtors shall file amended versions of the Disclosure Statement and Approved Plan acceptable in form and substance to the Parties by no later than December 10, 2021, *provided that* the Commitment Parties provide their principal comments no later than December 3, 2021 and provided further that the Parties may consent to extend such December 10, 2021 deadline to the extent the Parties are continuing in good faith to negotiate the language of the Approved Plan and/or the Disclosure Statement (which consent shall not be unreasonably withheld);

(b) the Debtors shall execute the Backstop Commitment Agreements by not later than December 21, 2021;

(c) the Bankruptcy Court hearing to consider entry of the Backstop Order shall commence not later than forty (40) days after the execution of the Backstop Commitment Agreements, *provided* that Company shall use commercially reasonable efforts to obtain a hearing date for the approval of the Backstop Commitment Agreements in advance of the January 27, 2022 omnibus hearing;

(d) the Bankruptcy Court hearing to consider entry of the Disclosure Statement Order (the "Disclosure Statement Hearing") shall commence not later than January 27, 2022; *provided*, that the Debtors may extend such period by fourteen (14) days;

(e) obtain entry of the Disclosure Statement Order from the Bankruptcy Court reasonably acceptable in form and substance to the Parties by not later than fourteen (14) days after the commencement of the Disclosure Statement Hearing;

(f) the Bankruptcy Court hearing to consider entry of the Confirmation Order (the "Confirmation Hearing") shall commence not later than sixty (60) days from the date the Bankruptcy Court enters the Disclosure Statement Order;

(g) the Bankruptcy Court shall enter the Confirmation Order in form and substance acceptable to the Parties by not later than thirty (30) days after the commencement of the Confirmation Hearing; and

(h) the effective date of the Approved Plan (the "Plan Effective Date") shall occur no later than one hundred twenty (120) days after entry of the Confirmation Order.

Section 4. Commitments Regarding the Restructuring Transactions

4.01. Commitment of the Commitment Parties

(a) During the period beginning on the Agreement Effective Date and ending on the date this Agreement is terminated (the "Termination Date" and such period, the "Effective Period"), subject to the terms and conditions of this Agreement, including, solely with respect to the Backstop Shareholders, subject to obtaining the Subsequent Approvals, each of the Commitment Parties agrees, severally and not jointly, that:

1. it shall cooperate and coordinate activities (to the extent practicable and subject to the terms hereof) with the other Parties and will use commercially reasonable efforts to pursue, support, solicit, implement, confirm, and consummate the Restructuring Transactions, as applicable, and to execute any document and give any notice, order, instruction, or direction reasonably necessary to support, facilitate, implement, consummate, or otherwise give effect to the Restructuring Transactions, as applicable, and to act in good faith and take all commercially reasonable actions to negotiate the Definitive Documents with the other Commitment Parties and the Debtors on terms consistent with the Restructuring Term Sheets and consummate the Restructuring Transactions consistent in all material respects with this Agreement;

2. it shall use commercially reasonable efforts to cooperate with and assist the other Parties in obtaining additional support for the Restructuring Transactions from other stakeholders and shall consult with the other Parties regarding the status and the material terms of any negotiations with any such stakeholders;

3. it shall not, directly or indirectly,

i. object to, delay, impede, or take any other action that is materially inconsistent with, or is intended or is likely to interfere with acceptance, implementation or consummation of the Approved Plan or the Restructuring Transactions;

ii. seek, solicit, encourage, propose, assist, consent to, vote for, engage in substantive negotiations, or enter into any agreement in connection with or regarding, or participate in the formulation or preparation of any Alternative Transaction[3]; *provided, however*, if any of the Commitment Parties receive an unsolicited bona fide proposal or expression of interest regarding any Alternative Transaction during the Effective Period, such Commitment Party shall promptly inform LATAM Parent of any Alternative Transaction and any offer, arrangement, understanding or agreements related to any Alternative Transaction that such Commitment Party becomes aware of and promptly provide LATAM Parent with a summary of the material terms thereof;

iii. (a) publicly announce that it intends to take or has taken any action, in each case, that is inconsistent in any material respect with this Agreement or the Restructuring Documents (including, but not limited to, moving to dismiss the Chapter 11 Cases, or moving to convert the Chapter 11 Cases to cases under Chapter 7 of the Bankruptcy Code), or (b) execute, file or agree to file any motion, pleading or other Restructuring Document with the Bankruptcy Court or any other court (including any modifications or amendments thereof) that is inconsistent in any material respect with this Agreement, the Restructuring Term Sheets or the Restructuring Transactions;

iv. move for the appointment of an examiner with expanded powers or a chapter 11 trustee in any of the Chapter 11 Cases; or

v. take any action or file any motion, application, objection or adversary proceeding (a) undermining or challenging, (or seeking standing

[3] "Alternative Transaction" shall mean any plan, inquiry, proposal, offer, bid, term sheet, discussion, or agreement with respect to a sale, disposition, new-money investment, restructuring, reorganization, merger, amalgamation, acquisition, consolidation, dissolution, debt investment, equity investment, liquidation, asset sale, share issuance, tender offer, exchange offer, recapitalization, plan of reorganization, share exchange, business combination, joint venture, or similar transaction involving any one or more Debtors or the debt, equity, or other interests in any one or more of the Debtors, that is an alternative to one or more of the Restructuring Transactions.

to challenge) as applicable, the amount, validity, settlement, enforceability, perfection, or priority of, or seeking avoidance or subordination of, any portion of any of the Participating Claims, Existing Common Equity or Preemptive Rights of any Commitment Party, as applicable, or any liens securing such Participating Claims, or (b) asserting any other cause of action against and/or with respect or relating to the Participating Claims, Existing Common Equity or Preemptive Rights of any Commitment Party, as applicable, *provided that*, for the avoidance of doubt, nothing herein shall prevent any Commitment Party from filing any affirmative, responsive or defensive pleadings in opposition to any motion, claim, adversary proceeding or other pleading made by any person objecting to or otherwise regarding the allowance or treatment of their Participating Claims, Existing Common Equity or Preemptive Rights of any Commitment Party, as applicable, or any liens securing such Participating Claims;

4. to the extent applicable, it shall timely vote each of its Participating Claims to accept the Approved Plan by delivering its duly executed and completed ballot(s) accepting the Approved Plan on a timely basis following the commencement of the solicitation and its actual receipt of the Solicitation Materials and ballot, and not change, withdraw, or revoke (or cause to be changed, withdrawn, or revoked) such vote; *provided*, *however*, that such vote may be revoked (and, upon such revocation, deemed void *ab initio*) by such Commitment Party at any time if this Agreement is terminated with respect to such Commitment Party (it being understood by the Parties that any modification of the Approved Plan that results in a termination of this Agreement pursuant to Section 7 hereof shall entitle such Commitment Party an opportunity to change its vote in accordance with section 1127(d) of the Bankruptcy Code);

5. except to the extent expressly contemplated under the Approved Plan or this Agreement, it will not exercise, or direct any other person to exercise, any right or remedy for the enforcement, collection, or recovery of any claims against or equity interests in the Debtors, and any other claims against any direct or indirect subsidiaries of the Debtors that are not Debtors;

6. it shall support and take all actions reasonably requested by the Debtors to facilitate the solicitation of the Approved Plan, obtain approval of the Disclosure Statement, and obtain confirmation and consummation of the Plan and the Restructuring Transactions;

7. it shall use commercially reasonable efforts to promptly cooperate with, assist, and take all actions reasonably appropriate in obtaining approval of the Disclosure Statement, facilitating the solicitation of the Approved Plan, obtaining entry of the Confirmation Order and consummation of the Approved Plan including, but not limited to, voting each of its claims against or (to the extent applicable) equity interests in the Debtors in support of the Approved Plan and by not taking any action, directly or indirectly, to object to, delay, impede, or

take any other action to interfere with such approval, solicitation, entry or consummation;

8. it shall support, consent to, and not opt out of the releases and exculpation provisions in the Approved Plan, which shall be substantially in the form set out in the Plan Term Sheet;

9. it shall provide to the Debtors' counsel in the Chapter 11 Cases (a) drafts of all Definitive Documents drafted by such Commitment Party in a timely fashion, and (b) all draft copies of all motions, filings or proposed orders that relate to the Restructuring Transactions prepared by any Commitment Party that such Commitment Party intends to file with the Bankruptcy Court, at least three (3) days (or such shorter review period as may be necessary in light of exigent circumstances) prior to such filing and consult in good faith with Debtors' counsel in the Chapter 11 Cases regarding the form and substance of all such proposed filings and shall, in good faith, consult and consider the Debtors' reasonable request for additions or modification to such proposed filings;

10. to the extent applicable, it shall use commercially reasonable efforts to assist the Debtors in obtaining all necessary regulatory and antitrust approvals with respect to the Restructuring Transactions, including, but not limited to, providing the Debtors reasonably requested information, as promptly as practicable, except any personal identifiable information, or to the extent providing such information would constitute a violation of any enforceable regulatory agreement or applicable law and subject to any applicable restrictions and limitations set forth in any confidentiality agreements then in effect, required for making all filings and submissions required by any antitrust, competition and merger control laws and any other laws in connection with the Restructuring Transaction within sixty (60) days following the Agreement Effective Date (subject to the Debtors' timely request of such information) and making all such filings and submissions within sixty (60) days following entry of the Disclosure Statement Order, promptly filing any additional information reasonably requested as soon as practicable after receipt of request therefor and reasonably cooperating with the Debtors with respect to the regulatory approval process;

11. it shall promptly (but in any event within three (3) Business Days)[1] notify the Debtors in writing of the occurrence, or failure to occur, of any event of which such Commitment Party has actual knowledge and which such occurrence or failure would likely cause (x) any representation of such Commitment Party contained in this Agreement to be untrue or inaccurate in any material respect, (y) any covenant of such Commitment Party contained in this Agreement not to be satisfied in any material respect, or (z) any condition precedent contained in the

[1] "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; Santiago, Chile; Rio de Janeiro or São Paulo, Brazil; Lima, Peru; Bogota, Colombia are required or authorized to remain closed.

Approved Plan or this Agreement related to the obligations of such Commitment Party not to occur or become impossible to satisfy;

12. with respect to each Commitment Party thereto, it shall negotiate the terms of the Backstop Commitment Agreements with respect to the New Convertible Notes Class B, New Convertible Notes Class C and ERO New Common Stock, as relevant, in good faith, and execute such Backstop Commitment Agreements, each in a form acceptable to the relevant Commitment Parties and the Debtors and in accordance with the Plan Term Sheet. The term of the Backstop Commitments is expected to be long-term in duration, taking into consideration, among other things, the expected case timeline, and shall be negotiated in good faith in connection with the Backstop Agreements;

13. it shall agree to a management incentive plan (the "Management Incentive Plan"), which shall be consistent in all material respects with the Restructuring Term Sheets, no later than the date of the execution of the Backstop Commitment Agreements and work in good faith with the Debtors to negotiate, consummate and implement the Management Incentive Plan on the Plan Effective Date;

14. it shall support the amendment and assumption of the employment agreements containing the Management Protection Provisions (as defined in the Plan Term Sheet);

15. it shall oppose and not support the *Motion of the Official Committee of Unsecured Creditors for (I) Leave, Standing, and Authority to Commence and Prosecute Certain Claims and Causes of Action on Behalf of the Debtors' Estates Against Delta Air Lines, Inc. and its Affiliates and (II) Non-Exclusive Settlement Authority Regarding Such Claims* [ECF No. 2531] and the *Motion of the Official Committee of Unsecured Creditors for (I) Leave, Standing, and Authority to Commence and Prosecute Certain Claims and Causes of Action on Behalf of the Debtors' Estates Against Qatar Airways Q.C.S.C. and its Affiliates and (II) Non-Exclusive Settlement Authority Regarding Such Claims* [ECF No. 2532] (collectively, the "Standing Motions"); *provided, however*, that if this Agreement is terminated, each Party reserves all rights with respect to the claims asserted in the Standing Motions;

16. it shall support the Debtors' request for entry of an order extending the exclusive periods in which the Subsequent Debtors[2] may file a chapter 11 plan and solicit acceptances with respect to such chapter 11 plan, in each case, solely to the extent that such plan is the Approved Plan;

[2] "Subsequent Debtors" means TAM S.A., TAM Linhas Aéreas S.A., ABSA Aerolinhas Brasileiras S.A., Prismah Fidelidade Ltda., Fidelidade Viagens e Turismo S.A., TP Franchising Ltda., Holdco I S.A., Multiplus Corretora de Seguros Ltda. and Piquero Leasing Limited, each of whom filed voluntary petitions under chapter 11 of the Bankruptcy Code on July 7 and 9, 2020, as applicable.

17. reserved;

18. solely with respect to the Commitment Creditors, and subject to the confidentiality restrictions set forth in Section 26, they agree to provide the amount of each Commitment Creditor's claim holdings on Schedule II (including claims that will be subject to this Agreement following consummation of any transactions that remain pending as of the Agreement Effective Date) and provide an updated Schedule II to LATAM Parent promptly upon the acquisition or transfer of claims or interests in the Debtors; and

19. it shall not direct any administrative agent or collateral agent (as applicable) to take any action inconsistent with such Commitment Party's obligations under this Agreement, and, if any applicable administrative agent or collateral agent takes any action inconsistent with such Commitment Party's obligations under this Agreement, such Commitment Party shall use commercially reasonable efforts to direct and cause such administrative agent or collateral agent to cease and refrain from taking any such action, so long as the such Commitment Party is not required to incur any material out-of-pocket costs or provide any indemnity in connection therewith;

provided, however that nothing in this Section 4.01(a) shall require any Commitment Party to incur, assume, or become liable for any expenses, liabilities, or other obligations, or to commence litigation, or agree to any commitments, undertakings, concessions, indemnitees or other arrangements, that could result in expenses, liabilities or other obligations to any such Party, other than as specifically stated in this Agreement (including the Restructuring Term Sheets) and the Restructuring Documents.

(b) Notwithstanding the foregoing, nothing in this Agreement and neither a vote to accept the Approved Plan by a Commitment Party nor the acceptance of the Plan by any Commitment Party will limit any of the following rights of the Commitment Parties:

1. under any applicable bankruptcy, insolvency, foreclosure or similar proceeding, including, appearing as a party in interest in any matter to be adjudicated in order to be heard concerning any matter arising in the Chapter 11 Cases, in each case provided that such appearance and the positions advocated in connection therewith are not inconsistent with this Agreement and do not hinder, delay or prevent consummation of the Approved Plan and the Restructuring Transactions;

2. to take or direct any action relating to maintenance, protection, or preservation of any collateral provided that such action is not inconsistent with this Agreement and does not hinder, delay, or prevent consummation of the Approved Plan and the Restructuring Transactions;

3. to consult with other Commitment Parties, the Debtors, or any other party in interest in the Chapter 11 Cases; *provided*, that such action is not

inconsistent with this Agreement and does not hinder, delay or prevent consummation of the Approved Plan and the Restructuring Transactions;

4. to enforce any right, remedy, condition, consent or approval requirement under this Agreement or any of the Restructuring Documents; or

5. to sell, assign, participate or enter into any other transfers of Participating Claims or Equity Rights, in each case solely pursuant to Section 6 or Section 21 of this Agreement;

6. solely with respect to the Backstop Shareholders (or their affiliates) that are DIP Lenders (as defined in the DIP Credit Agreement (as defined below)), subject to Section 4.01(a)(19) above, to enforce (or cause to enforce) any Party's rights and obligations under that certain Super-Priority Debtor-in-Possession Term Loan Agreement, dated September 29, 2020, (as may be amended, modified, or supplemented from time to time, the "DIP Credit Agreement") and any related documents (collectively, the "DIP Documents") and, for the avoidance of doubt, nothing herein shall require any Party to take any action (or refrain from taking any action) that could reasonably be expected to constitute a breach of such Party's obligations under the DIP Documents;

4.02. Additional Commitments of the Backstop Shareholders and Commitment Creditors

In addition to the commitments set forth in Section 4.01(a), and subject to Section 4.01(b), during the Effective Period and subject to the terms and conditions of this Agreement, including, solely with respect to the Backstop Shareholders, subject to obtaining the Subsequent Approvals, each Backstop Shareholder and each Commitment Creditor that holds Existing Common Stock and/or the related Preemptive Rights, and, together with the Existing Common Stock, (the "Equity Rights") or later acquires common stock after the Agreement Effective Date (the "Subsequently Acquired Common Stock") and/or the related preemptive rights acquired after the commencement of the Equity Rights Offering and the preemptive rights offering with respect to the New Convertible Notes (the "Subsequently Acquired Preemptive Rights", and, together with the Subsequently Acquired Common Stock, the "Subsequently Acquired Equity Rights") and any assignee or transferee of a Backstop Shareholder or Commitment Creditor , agrees, on behalf of themselves and their affiliates in each case, in their capacity as a holder of Existing Common Stock and/or Preemptive Rights or Subsequently Acquired Common Stock and/or Subsequently Acquired Preemptive Rights, as applicable, severally and not jointly to:

(a) attend, either in person or by duly appointed proxy, each shareholders' meeting or meetings summoned in respect of any Restructuring Transaction or Restructuring Document;

(b) vote its Existing Common Stock and Subsequently Acquired Common Stock in favor of taking all necessary actions to effectuate the Restructuring Transactions including, without limitation, voting in favor of approving all capital increases, stock issuances,

convertible debt issuances and/or by-law amendments as may be contemplated as part of any Restructuring Transaction;

(c) (i) with respect to the Backstop Shareholders, waive all rights to subscribe and purchase New Convertible Notes Class A or New Convertible Notes Class C, and (ii) with respect to each Commitment Creditor holding Existing Common Stock and/or Preemptive Rights or Subsequently Acquired Common Stock and/or Subsequently Acquired Preemptive Rights, waive all rights to subscribe and purchase New Convertible Notes Class B, in each case, including the execution of all documentation necessary to give effect to such waiver based on its ownership of Equity Rights or Subsequently Acquired Equity Rights;

(d) waive and/or exercise its Preemptive Rights or Subsequently Acquired Preemptive Rights when necessary to effectuate the Restructuring Transactions and as expressly provided in this Agreement.

provided, however that nothing in this Section 4.02 shall require any Commitment Party to commence litigation, or agree to any commitments, undertakings, concessions, indemnitees or other arrangements, that are reasonably expected to result in material obligations to any such Party, other than as specifically stated in this Agreement (including the Restructuring Term Sheets) and the Restructuring Documents; *provided further*, to the extent any pledged Equity Rights are foreclosed upon, this Section 4.02 shall apply *mutatis mutandi* to any such Equity Rights; *provided further*, nothing in this Section 4.02 shall prohibit any Commitment Creditor who holds Equity Rights as of the Agreement Effective Date from completing a Transfer (as defined below) with respect to such Equity Rights held by such Commitment Creditor as of the Agreement Effective Date and the transferee party to such a Transfer shall not be obligated to execute a Joinder or otherwise be bound to this Agreement in any respect, and such Commitment Creditor shall no longer have any obligations under this Agreement solely with respect to any such transferred Equity Rights.

4.03. Commitments of the Eblen Group.

(a) During the period between the date hereof until the date on which the Debtors obtain the registration of the ERO New Common Stock, the New Convertible Notes and the New Convertible Notes Back-Up Shares with the Comisión para el Mercado Financiero ("CMF"), subject to the terms and conditions of this Agreement, the Eblen Group agrees, and any assignee or transferee of the Eblen Group agrees, in each case, in its capacity as a holder of Existing Common Stock and/or Preemptive Rights or Subsequently Acquired Common Stock and/or Subsequently Acquired Preemptive Rights, as applicable, to:

1. attend, either in person or by duly appointed proxy, each shareholders' meeting or meetings summoned in respect of any Restructuring Transaction or Restructuring Document;

2. vote its Existing Common Stock and Subsequently Acquired Common Stock in favor of approving all capital increases, stock issuances and convertible debt issuances and/or bylaw amendments as may be contemplated as part of the Restructuring Transactions; and

3. not Transfer any of its Equity Rights or Subsequently Acquired Equity Rights (in whole or in part), except, to a person or entity that is a Backstop Shareholder or an affiliate of a Backstop Shareholder pursuant to the execution of a Joinder as contemplated by Section 6(f), it being understood and agreed that any such Equity Rights or Subsequently Acquired Equity Rights shall, in the case of a Transfer to a Backstop Shareholder automatically be deemed to continue to be subject to the terms of this Agreement;

provided, *however* that nothing in this Section 4.03(a) shall require the Eblen Group to incur, assume, or become liable for any expenses, liabilities, or other obligations, or to commence litigation, or agree to any commitments, undertakings, concessions, indemnitees or other arrangements, that could result in expenses, liabilities or other obligations to the Eblen Group, other than as specifically stated in this Agreement (including the Restructuring Term Sheets) and the Restructuring Documents.

(b) Notwithstanding anything to the contrary in this Agreement and in this Section 4.03, this Agreement shall not limit in any way the right of the Eblen Group to (i) exercise, dispose, exchange, assign and/or transfer its Preemptive Rights or acquire additional Preemptive Rights, or (ii) from the date on which the Debtors obtain the registration of the ERO New Common Stock, the New Convertible Notes and the New Convertible Notes Back-Up Shares with the CMF, sell, dispose, exchange, assign and/or transfer its Existing Common Stock and Subsequently Acquired Common Stock.

4.04. Commitments of the Debtors

(a) During the Effective Period, each Debtor hereby agrees that it shall:

1. diligently pursue and make commercially reasonable efforts to support, solicit, implement, confirm, and consummate each of the Restructuring Transactions, as applicable, on the terms and conditions set forth in this Agreement, the Restructuring Term Sheets, the Schedules attached hereto and the Approved Plan, and, subject to Section 27, not enter into any agreement to pursue any Alternative Transaction or other restructuring transaction for the Debtors or substantially all of their assets or equity interests;

2. use all good faith efforts to cooperate with and provide reasonable assistance the other Parties in obtaining additional support for the Restructuring Transactions from other stakeholders and shall consult with the other Parties regarding the status and the material terms of any negotiations with any such stakeholders;

3. negotiate in good faith and use commercially reasonable efforts to implement this Agreement and the Approved Plan as promptly as practicable (as contemplated by the Milestones) in accordance with the Restructuring Term Sheets, the transactions and other actions contemplated hereby and thereby;

4. (y) take all actions reasonably necessary and appropriate in furtherance of confirming the Approved Plan and consummating the

Restructuring Transactions in accordance with, and within the time frames contemplated by this Agreement, including, without limitation, executing any document and giving any notice, order, instruction, or direction reasonably necessary to support, facilitate, implement, consummate, or otherwise give effect to the Restructuring Transactions, as applicable and (z) take no action that is materially inconsistent with this Agreement;

5. obtain any and all required regulatory and/or third-party approvals for the Restructuring Transactions as soon as reasonably practicable (if any, and to the extent such approvals are not overridden by the Bankruptcy Code);

6. provide to the Commitment Parties' respective counsel in the Chapter 11 Cases (a) drafts of all Definitive Documentation to be prepared by the Debtors, and comments on all Definitive Documentation to be prepared by other parties, each to be provided in a timely manner, and (b) all draft copies of all material motions, filings or proposed orders that the Debtors intend to file with the Bankruptcy Court as soon as reasonably practicable, but in no event less than three (3) days (or such shorter period as may be necessary in light of exigent circumstances) prior to such filing and consult in good faith with the Commitment Parties' respective counsel regarding the form and substance of all such proposed filings, and shall in good faith, consult and consider the Requisite Commitment Creditors' and the Backstop Shareholders' reasonable request for additions or modification to such proposed filings;

7. oppose and not support the Standing Motions; *provided, however*, that if this Agreement is terminated, the Debtors reserve all rights with respect to the claims asserted in the Standing Motions;

8. not support the efforts of any person seeking to object to, delay, impede, or take any other action that, in the Debtors' view, is inconsistent with, or is intended or would reasonably be expected to prevent, impede, or frustrate the acceptance, approval or implementation of the Approved Plan, the Restructuring Transactions and the Restructuring Documents;

9. timely file, in consultation with counsel to the Commitment Parties, an objection to any motion filed with the Bankruptcy Court by any person seeking an order (i) directing the appointment in the Chapter 11 Cases of an examiner with expanded powers or a trustee; (ii) directing the appointment of an official committee of equity holders in the Chapter 11 Cases; (iii) converting any of the Chapter 11 Cases to cases under chapter 7 of the Bankruptcy Code; (iv) dismissing any of the Chapter 11 Cases or (v) granting any relief that is inconsistent with this Agreement in any material respect;

10. timely file and fully prosecute a formal objection, in consultation with and after receiving any necessary information from counsel to the Commitment Creditors to any motion, application, objection or adversary proceeding (a) challenging (or seeking standing to challenge) as applicable, the

amount, validity, settlement, enforceability, perfection, or priority of, or seeking avoidance or subordination of, any portion of any of the Allowed Claims or any Claims that Debtors have agreed to settle, Existing Common Equity or Preemptive Rights of any Commitment Party, as applicable, or any liens securing such Allowed or settled Claims, Existing Common Equity or Preemptive Rights or (b) asserting any other cause of action against and/or with respect or relating to the Allowed or settled Claims, Existing Common Equity or Preemptive Rights, as applicable;

11. timely file a formal reply, in consultation with counsel to the Commitment Creditors and the Backstop Shareholders, to any objection or other pleading opposing the entry of the Confirmation Order, or challenging any term or provision of the Approved Plan or the Restructuring Transactions;

12. comply in all material respects with applicable laws (including making or seeking to obtain all required material consents and/or appropriate filings or registrations with, notifications to, or authorizations, consents or approvals of any regulatory or governmental authority, and paying all material taxes as they become due and payable except to the extent nonpayment thereof is permitted by the Bankruptcy Code);

13. promptly (and in any event within three (3) Business Days of any such occurrence) notify the advisors to the Commitment Parties in writing of any material governmental or third party complaints, litigations, investigations, or hearings which would prevent the consummation of the Restructuring Transactions or Approved Plan (or written communications indicating that the same may be contemplated or threatened), unless such notice is disclosed publicly on the docket maintained in the Chapter 11 Cases;

14. operate the business of each of the Debtors in the ordinary course (other than changes in the operations resulting from or relating to the Restructuring Transactions or the filing of the Chapter 11 Cases) and consistent with past practice and in a manner that is materially consistent with this Agreement and the business plan of the Debtors and confer with advisors to the Commitment Parties, as reasonably requested, on operational matters and the general status of ongoing operations;

15. upon reasonable request of the advisors to any Commitment Party inform, the advisors to such Commitment Party as to: (i) the status and progress of the Restructuring Transactions, including, without limitation, progress in relation to the negotiations of the Restructuring Documents and (ii) the status of obtaining any necessary or desirable authorizations (including any consents) with respect to the Restructuring Transactions from each Commitment Party, any competent judicial body, governmental authority, banking, taxation, supervisory, or regulatory body or any stock exchange;

16. as reasonably requested by advisors to any Commitment Party, provide advisors to such Commitment Party information and periodic reporting that the Debtors provide to the DIP Lenders pursuant to the DIP Credit Agreement;

17. as reasonably requested, cause their advisors to confer with advisors to the Commitment Parties to report on operational and financial performance matters, collateral matters, and the general status of ongoing operations, and provide responses to all reasonable diligence requests with respect to the foregoing, subject to any applicable restrictions and limitations set forth in any confidentiality agreements then in effect;

18. promptly (but in any event within three (3) Business Days) notify counsel to the Commitment Parties in writing between the date hereof and the Agreement Effective Date of the occurrence, or failure to occur, of any event of which the Debtors have actual knowledge and which such occurrence or failure would likely cause (x) any representation of the Debtors contained in this Agreement to be untrue or inaccurate in any material respect, (y) any covenant of the Debtors contained in this Agreement not to be satisfied in any material respect, or (z) any condition precedent contained in the Approved Plan or this Agreement related to the obligations of the Debtors not to occur or become impossible to satisfy;

19. negotiate the terms of the Backstop Commitment Agreements with respect to the New Convertible Notes Class B, New Convertible Notes Class C, and ERO New Common Stock, in good faith, and execute such Backstop Commitment Agreements, each in a form acceptable to the relevant Commitment Parties and consistent in all material respects with the terms of this Agreement and the Restructuring Term Sheets;

20. Upon execution of the Backstop Commitment Agreements, commit to pay to the Backstop Shareholders and Commitment Creditors the Backstop Shareholder Fees (as defined in the Plan Term Sheet) and the Commitment Creditor Fees (as defined in the Plan Term Sheet) including without limitation, any agreed success fees, in each case to the extent properly invoiced, (i) upon Bankruptcy Court approval of each Backstop Agreement, such Backstop Shareholder Fees and Commitment Creditor Fees that have accrued through the date of such approval in cash upon such approval of each Backstop Agreement, (ii) following Bankruptcy Court approval of each Backstop Agreement, with respect to such Backstop Shareholder Fees and the Commitment Creditor Fees that are respectively due and payable, each month within 30 days of receiving an invoice from such Commitment Creditor or Backstop Shareholder (or their advisors) in full in cash and (iii) on the Effective Date with respect to such Backstop Shareholder Fees and the Commitment Creditor Fees that are respectively due and payable in full in cash; and

21. use commercially reasonable efforts to maintain their good standing under the laws of the state or other jurisdiction in which they are incorporated or organized.

(b) Subject to Section 27 hereof, during the Effective Period, each Debtor hereby agrees that it shall not:

1. seek, solicit, encourage, propose, assist, consent to, vote for, engage in substantive negotiations, or enter into any agreement in connection with or regarding, or participate in the formulation or preparation of any Alternative Transaction; *provided, however*, if any of the Debtors receive an unsolicited bona fide proposal or expression of interest regarding any Alternative Transaction during the Effective Period, it shall promptly inform the Commitment Parties of any Alternative Transaction and any offer, arrangement, understanding or agreements related to any Alternative Transaction that such Debtor becomes aware of and promptly provide counsel to the Commitment Parties with a summary of the material terms thereof;

2. object to, delay, impede, or take any other action that is materially inconsistent with, or is intended or would reasonably be expected to prevent, impede, or frustrate the acceptance, approval or implementation of the Approved Plan, the Restructuring Transactions, the Restructuring Documents or take any other action that is barred by this Agreement;

3. (i) publicly announce that it intends to take or has taken any action, in each case, that is inconsistent in any material respect with this Agreement or the Restructuring Documents (including, but not limited to, its intention to withdraw the Approved Plan, moving to voluntarily dismiss the Chapter 11 Cases other than as contemplated by the Approved Plan or this Agreement, or moving to convert the Chapter 11 Cases to cases under Chapter 7 of the Bankruptcy Code), (ii) suspend or revoke the Restructuring Transactions (including, but not limited to, withdrawing the Approved Plan), or (iii) execute, file or agree to file any motion, pleading or other Restructuring Document (including any modifications or amendments thereof) that is inconsistent in any material respect with this Agreement;

4. without the prior written consent of the Requisite Commitment Creditors and the Requisite Backstop Shareholders, (i) move for the (A) the conversion of any of the Chapter 11 Cases to chapter 7 under the Bankruptcy Code, (B) appointment of an examiner with expanded powers or a chapter 11 trustee in any of the Chapter 11 Cases, or (ii) support any other party seeking any of the foregoing relief; and

5. waive, amend or modify the Approved Plan or any Restructuring Document, in each case in a manner inconsistent with this Agreement, without the

prior written consent of the Requisite Commitment Creditors and the Requisite Backstop Shareholders.

(c) Nothing in sub-clause (a) of this Section 4.04 shall: (1) affect the ability of any Debtor to consult with any Commitment Party, its advisors or any other party in interest in the Chapter 11 Cases (including any official committee appointed in the Chapter 11 Cases and the United States Trustee), or (2) prevent any Debtor from (x) enforcing this Agreement or contesting whether any matter, fact, or thing is a breach of, or is inconsistent with, this Agreement, or (y) exercising its rights under Section 27.

4.05. Reserved.

Section 5. Definitive Documents; Good Faith Cooperation

(a) Each Party hereby covenants and agrees to cooperate with each other in good faith in connection with, and shall, exercise commercially reasonable efforts with respect to the pursuit, approval, negotiation, execution, delivery, implementation and consummation of the Approved Plan and the Restructuring Transactions (solely with respect to the Backstop Shareholders and Lan Cargo S.A., subject to obtaining the Subsequent Approvals), as well as the negotiation, drafting, execution, as applicable, and delivery of the Restructuring Documents, which will, after the Agreement Effective Date, remain subject to negotiation and shall, upon completion, contain terms, conditions, representations, warranties, and covenants consistent in all material respects with the terms of this Agreement (including, for the avoidance of doubt, the Restructuring Term Sheets attached as **Exhibits A-E** hereto), and be in form and substance reasonably acceptable to (i) the Debtors, (ii) the Requisite Commitment Creditors and (iii) the Backstop Shareholders.

(b) The Parties severally and not jointly covenant and agree, consistent in all respects with clause (a) of this Section 5, (i) to negotiate in good faith the Approved Plan, the Confirmation Order, the Plan Supplement and the Definitive Documents, each of which shall, except as otherwise provided for herein, (x) contain the same economic terms as, and other terms consistent in all material respects with, this Agreement and (y) otherwise be in form and substance acceptable or reasonably acceptable in all material respects to the Parties, as applicable (to the extent such Parties are specifically provided with consent rights over such documents pursuant to this Agreement) and (z) be consistent in all material respects with this Agreement, and (ii) subject to the satisfaction of the terms and conditions set forth herein, and, solely with respect to the Backstop Shareholders and Lan Cargo S.A., subject to obtaining the Subsequent Approvals, to execute the Definitive Documents (to the extent such Party is contemplated to be a party thereto).

(c) Notwithstanding anything to the contrary contained herein, the Backstop Commitment Agreements, the amendment of the by-laws, the Backstop Order, the Shareholder's Agreement, the Confirmation Order, the Disclosure Statement and the Approved Plan shall be in

form and substance acceptable to the Requisite Commitment Creditors and the Backstop Shareholders.

Section 6. Transfers of Participating Claims/Equity Rights and Joinders

(a) Each Commitment Creditor agrees that, during the Effective Period, it shall not (i) sell, transfer, assign, pledge or otherwise dispose of, loan, issue, hypothecate, assign grant a participation interest in or option on, or otherwise convey or dispose of, directly or indirectly or (ii) deposit into a voting trust, or grant any proxies, or enter into a voting agreement with respect to (the actions described in clauses (i) and (ii) are collectively referred to herein as a "Transfer," the Commitment Party making such Transfer is referred to herein as the "Transferor," and a transferee receiving a Transfer pursuant to this Section 6 is referred to as a "Permitted Transferee") any of its Participating Claims, or any option thereon or any right or interest (voting or otherwise) in any of its Participating Claims (including, any participation therein), unless such Transfer is to an affiliate or to a person or entity that is a Commitment Party or becomes a Commitment Party pursuant to execution of a Joinder (as defined below) as contemplated by Section 6(c), it being understood and agreed that, in the case of an existing Commitment Party or an affiliate of a Commitment Party, any such Participating Claims shall automatically be deemed to continue to be subject to the terms of this Agreement. Each Commitment Creditor agrees to take commercially reasonable efforts to provide prompt notice to counsel for the other Commitment Parties and the Debtors a notice in writing of any sale, transfer, assignment or other disposition of any of its Participating Claims, and in any event within five (5) Business Days of the consummation of such transaction, which may be satisfied by the delivery of a Joinder as provided hereunder by either the Permitted Transferee or a Transferor. Any Transfer made in violation of this Section 6 (other than a failure to provide timely notice) shall be deemed null and void ab initio and of no force or effect and shall not create any obligation or liability of any Debtors or Commitment Party to the purported transferee.

(b) Each Backstop Shareholder agrees that, during the Effective Period, it shall not Transfer any of its Equity Rights or Subsequently Acquired Equity Rights (in whole or in part), except, to a person or entity that is a Backstop Shareholder or an affiliate of a Backstop Shareholder pursuant to the execution of a Joinder as contemplated by Section 6(f), it being understood and agreed that any such Equity Rights or Subsequently Acquired Equity Rights shall, in the case of a Transfer to another Backstop Shareholder shall automatically be deemed to continue to be subject to the terms of this Agreement. Each Backstop Shareholder agrees to take commercially reasonable efforts to provide prompt notice to counsel for the other Backstop Shareholders and the Debtors a notice in writing of any sale, transfer, assignment or other disposition of any of its Participating Claims, and in any event within two (2) Business Days of the consummation of such transaction. Any Transfer made in violation of this Section 6 shall be deemed null and void *ab initio* and of no force or effect and shall not create any obligation or liability of any Debtors or Commitment Party to the purported transferee.

(c) Upon compliance with the requirements of Section 6(a) and (b), with respect to Participating Claims, Equity Rights or Subsequently Acquired Equity Rights, as applicable, held by the relevant Permitted Transferee upon consummation of a Transfer in accordance herewith, such Permitted Transferee is deemed to make all of the representations,

warranties, and covenants of a Commitment Party set forth in this Agreement as of the date of such Transfer, but solely to the extent of the acquired Participating Claims, Equity Rights or Subsequently Acquired Equity Rights. No Transferor shall have any liability under this Agreement arising from or related to the failure of the Permitted Transferee to comply with the terms of this Agreement from and after the effective date of such Transfer made in compliance with this Section 6.

(d) Any person that joins this Agreement, agrees to be bound by all of the terms of this Agreement (as the same may be hereafter modified from time to time in accordance with the terms of this Agreement) (a "Joining Party") by executing and delivering to counsel for the Debtors, on or prior to the date of the relevant transfer, a joinder in a form to be agreed to among the Parties hereto (the "Joinder"). Each Joining Party shall indicate, as applicable, on the appropriate schedule of its Joinder, (i) the number, nature and amount of claims, which shall be deemed to be Participating Claims of such Joining Party and (ii) the number of shares of Existing Common Stock, Preemptive Rights, Subsequently Acquired Common Stock or Subsequently Acquired Preemptive Rights held by such Joining Party, which such Participating Claims, Existing Common Stock, Preemptive Rights, Subsequently Acquired Common Stock and Subsequently Acquired Preemptive Rights shall be subject to all of the terms of this Agreement;. With respect to any Joining Party, upon the execution and delivery of the Joinder, such Joining Party hereby makes the representations and warranties of the Parties set forth in Section 2 of this Agreement to and the commitments set forth in Section 4 of this Agreement (as applicable); *provided*, *however* that such Joining Party shall not be deemed a Backstop Party under any circumstances unless such Joining Party has acquired Backstop Commitments from a Backstop Party in accordance with the relevant Backstop Commitment Agreement.

(e) Each Transferee (other than a Transferee that is an affiliate of a Backstop Shareholder) shall represent and warrant (which representations and warranties shall be included in each Joinder) that it is not (i) an air carrier or related holding company or subsidiary that transports cargo and/or passengers (a) domestically within any South American country, (b) regionally within South America, or (c) in and out of South America (each a "Competitor") or (ii) acting in concert formally or informally with (or on behalf of) any Competitor to propose an alternative plan inconsistent with the Approved Plan (any party described in (i) and (ii) above, the "Competitor Party"). If any Participating Claims are transferred to a Competitor Party, such Competitor Party, as Transferee, will have no rights under this Agreement or any Definitive Documents. Notwithstanding anything in this Agreement to the contrary, no Transferor shall have any liability under the Agreement arising from or related to (x) any breach of any representations or warranties by a Competitor Party, and/or (y) the failure of any Competitor Party to comply with the terms of this Agreement from and after the effective date of such Transfer, and all such liability, penalties and/or damages arising therefrom shall be the responsibility of the Competitor Party. Any financial institution that buys any Participating Claims, becomes a Party to this Agreement through the execution of a Joinder and makes the representations thereunder, and is in full compliance with all terms and commitments under the Agreement (including affirmative support for the Approved Plan and related Definitive Documents), will not be deemed a "Competitor Party" under subclause (ii), above.

(f) This Agreement shall in no way be construed to preclude any Commitment Party from acquiring additional claims against or Equity Rights in any of the

Debtors; *provided* that any such additional claims or Equity Rights shall, automatically be deemed to be Participating Claims of such Commitment Party and such acquired claims or Equity Rights shall be subject to all of the terms of this Agreement. Each Commitment Party agrees to provide to counsel for the other Commitment Parties and the Debtors a notice in writing of the acquisition of any such additional claims or Equity Rights within five (5) Business Days of the consummation of the acquisition transaction; *provided, however*, that additionally acquired claims or Equity Rights shall not result in any modification to the allocation of Backstop Commitments, unless such Commitment Party has acquired Backstop Commitments from a Backstop Party in accordance with the Backstop Commitment Agreement; *provided further*, *however*, the Commitment Parties shall comply with Section 4.01(a)(18)].

(g) Notwithstanding anything in this Agreement (including this Section 6) to the contrary, (i) a Commitment Party, may Transfer any Participating Claim against, or Equity Right in, as applicable, any Debtor to an entity that is acting in its capacity as a Qualified Marketmaker (as defined below) without the requirement that such entity be or become a Commitment Creditor provided that (i) the transferee of such Participating Claim or Equity Right, as applicable, from the Qualified Marketmaker shall join and/or comply in all respects with the terms of this Agreement, (ii) such Qualified Marketmaker subsequently transfers such Participating Claim or Equity Right, as applicable (by purchase, sale assignment, participation, or otherwise) within ten (10) Business Days of its acquisition to a transferee that is an entity that is not an affiliate, affiliated fund, or affiliated entity with a common investment advisor; provided, however, that if such Qualified Marketmaker fails to sell the Participating Claims or Equity Right within such timeframe or otherwise holds such Participating Claims or Equity Right at a time where affirmative action by a Commitment Party is required, the Qualified Marketmaker shall be required to vote such Participating Claims or Equity Right or otherwise take actions consistent with this Agreement while it still holds such Participating Claims or Equity Right; and (iii) to the extent that a Commitment Party, acting in its capacity as a Qualified Marketmaker, acquires any claim against any Debtor from a holder of such claim who is not a Commitment Party, it may Transfer (by purchase, sale, assignment, participation, or otherwise) such claim without the requirement that the transferee be or become a Commitment Party in accordance with this Section 6. For purposes of this clause (f) of this Section 6, a "Qualified Marketmaker" means an entity that (A) holds itself out to the market as standing ready in the ordinary course of its business to purchase from customers and sell to customers claims or interest against any of the Debtors (including debt securities or other debt) or enter with customers into long and short positions in claims against the Debtors (including debt securities or other debt), in its capacity as a dealer or market maker in such claims or interests against the Debtors, and (B) is in fact regularly in the business of making a market in claims against issuers or borrowers (including debt securities or other debt).

(h) Notwithstanding anything the contrary herein, this Section 6 shall not preclude any Commitment Party from transferring its Participating Claims, Equity Rights or Subsequently Acquired Equity Rights, as applicable, to affiliates of such Commitment Party (each, an "Affiliate Transferee"), which Affiliated Transferee shall be deemed a Commitment Party bound by the terms hereof, and the Commitment Party that transferred such Participating Claims, Equity Rights or Subsequently Acquired Equity Rights, as applicable, shall be deemed to relinquish its rights (and be released from its obligations) under this Agreement to the extent of

such transferred Participating Claims, Equity Rights or Subsequently Acquired Equity Rights, as applicable.

Section 7. Termination of Obligations

This Agreement shall terminate (except as expressly otherwise provided in Section 18), and all obligations of the Parties shall immediately terminate and be of no further force and effect, upon the occurrence of any of the following events (each, a "Termination Event"):

(a) the Plan Effective Date;

(b) mutual written consent of the Debtors, the Requisite Commitment Creditors and the Requisite Backstop Shareholders effective one (1) Business Day after written notice of such termination is provided to each of the Commitment Parties in accordance with Section 15 hereof;

(c) the Subsequent Approvals are not obtained by the Subsequent Approvals Deadline;

(d) other than as specifically permitted under this Agreement, the taking by the Debtors any of the following actions: (i) voluntarily commencing any case or filing any petition seeking bankruptcy, winding up, dissolution, liquidation or other substantially similar relief under any federal, state or foreign bankruptcy, insolvency, receivership or substantially similar law now or in effect after the date of this Agreement other than the Chapter 11 Cases or to implement the Restructuring Transactions; (ii) applying for or consenting to the appointment of a receiver, administrator, receiver, trustee, custodian, sequestrator, conservator or substantially similar official for any Debtor or for a substantial part of its assets, (iii) filing an answer admitting the material allegations of a petition filed against it in any such proceeding referred to in clause (i) or (ii); or (iv) making a general assignment or arrangement for the benefit of creditors;

(e) the Bankruptcy Court's entry of an order (A) directing the appointment of an examiner with expanded powers or a chapter 11 trustee in any of the Chapter 11 Cases, (B) converting any of the Chapter 11 Cases to cases under chapter 7 of the Bankruptcy Code or (C) dismissing any of the Chapter 11 Cases except as contemplated by the Approved Plan or this Agreement;

(f) with respect to any Commitment Creditor, the successful prosecution, challenge or objection, filed by any party (other than any of the Commitment Parties or their respective affiliates, transferees or assignees) to the amount (i) as previously Allowed (as defined in the Plan Term Sheet) by a court order and/or (ii) as separately previously agreed to by the

Debtors and such Commitment Creditor with respect to any individual claim (to the extent such agreement exists);

(g) the Debtors' receipt of written notice (a "Commitment Party Termination Notice"), with a copy delivered substantially simultaneously to the Commitment Parties, from either (i) the Requisite Commitment Creditors or (ii) the Requisite Backstop Shareholders, of:

1. the breach in any material respect by any of the Debtors of any of their covenants, obligations, representations, or warranties contained in this Agreement, and such breach remains uncured (if susceptible to cure) before the earlier of (i) five (5) Business Days from the date the Debtors receive a Commitment Party Termination Notice and (ii) one (1) calendar day prior to the projected Plan Effective Date, for the avoidance of doubt nothing herein shall provide a breaching Party with the ability to terminate this Agreement on account of such breaching Party's breach;

2. the Debtors' failure to meet any Milestone set forth in Section 3 after expiration of all applicable extension and cure periods;

3. the Debtors entry into, or filing of, any Definitive Documentation other than in accordance with Section 1 of this Agreement, that includes terms (by amendment or otherwise) that are inconsistent with, or in violation of, this Agreement or the Approved Plan;

4. appointment of a liquidator, trustee, custodian, receiver or similar person or entity with respect to any of the Debtors (excluding the appointment of the joint provisional liquidators in the JPL Proceedings), and such appointment is not reversed, revoked, dismissed, reversed, or lifted by the expiration of sixty (60) days after the date of such appointment;

5. the issuance by any governmental authority or court of competent jurisdiction of any ruling, decision, judgment or order enjoining or otherwise preventing the consummation of a material portion of the Restructuring Transactions or requiring the Debtors to take actions inconsistent in any material respect with the Approved Plan, unless such ruling, judgment or order has not been stayed, reversed or vacated within sixty (60) days after the date of such issuance;

6. the Bankruptcy Court granting relief that is requested by the Debtors and is inconsistent with this Agreement in any material respect or that is requested by any other person or entity and materially and adversely affects the Restructuring Transaction or materially delays its implementation;

7. the termination of the Backstop Commitment Agreements once executed and effective;

8. the occurrence and continuance of an Event of Default (as defined in the DIP Credit Agreement) under the DIP Credit Agreement, except to the extent waived in accordance with the DIP Credit Agreement;

9. the Debtors' filing of any motion or pleading with the Bankruptcy Court that is inconsistent in any material respect with this Agreement or the Approved Plan and such motion or pleading has not been withdrawn prior to the earlier of (A) five (5) Business Days from the date the Debtors receive the Commitment Party Termination Notice, and (B) entry of an order of the Bankruptcy Court approving such motion or pleading;

10. (i) the Debtors' withdrawal of the Approved Plan or the Debtors' public announcement of their intention to withdraw the Approved Plan other than as contemplated by the Approved Plan or this Agreement, or to pursue an Alternative Transaction, (ii) the Debtors' moving to voluntarily to dismiss any of the Chapter 11 Cases, (iii) the Debtors' moving for conversion of any of the Chapter 11 Cases to chapter 7 under the Bankruptcy Code, (iv) the Debtors' moving for the appointment of an examiner with expanded powers or a chapter 11 trustee in any of the Chapter 11 Cases, or (v) the Debtors' supporting any other party seeking any of the foregoing relief;

11. the waiver, amendment or modification of the Plan or any Restructuring Documents, in each case in a manner prohibited by or inconsistent with any provision of this Agreement, without the consent of each of the Commitment Parties, as applicable; or

12. the Debtors' proposal of or support for any Alternative Transaction;

(h) the Debtors' exercise of their rights under Section 27 (whether or not the Debtors have formally terminated this Agreement in accordance with the terms of such Section 27);

(i) the breach in any material respect by any Commitment Party of any of its covenants, obligations, representations, or warranties contained in this Agreement or the Joinder and such breach remains uncured for a period of five (5) business days (the "Commitment Party Grace Period") from the date the breaching Commitment Party receives a Commitment Party Termination Notice; *provided, however*, that, notwithstanding the foregoing but without limiting the breaching Commitment Parties' liability to the other Parties hereunder arising from such breach, it shall not be a Termination Event if the breaching party is a Commitment Creditor and the non-breaching Commitment Creditors hold more than 50% in principal amount of the aggregate principal amount of Allowed Claims against LATAM Parent, or if such breaching party is a Backstop Shareholder or the Eblen Group and the non-breaching Backstop

Shareholders, together with the Eblen Group (if they are the non-breaching Party), hold more than 50% of the Existing Common Stock; or

(j) To the extent a Commitment Party Termination Notice is required for any Termination Event, and such Termination Event is subject to a Commitment Party Grace Period, such Termination Event may be waived prior to the expiration of the Commitment Party Grace Period by written notice from the Debtors, the Requisite Commitment Creditors and/or the Requisite Backstop Shareholders, as applicable, that issued the Commitment Party Termination Notice to the breaching Commitment Party.

(k) Upon the occurrence of a Termination Event, unless waived under this Section 7 or Section 11, this Agreement shall terminate, each Party shall be released from its commitments, undertakings and agreements under or related to this Agreement and any of the Restructuring Documents, and there shall be no liability or obligation on the part of any Party hereto; *provided* that in no event shall any such termination relieve a Party hereto from (i) liability for its breach or non-performance of its obligations under this Agreement before the date of such termination, and (ii) obligations under this Agreement which expressly survive any such termination pursuant to Section 18 hereunder. Upon the occurrence of a Termination Event other than a Termination Event under Section 7(a) hereof, any and all ballots tendered by any Party in respect of the Approved Plan or in the JPL Proceeding before a Termination Event shall be deemed, for all purposes, to be void *ab initio* and shall not be considered or otherwise used in any manner by the Parties in connection with the Restructuring Transactions and this Agreement or otherwise.

(l) The Debtors acknowledge and agree, and shall not dispute, that solely with respect to the giving of a Commitment Party Termination Notice, or the exercise of the right to terminate this Agreement, by any of the Commitment Parties pursuant to this Agreement, such an action shall not be a violation of the automatic stay under section 362 or any other section of the Bankruptcy Code or any similar Chilean, Colombian, or Cayman law (and the Debtors hereby waive, to the greatest extent possible, the applicability of the automatic stay to the giving of such notice or the exercise of the right to terminate this Agreement), and no cure period contained in this Agreement shall be extended pursuant to sections 105, 108, 365, or any other section of the Bankruptcy Code or any similar Chilean, Colombian, or Cayman law.

Section 8. Reserved.

Section 9. Specific Performance; Limitation of Damages

It is understood and agreed by the Parties that money damages would not be a sufficient remedy for any breach of this Agreement by any Party and, except with respect to any funding commitments under the Restructuring Documents, each non-breaching Party shall be entitled to specific performance and injunctive or other equitable relief as a remedy for any such breach, including, without limitation, any order of the Bankruptcy Court or other court of competent jurisdiction requiring any Party to comply with any of its obligations hereunder. Each Party agrees to waive any requirement for the securing or posting of a bond in connection with such remedy. No claim may be made by any Party or its successors or assigns against the Debtors or their directors, officers, employees, counsel, representatives, agents or attorneys-in-fact of any of

them for any special, indirect, consequential, exemplary or punitive damages, including the loss of future revenue, income or opportunity, in respect of any claim for breach or alleged breach of contract or any other theory of liability arising out of or related to the transactions contemplated by this Agreement or any Restructuring Document, or any act, omission or event occurring in connection therewith. All rights, powers, and remedies provided under this Agreement or otherwise available in respect hereof at law or in equity shall be cumulative and not alternative, and the exercise of any right, power, or remedy thereof by any Party shall not preclude the simultaneous or later exercise of any other such right, power, or remedy by such Party or any other Party.

Section 10. Reserved.

Section 11. Amendments and Waivers

Except as otherwise provided herein, this Agreement, including, for the avoidance of doubt, the Restructuring Term Sheets, may not be modified, amended or supplemented in any manner and no provision of this Agreement, including, for the avoidance of doubt, the Restructuring Term Sheets, may be waived except with the prior written consent of the Requisite Commitment Creditors, the Requisite Backstop Shareholders and LATAM Parent (solely with respect to the Milestones in accordance with terms of this Agreement, email from counsel being sufficient); *provided, however,* that any such modification, amendment, supplement or waiver that would have a disproportionally adverse effect, on an economic or non-economic basis, on a Party shall also require the prior written consent of such Party; *provided, further, however,* that any amendment to the definition of "Backstop Shareholder" contained in this Agreement requires the prior written consent of (i) the Debtors, (ii) the Requisite Commitment Creditors, and (ii) each of the Backstop Shareholders., as applicable, provided further that any modification or amendment to the definition of "Requisite Commitment Creditors" in this Agreement shall require the prior written consent of each of the Commitment Creditors; *provided, further, that,* excluding the payment described in subsection (i) of footnotes 7 and 9 in the Plan Term Sheet, which shall remain fixed, any modification, amendment, supplement or waiver that would have a disproportionally adverse effect, on an economic basis on any Commitment Creditor or group of Commitment Creditors under the terms of this Agreement, shall also require the prior written consent of each adversely affected Commitment Creditor;

Notwithstanding the foregoing, any waiver, modification, amendment, or supplement to this Section 11 shall require the prior written consent of each of the Parties. For the avoidance of doubt, if any Party shall cease to be a Party to this Agreement in accordance with its terms, such Party's consent will not be required to modify, amend or supplement this Agreement, including the Restructuring Term Sheets, nor to waive any provision of this Agreement, including the Restructuring Term Sheets, in accordance with this Section 11.

No waiver of any provisions of this Agreement, including, for the avoidance of doubt, the Restructuring Term Sheets shall be deemed to constitute a waiver of any other provision hereof or thereof, whether or not such provisions are similar, nor shall any waiver of a provision of this Agreement be deemed a continuing waiver of such provision.

Section 12. Representation by Counsel

Each Party acknowledges that it has had the opportunity to be represented by counsel in connection with this Agreement and the transactions contemplated by this Agreement. Accordingly, any rule of law or any legal decision that would provide any Party with a defense to the enforcement of the terms of this Agreement against such Party based upon lack of legal counsel shall have no application and is expressly waived. The provisions of this Agreement shall be interpreted in a reasonable manner to effect the intent of the Parties hereto. None of the Parties hereto shall have any term or provision construed against such Party solely by reason of such Party having drafted the same.

Section 13. Governing Law; Submission to Jurisdiction; Waiver of Jury Trial

This Agreement shall be governed by, and construed in accordance with, the internal laws of the State of New York, without giving effect to the principles of conflict of laws that would require the application of the law of any other jurisdiction. By its execution and delivery of this Agreement, each of the Parties hereto hereby irrevocably and unconditionally agrees for itself that any legal action, suit or proceeding against it with respect to any matter under or arising out of or in connection with this Agreement or for recognition or enforcement of any judgment rendered in any such action, suit or proceeding, shall be brought in the Bankruptcy Court, and, if the Bankruptcy Court does not have (or abstains from) jurisdiction, such legal action, suit or proceeding may be brought in the courts of the United States of America for the Southern District of New York, or if such courts do not have the necessary jurisdiction, the courts of the State of New York sitting in the Borough of Manhattan, and appellate courts from any thereof (the "Chosen Courts"). By execution and delivery of this Agreement, each of the Parties hereto hereby irrevocably accepts and submits itself to the exclusive jurisdiction of the Chosen Courts, generally and unconditionally, with respect to any such action, suit or proceeding. EACH PARTY HERETO UNCONDITIONALLY WAIVES TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING REFERRED TO ABOVE.

Section 14. Reserved.

Section 15. Notices

All demands, notices, requests, consents and other communications under this Agreement shall be in writing, sent contemporaneously to all of the Commitment Parties and the Debtors, and deemed given when delivered, if delivered by hand, or upon transmission, if delivered by email or facsimile, at the addresses and facsimile numbers set forth on Schedule III hereto. When written notice is required under this Agreement, email delivery of such written notice to primary counsel of the applicable party to be noticed is sufficient.

Section 16. Reservation of Rights

Except as expressly provided in this Agreement, nothing herein is intended to, or does, in any manner waive, limit, impair or restrict the ability of each Party to protect and preserve its rights, remedies and interests, including its Participating Claims, any other claims against the Debtors or other parties and Existing Common Stock. Without limiting the foregoing sentence in any way, after a Termination Event, the Parties hereto each fully reserve any and all of their

respective rights, remedies, claims and interests, subject to Section 7, in the case of any claim for breach of this Agreement.

Section 17. Rule of Interpretation

This Agreement shall be interpreted in accordance with section 102 of the Bankruptcy Code. Notwithstanding anything contained herein to the contrary, it is the intent of the Parties that all references to votes or voting in this Agreement be interpreted to include all means of expressing agreement with, or rejection of, as the case may be, a Restructuring Transaction.

Section 18. Survival

Notwithstanding (a) any transfer of Participating Claims in accordance with Section 6 or (b) the termination of this Agreement in accordance with its terms, the agreements and obligations of the Parties in Section 2, Section 11, Section 12, Section 13, Section 15, Section 16, Section 17, Section 18, Section 19, Section 20, Section 22, Section 23, Section 24, Section 25, Section 27 and Section 29, shall survive such transfer and/or termination and shall continue in full force and effect for the benefit of the Parties in accordance with the terms hereof.

Section 19. Successors and Assigns; Severability; Several Obligations

This Agreement is intended to bind and inure to the benefit of the Parties and their respective permitted successors, assigns, heirs, executors, estates, administrators and representatives. Any Party may assign this Agreement and its rights and obligations hereunder, in whole or in part, without any such consent, to any affiliate of such Party, by operation of law, in connection with a change of control or to any successor to all or substantially all of the party's business or assets, *provided* that the assignor shall remain liable for its obligations under this Agreement. The invalidity or unenforceability at any time of any provision hereof in any jurisdiction shall not affect or diminish in any way the continuing validity and enforceability of the remaining provisions hereof or the continuing validity and enforceability of such provision in any other jurisdiction; *provided, however*, that nothing in this Section 19 shall be deemed to amend, supplement or otherwise modify, or constitute a waiver of, any Termination Event. The agreements, representations and obligations of the Commitment Parties under this Agreement are, in all respects, several and not joint.

Section 20. Third-Party Beneficiaries

This Agreement is intended for the benefit of the Parties hereto and no other person or entity shall be an express or implied third party beneficiary hereof or have any rights hereunder.

Section 21. Counterparts; Additional Commitment Parties

This Agreement may be executed in several identical counterparts, each of which shall be deemed to be an original, and all of which together shall be deemed to be one and the same agreement. Execution copies of this Agreement may be delivered by facsimile, electronic mail or otherwise, each of which shall be deemed to be an original for the purposes of this paragraph. Any holder of claims that is not already an existing Commitment Party hereto may execute and deliver the Joinder and, in doing so, shall become a Joining Party and shall thereafter be deemed

to be a "Commitment Party" and a Party for all purposes under this Agreement; *provided however*, that such Commitment Party shall not be a Backstop Party.

Section 22. Entire Agreement; Prior Negotiations

This Agreement, including the attached Restructuring Term Sheets, constitutes the entire agreement of the Parties with respect to the subject matter hereof and supersedes all prior agreements, negotiations, representations, warranties, and understandings by or among any Parties (oral and written) but shall not supersede the Restructuring Documents; *provided, however*, that the Parties acknowledge and agree that any confidentiality, non-disclosure or other similar agreements heretofore executed between the Debtors and any Commitment Party or such Commitment Party's advisors shall continue in full force and effect as provided therein.

Section 23. Headings

The section headings of this Agreement are for convenience of reference only and shall not, for any purpose, be deemed a part of this Agreement and shall not affect the interpretation of this Agreement.

Section 24. Independent Due Diligence and Decision-Making

Each Party hereto hereby confirms that it has made its own decision to execute this Agreement based upon its own independent assessment of documents and information available to it, as it has deemed appropriate.

Section 25. Settlement Discussions

This Agreement is part of a proposed settlement of matters that could otherwise be the subject of litigation among the Parties. Regardless of whether or not the transactions contemplated herein are consummated, or whether or not a Termination Event has occurred, if applicable, nothing herein shall be construed herein as an admission of any kind or a waiver by any Party of any or all of such Party's rights or remedies, and the Parties expressly reserve any and all of their respective rights and remedies. Pursuant to Federal Rule of Evidence 408, any applicable state rules of evidence and any other applicable law, foreign or domestic, this Agreement and all negotiations relating thereto shall not be admissible into evidence in any proceeding other than to prove the existence of this Agreement or in a proceeding to enforce the terms of this Agreement or as a defense in connection with such a proceeding.

Section 26. Publicity

The Parties shall submit drafts to counsel of the other Parties of any press releases and public documents that constitute disclosure of the existence or terms of this Agreement or any amendment to the terms of this Agreement to the general public at least two (2) calendar days before making any such disclosure or as promptly as reasonably practicable under the circumstances and, with respect to press releases, as soon as reasonably practicable in all circumstances; except with respect to filing or notices that are required to be made, disclosed or filed by applicable law; provided, however, that the Parties shall, in good faith, consult with the other Parties and consider the other Parties' reasonable requests for additions or modification to

such press releases and public documents. No Party or its advisors shall disclose to any person or entity (including, for the avoidance of doubt, any other Party), other than advisors to the Debtors, the principal amount or percentage of any holdings of Participating Claims held by any of the Commitment Creditors, in each case, without such Commitment Creditors' prior written consent or public disclosure of such information by such Commitment Creditors, as applicable. Any public filing of this Agreement, with the Bankruptcy Court or otherwise shall provide Schedule II in redacted form only with respect to the amount of Participating Claims held by each Commitment Creditor, and, in the case of managed accounts, the specific name of managed accounts (provided that Schedule II may be filed in unredacted form with the Bankruptcy Court under seal). Nothing contained herein (i) shall prohibit any Party from compliance with applicable federal or non-U.S. securities law, including, without limitation, the filing of beneficial ownership reports required by Schedule 13D or (ii) shall be deemed to require any Party to provide to any other Party in advance of filing with the Securities and Exchange Commission or any other federal or non-U.S. agency any disclosures required to comply with applicable federal or non-U.S. securities law.

Section 27. The Debtors' Fiduciary Duties

Notwithstanding anything to the contrary in this Agreement, nothing in this Agreement, shall require the Debtors or the Debtors' boards of directors (or comparable governing body), on the advice of legal counsel with respect to their Exercise of Fiduciary Obligation (defined below), to take any action or to refrain from taking any action with respect to this Agreement, to the extent taking or failing to take such action would result in violation of applicable law or its fiduciary obligations under applicable law, and any such action or inaction pursuant to such exercise of fiduciary duties shall not be deemed to constitute a breach of this Agreement. To the extent any of the Debtors' boards of directors (or comparable governing body) reasonably determines in good faith on the advice of legal counsel with respect to their Exercise of Fiduciary Obligation that the Debtors' fiduciary obligations under applicable law require the Debtors to take any action or refrain from taking any action (each an "Exercise of Fiduciary Obligation") with respect to the Restructuring Transactions or that such action or inaction would violate applicable law, including actions or inactions that would constitute a breach under this Agreement, the Debtors may terminate this Agreement without incurring any liability to any one or more of the Commitment Parties under this Agreement. In the event that the Debtors determine to terminate this Agreement as an Exercise of Fiduciary Obligation, the Debtors shall provide written notice of such Exercise of Fiduciary Obligation to each of the Commitment Parties not more than one (1) Business Day after such exercise (email to counsel being sufficient). Notwithstanding anything to the contrary herein, nothing in this Agreement shall create any additional fiduciary obligations on the part of the Debtors or any members, managers, or officers of the Debtors, in such respective capacities, that did not exist prior to the Agreement Effective Date. Notwithstanding the foregoing, each of the Debtors acknowledges that its entry into this Agreement and the Restructuring Transactions is consistent with applicable law and its fiduciary duties as of the Agreement Effective Date.

Section 28. Error

Notwithstanding anything to the contrary herein, to the extent counsel to the Debtors, counsel to the Commitment Creditors, counsel to the Eblen Group or respective counsel to the

individual Backstop Shareholders identify by no later than December 10, 2021, any clear errors or material inconsistencies (y) with respect to the terms within the Term Sheets and (z) between the terms of the Term Sheets and this Agreement, the Restructuring Term Sheets or the Schedules, each Party hereto covenants and agrees that it will agree to any reasonable modifications to this Agreement, the Term Sheet or the Schedules to remedy such clear errors or material inconsistencies.

Section 29. Relationship Among Parties

Notwithstanding anything to the contrary herein, (i) the duties and obligations of the Parties under this Agreement shall be several, not joint, and this Agreement shall be deemed to be a separate agreement with respect to each Backstop Shareholder and the Eblen Group it being acknowledged and agreed that each Backstop Shareholder and the Eblen Group is acting with respect to its separate and distinct interests; (ii) no Party shall have any responsibility by virtue of this Agreement for any trading by any other entity; (iii) no prior history, pattern, or practice of sharing confidences among or between the Parties shall in any way affect or negate this Agreement; (iv) the Parties hereto acknowledge 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 any equity securities of the Debtors and the Parties do not 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; and (v) none of the Parties shall have any fiduciary duty, any duty of trust or confidence in any form, or other duties or responsibilities in any kind or form to each other, the Debtors, or any of the Debtors' other creditors or stakeholders, including as a result of this Agreement or the transactions contemplated here. For the avoidance of doubt, the Commitment Creditors are not insiders of Company or any of its subsidiaries.

Section 30. Subsequent Approvals

Notwithstanding anything to the contrary herein, all obligations, commitments, representations, and warranties of each of the Backstop Shareholders, the Eblen Group and Lan Cargo S.A. under this Agreement, and all other terms of this Agreement that are applicable to each of the Backstop Shareholders, the Eblen Group and Lan Cargo S.A., as applicable, are subject to, and are conditioned upon, receipt by each of the Backstop Shareholders and the Eblen Group, respectively, of certain internal board approvals and Lan Cargo S.A. receiving certain approvals from its shareholders (the "Subsequent Approvals"), which in each case, each such party shall seek to obtain as promptly as reasonably practicable and by no later than the date upon which the Backstop Commitment Agreements are executed by the parties thereto or such later date as agreed to among each of (i) the Backstop Shareholders, the Eblen Group, or Lan Cargo S.A., as applicable, and (ii) the Debtors and the Requisite Commitment Creditors (with respect to each of the Subsequent Approvals, the "Subsequent Approvals Deadline"). Further, each of the other Parties expressly acknowledges and agrees that any action or inaction by any of the Backstop Shareholders, the Eblen Group and Lan Cargo S.A. resulting solely from having not obtained the Subsequent Approvals shall not constitute a breach of this Agreement. Promptly after obtaining the Subsequent Approvals, (i) each of the Backstop Shareholders and the Eblen Group agrees that respective counsel thereto shall notify counsel to the Debtors that the Subsequent Approvals with respect to the Backstop Shareholders and the Eblen Group (as

applicable) have been obtained and that the conditions imposed by this Section 30 with respect to the Backstop Shareholders and the Eblen Group (as applicable) have been satisfied and (ii) each of the Debtors agrees that Debtors' counsel shall notify counsel to the other Parties that the Subsequent Approvals with respect to Lan Cargo S.A. have been obtained and that the conditions imposed by this Section 30 with respect to Lan Cargo S.A. have been satisfied. Notwithstanding anything to the contrary herein, failure to obtain each of the Subsequent Approvals by the Subsequent Approvals Deadline shall constitute a Termination Event, and this Agreement shall be deemed terminated without any further action by any Party. Following receipt of the Subsequent Approvals by the occurrence of the Subsequent Approvals Deadline, this Section 30 shall have no force and effect with respect to any provision of this Agreement.

Section 31. Other Support Agreements

Until the Termination Date, no Party shall enter into any other restructuring support agreement related to a partial or total restructuring of the Debtors unless such support agreement is consistent in all material respects with the Restructuring Term Sheets and/or Approved Plan and is acceptable to the Debtors, the Requisite Commitment Creditors and the Requisite Backstop Shareholders.

[*The remainder of this page is left blank intentionally*]

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed and delivered by their respective duly authorized officers, solely in their respective capacity as officers of the undersigned and not in any other capacity, as of the date first set forth above.

[[Insert Signature Pages]]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their respective proper and duly authorized officers as of the day and year first above written.

LATAM AIRLINES GROUP S.A.,
FAST AIR ALMACENES DE CARGA S.A.
HOLDCO COLOMBIA I SPA
HOLDCO COLOMBIA II SPA
HOLDCO ECUADOR S.A.
HOLDCO I S.A.
INVERSIONES LAN S.A.
LAN CARGO INVERSIONES S.A.
LAN CARGO S.A.
LAN PAX GROUP S.A.
LATAM TRAVEL CHILE II S.A.
TECHNICAL TRAINING LATAM S.A.
TRANSPORTE AÉREO S.A.

DocuSigned by:
By: Ramiro Alfonsín
35D427D8AFC64FA...
Name: Ramiro Alfonsín
Title: Attorney-in-Fact

TAM S.A.
TAM LINHAS AÉREAS S.A.
ABSA – AEROLINHAS BRASILEIRAS S.A.
FIDELIDADE VIAGENS E TURISMO S.A.
MULTIPLUS CORRETORA DE SEGUROS LTDA.
PRISMAH FIDELIDADE LTDA.

By: _____
Name: Jerome Paul Jacques Cadier
Title: Chief Executive Officer

By: _____
Name: Felipe Ignacio Pumarino Mendoza
Title: Statutory Officer

TP FRANCHISING LTDA.

By:_____
Name: Jerome Paul Jacques Cadier
Title: Chief Executive Officer

By:_____
Name: Euzébio Angelotti Neto
Title: Statutory Officer

AEROVÍAS DE INTEGRACIÓN REGIONAL S.A.

By:_____
Name: ERIKA ZARANTE BAHAMÓN
Title: Legal Representative

LÍNEA AÉREA CARGUERA DE COLOMBIA S.A.

Escriba el texto aquí

By:_____
Name: JAIME GONGORA ESGUERRA
Title: PRESIDENT

LATAM-AIRLINES ECUADOR S.A.

By:_____
Name: MARIELA ALEXANDRA ANCHUNDIA MIELES
Title: Executive President

LATAM-AIRLINES ECUADOR S.A.

By: _____
Name: MARIELA ALEXANDRA ANCHUNDIA MIELES
Title: Executive President

[*Signature Page to Restructuring Support Agreement*]

INVERSIONES AÉREAS S.A.
LATAM AIRLINES PERÚ S.A.

By: DocuSigned by: Manuel van Oordt B0BC0D0790D24BC...

Name: Manuel Van Oordt Fernández
Title: Attorney-in-Fact

LATAM FINANCE LIMITED

By: DocuSigned by: Ramiro Alfonsín 35D427D8AFC04FA...
Name: Ramiro Alfonsín
Title:

For and on behalf of LATAM FINANCE LIMITED (IN PROVISIONAL LIQUIDATION)

DocuSigned by:
By: Andres Del Valle
DD6A84F1314144C...
Name: Andres Del Valle
Title: Director

PEUCO FINANCE LIMITED

By: DocuSigned by: Ramiro Alfonsín 35D427D8AFC64FA...
Name: Ramiro Alfonsín
Title: Attorney-in-Fact

For and on behalf of PEUCO FINANCE LIMITED (IN PROVISIONAL LIQUIDATION)

DocuSigned by:
By: Andres Del Valle
DD6A84F1314144C...
Name: Andres Del Valle
Title: Director

CARGO HANDLING AIRPORT SERVICES LLC
PRIME AIRPORT SERVICES, INC.

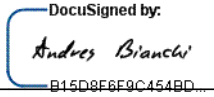
By: DocuSigned by: Gaston Greco A8C5C83472374A0...

Name: Gaston Greco
Title: President

PROFESSIONAL AIRLINE CARGO SERVICES, LLC

DocuSigned by:
By: Francisco Arana
4DBE3E1805E8485...
Name: Francisco Arana
Title: President

CONNECTA CORPORATION

By: 

Name: Andres Bianchi
Title: President

PROFESSIONAL AIRLINE MAINTENANCE SERVICES, LLC
LAN CARGO REPAIR STATION, LLC
MAINTENANCE SERVICE EXPERTS LLC

By: DocuSigned by: 33B12EDD2ABD466...

Name: Jorge Hanson
Title: President

PROFESSIONAL AIRLINE SERVICES, INC.

By: DocuSigned by: 6C768995013D4CC...

Name: Paola Peñarete
Title: President

LAN CARGO OVERSEAS LTD.

By: DocuSigned by: Ramiro Alfonsín 35D427D8AE664FA

Name: Ramiro Alfonsín
Title:

MAS INVESTMENT LIMITED

By: DocuSigned by: Ramiro Alfonsín 35D427D8AFC64FA...

Name: Ramiro Alfonsín
Title: Attorney-in-Fact

For and on behalf of PIQUERO LEASING LIMITED (IN PROVISIONAL LIQUIDATION)

DocuSigned by:
Andres Del Valle
DD6A84F1314144C...

By:_____
Name: Andres Del Valle
Title: Director

INVERSIONES PIA SPA

By: _____

Name: Antonio Eblen Kadis
Title: President

Number of Shares of LATAM Parent Common Stock: 4,155,953

Preemptive Rights: 4,155,953

COMERCIAL LAS VERTIENTES SPA

By: _____
Name: Jorge Eblen Kadis
Title: President

Number of Shares of LATAM Parent Common Stock: 4,149,079

Preemptive Rights: 4,149,079

ANDES AEREA SPA

By: _____
Name: Ramon Eblen Kadis
Title: President

Number of Shares of LATAM Parent Common Stock: 19,339,670

Preemptive Rights: 19,339,670

QATAR AIRWAYS INVESTMENTS (UK) LTD.

By: 
Name: Daniel Ho
Title: Director

COSTA VERDE AERONÁUTICA S.A.

By: DocuSigned by: Carlos Vallette Gudenschwager 2E971B7A8CBF4EF... DocuSigned by: Felipe Arriagada Subere 1585F6FFC87F4EC...

Name: Carlos Vallette Gudenschwager / Felipe Arriagada Subercaseaux
Title: Director - CEO

Number of Shares of LATAM Parent Common Stock: 91,605,886

Preemptive Rights: 91,605,886

INVERSIONES COSTA VERDE LTDA Y CIA EN COMANDITA POR ACCIONES

By: DocuSigned by: Carlos Vallette Gudenschwager 2F971B7A8CBF4EF... DocuSigned by: Felipe Arriagada Subercaseaux 1585F6FFC87F4EC...

Name: Carlos Vallette Gudenschwager / Felipe Arriagada Subercaseaux
Title: Authorized signatories

Number of Shares of LATAM Parent Common Stock: 7,775,891

Preemptive Rights: 7,775,891

DELTA AIR LINES, INC.

By: _____
Name: Peter W. Carter
Title: Executive Vice President & Chief
Legal Officer

AURELIUS CAPITAL MASTER, LTD.

By: _____

Name: Eleanor Chan
Title: Authorized Signatory

Monarch Alternative Capital LP, on behalf of certain entities, funds and/or accounts managed, advised or controlled by affiliates of Monarch Alternative Capital LP

By: 

Name: Andrew Herenstein
Title: Managing Principal

Olympus Peak Asset Management LP
solely on behalf of certain funds and accounts it manages

By: Leah Silverman
_____

Name: Leah Silverman
Title: Authorized Signatory

LMS CREDIT, LLC

By: _____
Name: Wayne Cohen
Title: Authorized Signatory

SCULPTOR MASTER FUND, LTD.
By: Sculptor Capital LP, its investment manager
By: Sculptor Capital Holding Corporation, its General Partner

By: _____
Name: Wayne Cohen, President and Chief Operating Officer

SCULPTOR ENHANCED MASTER FUND, LTD.
By: Sculptor Capital LP, its investment manager
By: Sculptor Capital Holding Corporation, its General Partner

By: _____
Name: Wayne Cohen, President and Chief Operating Officer

SCULPTOR SC II, LP
By: Sculptor Capital II LP, its investment manager
By: Sculptor Capital Holding II LLC, its General Partner
By: Sculptor Capital LP, its investment manager
By: Sculptor Capital Holding Corporation, its General Partner

By: _____
Name: Wayne Cohen, President and Chief Operating Officer

SCULPTOR MASTER FUND, LTD.
By: Sculptor Capital LP, its investment manager
By: Sculptor Capital Holding Corporation, its General Partner

By: _____
Name: Wayne Cohen, President and Chief Operating Officer

SCULPTOR CREDIT OPPORTUNITIES MASTER FUND, LTD.
By: Sculptor Capital LP, its investment manager
By: Sculptor Capital Holding Corporation, its General Partner

By: _____
Name: Wayne Cohen, President and Chief Operating Officer

Sajama Investments, LLC

By: _____

Name: Joshua Peck
Title: Authorized Signatory

By: _____

Name: Wayne Cohen
Title: Authorized Signatory

Strategic Value Partners, LLC on behalf of its and its affiliates managed investment funds and accounts

Strategic Value Master Fund, Ltd.
By: Strategic Value Partners, LLC, solely as its investment manager

By: _____
Name: James Dougherty
Title: Chief Financial Officer

Strategic Value Opportunities Fund, L.P.
By SVP Special Situations III-A LLC, solely as its investment manager

By: _____
Name: James Dougherty
Title: Chief Financial Officer

Strategic Value Special Situations Master Fund IV, L.P.
By: SVP Special Situations IV LLC, solely as its Investment Manager

By: _____
Name: James Dougherty
Title: Chief Financial Officer

Strategic Value Special Situations Master Fund V, L.P.
By: SVP Special Situations V LLC, solely as its Investment Manager

By: _____
Name: James Dougherty
Title: Chief Financial Officer

Strategic Value Dislocation Master Fund L.P.
By: SVP Dislocation LLC, solely as its Investment Manager

By: _____
Name: James Dougherty
Title: Chief Financial Officer

Strategic Value New Rising Fund, L.P.
By: SVP New Rising Management LLC, its Investment Manager

By: _____
Name: James Dougherty
Title: Chief Financial Officer

Ellenfield Park LLC

By: _____
Name: James Dougherty
Title: Authorized Signatory

Poppintree Park LLC

By: _____
Name: James Dougherty
Title: Authorized Signatory

Belgooly LLC

By: _____
Name: James Dougherty
Title: Authorized Signatory

Third Point LLC

By: 

Name: Josh Targoff
Title: Partner, COO and General Counsel

Silver Point Capital, L.P.

As Investment Manager on behalf of certain affiliated Funds.

By: _____

Name: Stacey Hatch
Title: Authorized Signatory

SPCP Luxembourg Strategies S.à r.l.

By: _____

Name:
Title: Manager

LAUCA INVESTMENTS, LLC

By: _____

Name: Joshua Peck
Title: Vice President

Sajama Investments, LLC

By: _____

Name: Joshua Peck
Title: Authorized Signatory

By: _____

Name: Wayne Cohen
Title: Authorized Signatory

Conifer Finance 3, LLC

By: _____
Name: Joshua Peck
Title: Vice President

Redwood IV Finance 3, LLC

By: _____

Name: Joshua Peck
Title: Vice President

TAO Finance 3-A, LLC

By: 

Name: Joshua Peck
Title: Vice President

Red Pines LLC

By: _____
Name: Scott Hartman
Title: President

GCM GROSVENOR SPECIAL OPPORTUNITIES MASTER FUND, LTD.

By: GCM Fiduciary Services, LLC, its Director

By: DocuSigned by: Girish Kashyap 2F1258CEDCBA4E6...

Name: Girish Kashyap
Title: Authorized Signatory

GCM GROSVENOR STRATEGIC CREDIT L.P.

By: GCM Investments GP, LLC, its General Partner

By: DocuSigned by: Girish Kashyap 2F1258CEDCBA4E6...

Name: Girish Kashyap
Title: Authorized Signatory

Cross Ocean USSS Fund I (A) LP
By: Cross Ocean Partners Management LP, its investment manager

By: DocuSigned by: MATTHEW RYMER 04E2B7D49A2D44C...

Name: Matthew Rymer
Title: Authorized Signatory

Cross Ocean Aviation Fund I (INTL) Master LP

By: Cross Ocean Partners Management LP, its investment manager

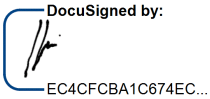
By: DocuSigned by: MATTHEW RYMER 04E2B7D49A2D44C...

Name: Matthew Rymer
Title: Authorized Signatory

Cross Ocean ESS III S.a r.l.

By: 

Name: Hanna Duer
Title: Manager

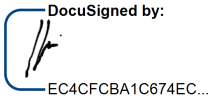
By: 

Name: Luca Gallinelli
Title: Manager

Cross Ocean SIF ESS (K) S.a r.l.

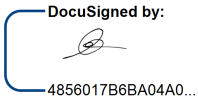
By: 

Name: Hanna Duer
Title: Manager

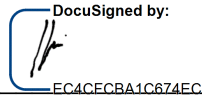
By: 

Name: Luca Gallinelli
Title: Manager

Cross Ocean GSS Lux Holdings S.a r.l.

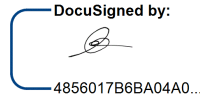
By: 

Name: Hanna Duer
Title: Manager

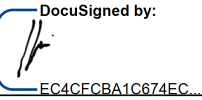
By: 

Name: Luca Gallinelli
Title: Manager

Cross Ocean Global SIF (A) S.a r.l.

By: 

Name: Hanna Duer
Title: Manager

By: 

Name: Luca Gallinelli
Title: Manager

Cross Ocean Global SIF (H) S.a r.l.

By: DocuSigned by: 4856017B6BA04A0...

Name: Hanna Duer
Title: Manager

By: DocuSigned by: EC4CFCBA1C674EC...

Name: Luca Gallinelli
Title: Manager

Cross Ocean GCDF I S.a r.l.

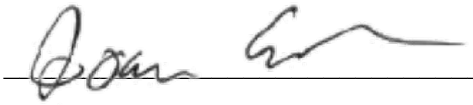
By: DocuSigned by: 4856017B6BA04A0...

Name: Hanna Duer
Title: Manager

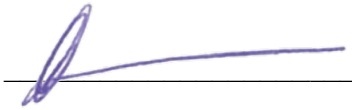
By: DocuSigned by: EC4CFCBA1C674EC...

Name: Luca Gallinelli
Title: Manager

Deutsche Bank Securities Inc. (solely with respect to the Distressed Products Group and not any other desk, unit, group, division, or affiliate of Deutsche Bank Securities Inc. For the avoidance of doubt, and notwithstanding anything to the contrary contained in this Agreement, nothing in this Agreement shall bind Deutsche Bank Securities Inc. or its affiliates to take or not take any action, or otherwise in any respect, other than with respect to its Distressed Products Group.)

By: 

Name: Joanne Adkins
Title: Managing Director

By: 

Name: Elliott Horner
Title: Managing Director

P. SCHOENFELD ASSET MANAGEMENT LP, as investment adviser on behalf of certain funds and accounts

By: 

Name: Alan Chan
Title: Chief Compliance Officer and Counsel

BARCLAYS BANK PLC ("Barclays"), solely in respect of its U.S. Special Situations Trading Desk (the "U.S. Special Situations Desk") in its capacity as Commitment Party, and not any other desk, unit, group, division, or affiliate of Barclays and solely in respect of the U.S. Special Situations Desk's Participating Claims. For the avoidance of doubt, and notwithstanding anything to the contrary contained in this Agreement, nothing in this Agreement shall bind Barclays or its affiliates to take or not take any action, or otherwise in any respect, other than with respect to its U.S. Special Situations Desk in relation to its Participating Claims.

By: Robert Levinson

Name: Robert Levinson
Title: Managing Director

Citigroup Financial Products Inc., ("Citigroup") solely in respect of its Distressed Debt Trading Desk (the "Distressed Debt Trading Desk") and not any other desk, unit, group, division, or affiliate of Citigroup and solely in respect of the Distressed Debt Trading Desk's securities and Claims. For the avoidance of doubt, and notwithstanding anything to the contrary contained in this Agreement, nothing in this Agreement shall bind Citigroup or its affiliates to take or not take any action, or otherwise in any respect, other than with respect to its Distressed Debt Trading Desk and their securities and Claims.

DocuSigned by:

BD0CFB4C119F462...

By: _____

Name: DAVID QUINN
Title: AUTHORIZED SIGNATORY

Schedule I – List of Debtors

1. LATAM AIRLINES GROUP S.A.

2. FAST AIR ALMACENES DE CARGA S.A.

3. HOLDCO COLOMBIA I SPA.

4. HOLDCO COLOMBIA II SPA.

5. HOLDCO ECUADOR S.A.

6. HOLDCO I S.A.

7. INVERSIONES LAN S.A.

8. LAN CARGO INVERSIONES S.A.

9. LAN CARGO S.A.

10. LAN PAX GROUP S.A.

11. LATAM TRAVEL CHILE II S.A.

12. TECHNICAL TRAINING LATAM S.A.

13. TRANSPORTE AÉREO S.A.

14. TAM S.A.

15. TAM LINHAS AÉREAS S.A

16. MULTIPLUS CORRETORA DE SEGUROS LTDA

17. PRISMAH FIDELIDADE LTDA

18. FIDELIDADE VIAGENS E TURISMO S.A

19. TP FRANCHISING LTDA.

20. ABSA—AEROLINHAS BRASILEIRAS S.A.

21. LÍNEA AÉREA CARGUERA DE COLOMBIA S.A.

22. AEROVÍAS DE INTEGRACIÓN REGIONAL S.A.

23. LATAM-AIRLINES ECUADOR S.A.

24. INVERSIONES AÉREAS S.A.

25. LATAM AIRLINES PERÚ S.A.

26. LATAM FINANCE LIMITED (IN PROVISIONAL LIQUIDATION)

27. PEUCO FINANCE LIMITED (IN PROVISIONAL LIQUIDATION)

28. CARGO HANDLING AIRPORT SERVICES LLC

29. PRIME AIRPORT SERVICES, INC

30. PROFESSIONAL AIRLINE CARGO SERVICES, LLC

31. CONNECTA CORPORATION

32. MAINTENANCE SERVICE EXPERTS LLC

33. LAN CARGO REPAIR STATION, LLC

34. PROFESSIONAL AIRLINE MAINTENANCE SERVICES, LLC

35. PROFESSIONAL AIRLINE SERVICES, INC

36. LAN CARGO OVERSEAS LTD

37. MAS INVESTMENT LIMITED

38. PIQUERO LEASING LIMITED (IN PROVISIONAL LIQUIDATION)

Schedule II – Commitment Parties, Eblen Group, Participating Claims and Equity Interests

A. Backstop Shareholders as of the Agreement Effective Date

	Backstop Shareholder	Holdings Description	Amount
1.	Costa Verde Aeronáutica S.A.	Number of Shares of LATAM Parent Common Stock (if any):	91,605,886
		Preemptive Rights (if any):	91,605,886
		General Unsecured Claims Against LATAM Parent (in an amount Allowed or agreed to by the Debtors; in filed amount if amount not yet Allowed or agreed to by the Debtors)	N/A
		General Unsecured Claims Against Debtors other than LATAM Parent (in an amount Allowed or agreed to by the Debtors; in filed amount if amount not yet Allowed or agreed to by the Debtors)	N/A
2.	Inversiones Costa Verde LTDA Y CIA En comandita por Acciones	Number of Shares of LATAM Parent Common Stock (if any):	7,775,891
		Preemptive Rights (if any):	7,775,891
		General Unsecured Claims Against LATAM Parent (in an amount Allowed or agreed to by	N/A

		the Debtors; in filed amount if amount not yet Allowed or agreed to by the Debtors)	
		General Unsecured Claims Against Debtors other than LATAM Parent (in an amount Allowed or agreed to by the Debtors; in filed amount if amount not yet Allowed or agreed to by the Debtors)	N/A
3.	Delta Air Lines, Inc	Number of Shares of LATAM Parent Common Stock (if any):	121,281,538
		Preemptive Rights (if any):	121,281,538
		General Unsecured Claims Against LATAM Parent (in an amount Allowed or agreed to by the Debtors; in filed amount if amount not yet Allowed or agreed to by the Debtors)	N/A
		General Unsecured Claims Against Debtors other than LATAM Parent (in an amount Allowed or agreed to by the Debtors; in filed amount if amount not yet Allowed or agreed to by the Debtors)	N/A
4.	Qatar Airways Investments (UK) LTD.	Number of Shares of LATAM Parent Common Stock (if any):	60,640,768

		Preemptive Rights (if any):	60,640,768
		General Unsecured Claims Against LATAM Parent (in an amount Allowed or agreed to by the Debtors; in filed amount if amount not yet Allowed or agreed to by the Debtors)	N/A
		General Unsecured Claims Against Debtors other than LATAM Parent (in an amount Allowed or agreed to by the Debtors; in filed amount if amount not yet Allowed or agreed to by the Debtors)	N/A

B. Eblen Group

	Eblen Group Entity	Holdings Description	Amount
1.	Andes Aerea SPA	Number of Shares of LATAM Parent Common Stock (if any):	19,339,670
		Preemptive Rights (if any):	19,339,670
		General Unsecured Claims Against LATAM Parent (in an amount Allowed or agreed to by the Debtors; in filed amount if amount not yet Allowed or agreed to by the Debtors)	N/A
		General Unsecured Claims Against Debtors other than LATAM Parent (in an amount Allowed or agreed to by the Debtors; in filed amount if amount not yet Allowed or agreed to by the Debtors)	N/A
2.	Comercial Las Vertientes SPA	Number of Shares of LATAM Parent Common Stock (if any):	4,149,079
		Preemptive Rights (if any):	4,149,079
		General Unsecured Claims Against LATAM Parent (in an amount Allowed or agreed to by the Debtors; in filed amount if amount not yet Allowed or agreed to by the Debtors)	N/A
		General Unsecured Claims Against Debtors	N/A

		other than LATAM Parent (in an amount Allowed or agreed to by the Debtors; in filed amount if amount not yet Allowed or agreed to by the Debtors)	
3.	Inversiones Pia SPA	Number of Shares of LATAM Parent Common Stock (if any):	4,155,953
		Preemptive Rights (if any):	4,155,953
		General Unsecured Claims Against LATAM Parent (in an amount Allowed or agreed to by the Debtors; in filed amount if amount not yet Allowed or agreed to by the Debtors)	N/A
		General Unsecured Claims Against Debtors other than LATAM Parent (in an amount Allowed or agreed to by the Debtors; in filed amount if amount not yet Allowed or agreed to by the Debtors)	N/A

C. Commitment Creditors as of the Agreement Effective Date

[Schedule II.(C) attached on following page]

Schedule II(C) for Distribution

Total Claims Holdings

	Subsidiary Claims[1]	6.875% Notes due 2024	7.00% Notes due 2026	Claims against LATAM Airlines Group S.A.	Share of Claims against LATAM Airlines Group S.A.
Total Parent GUC Ad Hoc Group Holdings	$–	$321,461,000	$411,299,000	$3,546,911,315	70.74%
(/) Total Claims	516,318,453	706,022,625	813,222,222	5,014,034,258	–
Parent GUC Ad Hoc Group Share of Total	–	45.53%	50.58%	70.74%	–
Claims Voted	–	$321,461,000	$411,299,000	$3,563,670,082	–
Voting Power	–	45.53%	50.58%	71.07%	–

(1) Subsidiary Claims estimates to be provided by close of business on December 3.

Redacted Per Amended Standing Order Regarding Redactions Dated February 2, 2021

Schedule III – Notice Information

Notice Information of Debtors

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: Richard J. Cooper
Lisa M. Schweitzer
Kara A. Hailey
Telephone: + 1 (212) 225-2276
+ 1 (212) 225-2629
Facsimile: +1 (212) 225-3999

Notice Information of Commitment Creditors

Parent Ad Hoc Claimant Group
Represented by Kramer Levin Naftalis & Frankel LLP
1177 Avenue of the Americas
New York, New York 10036
Telephone: (212) 715-9100
Attention: Kenneth H. Eckstein, Esq.
Douglas H. Mannal, Esq.
Rachael L. Ringer, Esq.
Douglas Buckley, Esq.
Email: keckstein@KRAMERLEVIN.com ; dmannal@KRAMERLEVIN.com ; rringer@KRAMERLEVIN.com ; dbuckley@KRAMERLEVIN.com

With a copy to:
Bofill Escobar Silva Abogados
Avenida Apoquindo 3472, 19th Floor, Las Condes, Chile 7550105
Attention: Jorge Bofill y Cristóbal Cibie

Email : jbofill@besabogados.cl ; ccibie@besabogados.cl

Coeymans, Edwards, Poblete & Dittborn
Candelaria Goyenechea 3900, suite 503
Las Condes, Chile 7550000
Attention : Arturo Poblete C. and Tomás Poblete
Email : apoblete@cepabogados.cl ; tpoblete@cepabogados.cl

Notice Information of Backstop Shareholders and Eblen Group

Qatar Airways Investments (UK) Ltd.
c/o Qatar Airways Group Q.S.C.S.
Qatar Airways Tower 1
Doha, Qatar
Attention: Daniel Ho
danielho@qatarairways.com.qa

with copies to counsel:
Alston & Bird LLP
90 Park Avenue
New York, NY 10016-1387
Attention: Gerard S. Catalanello
gerard.catalanello@alston.com

Costa Verde Aeronáutica S.A.
Inversiones Costa Verde Ltda y Cia. en
Comandita por Acciones
Avenida Presidente Riesco 5711, piso 11, oficina 1101, Las Condes, Santiago, Chile
Attention: Felipe Arriagada
Telephone: +56 2 23371350
Email: farriagada@cverde.cl

with a copy to:
Wachtell, Lipton, Rosen & Katz
51 W. 52nd Street
New York, NY 10019
Attention: Richard M. Mason, Esq.
Telephone: +1 (212) 403-1000
Fax: +1 (212) 403-2000

Andes Aérea SpA
Comercial Las Vertientes SpA
Inversiones Pia SpA
Av. Apoquindo 4499, Of 501, Las Condes, Santiago, Chile
Attention: Mr. Cristian Halabi

Telephone: +56 22 369 4679
Email: cristian.halabi@tjc.cl

with a copy to:
Wachtell, Lipton, Rosen & Katz
51 W. 52nd Street
New York, NY 10019
Attention: Richard M. Mason, Esq.
Telephone: +1 (212) 403-1000
Fax: +1 (212) 403-2000

Delta Air Lines, Inc.
1040 Delta Blvd, Dept 945
Atlanta, GA 30320
Attention: Peter Carter and Matthew Knopf

With a copy to:
Davis Polk & Wardwell LLP
450 Lexington Avenue, New York, New York 10017
Attention: Marshall Huebner, Esq., Lara Samet Buchwald, Esq., Adam L. Shpeen, Esq. and Gene Goldmintz, Esq.

Exhibit A

Plan Term Sheet

EXHIBIT A EXECUTION VERSION

LATAM AIRLINES GROUP S.A.
RESTRUCTURING TERM SHEET

The terms set out in this term sheet (this "Restructuring Term Sheet") are not intended to describe or include all of the terms and conditions of the restructuring of indebtedness issued by LATAM Airlines Group S.A. (the "LATAM Parent" and together with its debtor affiliates, the "Debtors") in the Debtors' cases pending under Chapter 11 of the Bankruptcy Code (the "Chapter 11 Cases") or to set forth the definitive contractual language of any provisions summarized below.

This Restructuring Term Sheet is not an offer with respect to any securities, or a solicitation of acceptances of any Chapter 11 plan within the meaning of section 1125 of the Bankruptcy Code or any other plan of reorganization, scheme of arrangement, or similar process under any other applicable law. Any such offer or solicitation will comply with all applicable securities laws, provisions of the Bankruptcy Code and/or other applicable laws. No party shall be bound with respect to any transaction until the agreement, execution, and delivery of definitive documentation after obtaining all necessary and applicable internal and external approvals.

Capitalized terms used but not defined herein shall have the meaning ascribed to such terms in the Restructuring Support Agreement.

Implementation	The following is a summary of a proposed plan of reorganization (the "*Plan*") for the Debtors and accompanying disclosure statement (the "*Disclosure Statement*") to be filed by the Debtors in the Chapter 11 Cases on or before November 26, 2021. On the date that the Plan becomes effective (the "*Effective Date*"), or as soon as is reasonably practicable thereafter, each Holder of an Allowed Claim or interest, as applicable, shall receive under the Plan the treatment described in this Restructuring Term Sheet in full and final satisfaction, settlement, release, and discharge of and in exchange for such Holder's Allowed Claim or interest, except to the extent less favorable treatment is agreed to by the Debtors and the Holder of such Allowed Claim or interest.

Class No.	Type of Claim	Treatment	Impairment / Voting
Unclassified Non-Voting Claims			
N/A	**Administrative Claims**	On the Effective Date, except as otherwise expressly provided elsewhere in this Restructuring Term Sheet, each Holder of an Allowed Administrative Expense Claim shall receive payment in full in cash.	N/A
N/A	**Priority Tax Claims**	On the Effective Date, each Holder of an Allowed Priority Tax Claim shall receive treatment in a manner consistent with section 1129(a)(9)(C) of the Bankruptcy Code.	N/A
N/A	**Other Priority Claims**	On the Effective Date, except as otherwise expressly provided elsewhere in this Restructuring Term Sheet, each Holder of an Allowed Other Priority Claim shall receive payment in full in cash.	N/A

N/A	**DIP Claims**	On the Effective Date, except as otherwise expressly provided elsewhere in this Restructuring Term Sheet, each Holder of an Allowed DIP Claim shall receive payment in full in cash.	N/A
Classified Claims and Interests of the Debtors			
Class 1	**RCF Claims**	On the Effective Date, the Debtors' RCF Facility pursuant to the RCF Credit Agreement shall be refinanced or amended and extended, or each Holder of an Allowed RCF Claim shall receive such other treatment that will render the RCF Claims Unimpaired.	Unimpaired / Presumed to Accept
Class 2	**Spare Engine Facility**	On the Effective Date, the Debtors' Spare Engine Facility shall be Reinstated, refinanced, or amended and extended, or each Holder of an Allowed Spare Engine Facility Claim shall receive such other treatment that will render the Spare Engine Facility Claims Unimpaired.	Unimpaired / Presumed to Accept
Class 3	**Other Secured Claims**	On the Effective Date, each Allowed Other Secured Claim shall be Reinstated as amended and extended or each Holder of an Allowed Other Secured Claim shall receive such other treatment that will render the Other Secured Claims Unimpaired.	Unimpaired / Presumed to Accept
Class 4	**LATAM 2024/2026 Bond Claims Against LATAM Finance and LATAM Parent**	On the Effective Date, each Holder of an Allowed LATAM 2024 Bond Claim and LATAM 2026 Bond Claim shall receive a distribution in Cash of its Pro Rata share of the LATAM International Bond Claim Amount.	Unimpaired / Presumed to Accept
Class 5	**Holders of General Unsecured Claims against LATAM Parent**	On the Effective Date, each Holder of an Allowed General Unsecured Claim against LATAM Parent shall receive a distribution as described in Class 5a Treatment, unless an Eligible Holder elects to receive Class 5b Treatment in connection with the solicitation of the Plan. For the avoidance of doubt, such election to receive Class 5b Treatment shall apply to all of such Holder's Allowed General Unsecured Claims against LATAM Parent, consistent with the provisions below.	Impaired / Entitled to Vote

	Class 5a Treatment	On the Effective Date, subject to the reduction by the subscription and purchase of New Convertible Notes Class A by Eligible Equity Holders during the New Convertible Notes Preemptive Rights Offering Period, each Holder of Allowed General Unsecured Claims against LATAM Parent (excluding Participating Holders of General Unsecured Claims and Ineligible Holders (see *Treatment of the Non-Qualified Holders* below)) shall receive (A) its Pro Rata share of New Convertible Notes Class A and (B) in the event of subscription and purchase of New Convertible Notes Class A by Eligible Equity Holders during the New Convertible Notes Preemptive Rights Offering Period, its Pro Rata share of the Cash proceeds (the "*Preemptive Rights Proceeds*") of such subscription and purchase in an amount up to the Allowed Class 5a Treatment Cash Amount. Each Holder of an Allowed General Unsecured Claim against LATAM Parent that is an Ineligible Holder shall receive in lieu of the above a distribution of cash in respect of their Allowed General Unsecured Claim equal to their Pro Rata share of the Net Sale Proceeds (as defined below) in respect of the New Convertible Notes Class A such Ineligible Holder would be entitled to receive under the Plan if it were not an Ineligible Holder, pursuant to a mechanism set forth in the Approved Plan and facilitated by LATAM Parent acceptable to Commitment Creditors. The Plan shall provide that no more than [__] days after the Effective Date, New Convertible Notes Class A that would otherwise be subscribed by Ineligible Holders will be sold by a financial institution identified in the Plan or designated by LATAM Parent (the "*Sales Agent*") in one or more block trades or otherwise in an manner intended to maximize the sale proceeds from such sale and such sale proceeds shall be distributed for Ineligible Holders Pro Rata as soon as practical thereafter.	

	Class 5b Treatment	On the Effective Date, each Participating Holder of General Unsecured Claims, shall receive its share of New Convertible Notes Class C, subject to reduction by the subscription and purchase of New Convertible Notes Class C by the Eligible Equity Holders in the New Convertible Notes Preemptive Rights Offering Period, in accordance with the following waterfall: 1. First, 50% of the New Convertible Notes Class C shall be allocated to the New Convertible Notes Class C Backstop Parties for purchase, to the extent available after the conclusion of New Convertible Notes Preemptive Rights Offering Period (the "*Direct Allocation Amount*"). The New Convertible Notes Class C Backstop Parties shall subscribe to the Direct Allocation Amount with an amount of Allowed Claims (and related new money) equal to approximately 50% of the Allowed Claims held by the New Convertible Notes Class C Backstop Parties; and 2. Second, the remainder shall be allocated to the New Convertible Notes Class C Unsecured Creditors and the New Convertible Notes Class C Backstop Parties as described below (the "*Unused Allocation Amount*"). The Unused Allocation Amount shall be subscribed as follows: 1. The New Convertible Notes Class C Unsecured Creditors shall subscribe to the Unused Allocation Amount with an amount of Allowed Claims (and related new money) equal to approximately 35.36984%[1] of the Allowed Claims that are held by the New Convertible Notes Class C Unsecured Creditors. 2. The New Convertible Notes Class C Backstop Parties shall subscribe to the Unused Allocation Amount with an amount of Allowed Claims (and related new money) equal to approximately 70.73967%[2] of the Allowed Claims held by the New Convertible Notes Class C Backstop Parties that remain after reduction by Allowed Claims used in the Direct Allocation Amount. 3. Any Unused Allocation Amount of New Convertible Notes Class C that remain unsubscribed after such applications shall be allocated to and subscribed by the New Convertible Notes Class C Backstop Parties in accordance with their New Convertible Notes Class C backstop commitment. To the extent of any Allowed Claims held by Participating Holders of General Unsecured Claims	

		which have not been provided as consideration for the Direct Allocation Amount or the Unused Allocation Amount (including with respect to the New Convertible Notes Class C backstop commitment) (the "*Unused Allowed Claims*"), each Participating Holder of General Unsecured Claims shall receive in respect of such Unused Allowed Claims, New Convertible Notes Class A and Preemptive Rights Proceeds, on the same terms and Conversion Ratio applicable to non-Participating Holders of General Unsecured Claims (i.e., Class 5a Treatment). The consideration provided by the New Convertible Notes Class C Backstop Parties for the Direct Allocation Amount and the consideration provided by the Participating Holders of General Unsecured Claims for the Unused Allocation Amount (including with respect to the New Convertible backstop commitment) shall be comprised of $0.921692[3] of new money for each $1 of Allowed General Unsecured Claims against LATAM Parent. For the avoidance of doubt, no Ineligible Holder shall be able to become a Participating Holder of a General Unsecured Claim (see *Treatment of Non-Qualified Holders* below).	
Class [__]	**Convenience Class Against LATAM Parent[4]**	[[TBD]]	[[TBD]]
Class 6	**General Unsecured Claims against Debtors other than LATAM Parent, Piquero Leasing Limited and LATAM Finance**	On the Effective Date, each Holder of an Allowed General Unsecured Claim against a Debtor other than LATAM Parent, Piquero Leasing Limited or LATAM Finance shall receive cash equal to the amount of such Allowed General Unsecured Claim.	Unimpaired / Presumed to Accept

[1] Subject to revision prior to Effective Date based on ongoing claims reconciliation process.

[2] Subject to revision prior to Effective Date based on ongoing claims reconciliation process.

3 Based on illustrative assumption that New Convertible Notes Class C Backstop Parties own 70.7% of Allowed Claims based on FTI 11/25 Low Estimate. Subject to further update based on New Convertible Notes Class C Backstop Parties' ownership of Allowed Claims.

[4] The Debtors, with the reasonable consent of the Parent GUC Ad Hoc Group, reserve the right to establish a convenience class of holder of General Unsecured Claims against LATAM Parent to address certain General Unsecured Claims against LATAM Parent.

Class 7	**Pre-Delivery Payment Facility Claims against Piquero Leasing Limited**	On the Effective Date, each Holder of an Allowed General Unsecured Claim against Piquero Leasing Limited and the associated Allowed General Unsecured Claim in the same amount against LATAM Parent shall receive in full satisfaction of both claims, the treatment provided to Allowed General Unsecured Claims against LATAM Parent (with the right to receive recovery solely for a single Allowed Claim).	Impaired / Entitled to Vote
Class 8	**Litigation Claims Against All Debtors**	On the Effective Date, each Allowed Litigation Claim shall be Reinstated and paid in the ordinary course if and when finally resolved under applicable local law (and subject in each case to applicable non-bankruptcy defenses).	Unimpaired / Presumed to Accept
Class 9	**Intercompany Claims**	On the Effective Date or, if such Claim is subsequently Allowed, then the date such Class 9 Claim becomes Allowed or as soon as reasonably practicable thereafter, each Intercompany Claim will be Reinstated.	Unimpaired / Presumed to Accept
Class 10	**Equity Interests in LATAM Parent**	Existing Equity Interests in LATAM Parent shall be retained and reinstated subject to the dilution referred to below. No distribution shall be made under the Plan in respect of Existing Equity Interests in LATAM Parent. On the Effective Date, Holders of Existing Equity Interests in LATAM Parent shall be diluted by the issuance of ERO New Common Stock and the New Convertible Notes Backup Shares, including any conversion of the New Convertible Notes into equity, and the Management Incentive Plan, such that they hold no more than 0.1% of the common stock in LATAM Parent.	Impaired / Deemed to Reject pursuant to Section 1126(g) of the Bankruptcy Code
Class 11	**Equity Interests in Debtors other than LATAM Parent**	On the Effective Date, Equity Interests in Debtors other than LATAM Parent shall be preserved and Reinstated so as to maintain the organization structure of the Debtors as such structure exists on the Effective Date.	Unimpaired / Presumed to Accept pursuant to Section 1126(f) of the Bankruptcy Code

Plan Enterprise Value	$14,000[5] million, which for the avoidance of doubt assumes conversion of all New Convertible Notes
Plan Equity Value	$7,611[6] million

[5] Illustrative assumption reflecting mid-point of potential range of $13,000 million - $15,000 million; not a PJT valuation and subject to change.

[6] Illustrative assumption, not based on a PJT valuation and subject to change. Reflects assumed $700 million operating cash level which is netted against debt.

Exit Capital Structure	On the Effective Date, the Reorganized Debtors shall have the following capital structure: • Existing Finance Leases: $ 1,798 million • Existing Operating Leases: $ 2,837 million • Existing RCF: $600 million (undrawn on Effective Date) (to be refinanced or amended and extended) (as so refinanced, amended and extended or otherwise modified, the "Modified Existing RCF") • Existing Spare Engine Facility: $273 million (to be refinanced or amended and extended) • PDP Financing: $98 million • Existing Letters of Credit as provided below. • Existing Surety Bonds as provided below. • Exit Revolver: $500 million (undrawn on the Effective Date) • Exit Notes/Loan: $2,250 million For the avoidance of doubt, the Exit Capital Structure assumes conversion of all New Convertible Notes.
ERO Rights Offering	LATAM Parent will issue $800 million of ERO New Common Stock, $400 million of which shall be backstopped by the Commitment Creditors in their capacity as ERO New Common Stock Backstop Parties in exchange for an aggregate 20% backstop payment payable in cash on the Effective Date,[7] and $400 million of which shall be backstopped by the Backstop Shareholders (up to the Backstop Shareholders Cap) without requiring the payment of a fee. Backstop Shareholders shall use their preemptive rights during the ERO Preemptive Rights Offering Period to subscribe to the ERO New Common Stock up to the full amount of such preemptive rights, provided that the total number of Reorganized LATAM Parent Stock issued to Backstop Shareholders (inclusive of the Backstop Shareholders' equity ownership in Reorganized LATAM Parent on an as converted basis with respect to New Convertible Notes Class B) is no greater than 27% (the "*Backstop Shareholders Cap*") (the apportionment of which among the Backstop Shareholders shall be determined by the Backstop Shareholders, in their sole discretion) of the total amount of Reorganized LATAM Parent common stock to be issued pursuant to the Approved Plan. In the event not all ERO New Common Stock is subscribed and purchased during the ERO Preemptive Rights Offering Period, there shall be a second, substantially concurrent, round of subscription and purchase in which, Eligible Equity Holders (including, without limitation, the Backstop Shareholders and the Non-Backstop Shareholders) that subscribed for the ERO New Common Stock shall have the option of subscribing and purchasing any unsubscribed ERO New Common Stock on a pro rata basis (based on the amount subscribed by such subscribing holders), provided that the amount of Reorganized LATAM Parent Stock issued to the Backstop Shareholders (inclusive of the Backstop Shareholders' equity ownership in

[7] The Commitment Creditors have determined that (i) 3% of such backstop payment in respect of the ERO New Common Stock will be allocated to the Backstop Payment Parties in their capacity as New Convertible Notes Class C Backstop Parties, with internal allocation among the Backstop Payment Parties to be determined by them, provided that each such Backstop Payment Party's entitlement to receive its share of such backstop payment may (but shall not automatically) travel with such Backstop Payment Party's transfer of Claims to their permitted Transferees pursuant to and subject to the terms of the Restructuring Support Agreement, and (ii) the remaining 17% of such backstop payment will be available to the ERO New Common Stock Backstop Parties (including for the avoidance of doubt, the Backstop Payment Parties) and any of their permitted transferees pursuant to and subject to the terms of the relevant Backstop Agreement.

	Reorganized LATAM Parent on an as converted basis with respect to New Convertible Notes Class B) following the purchase of any such unsubscribed ERO New Common Stock is no greater than the Backstop Shareholders Cap. If any shares of ERO New Common Stock remain unsubscribed, the ERO New Common Stock Backstop Parties shall subscribe and purchase any remaining unsubscribed ERO New Common Stock.
New Convertible Notes Issuance	LATAM Parent will issue the New Convertible Notes, each with a maturity date of December 31, 2121. The New Convertible Notes include: i. New Convertible Notes Class A in the principal amount of $1,467[8] million which, to the extent not subscribed and purchased by Eligible Equity Holders during the New Convertible Notes Preemptive Rights Offering Period, shall be distributed to Holders of General Unsecured Claims against LATAM Parent *except* (i) on account of Allowed General Unsecured Claims against LATAM Parent (other than Unused Allowed Claims) held by Participating Holders of General Unsecured Claims and (ii) on account of General Unsecured Claims Against LATAM Parent held by Ineligible Holders. ii. New Convertible Notes Class B in the principal amount of $1,373 million which, to the extent not subscribed and purchased by Eligible Equity Holders during the New Convertible Notes Preemptive Rights Offering Period, shall be purchased in Cash by the New Convertible Notes Class B Backstop Parties. The full amount of the New Convertible Notes Class B shall be backstopped by the New Convertible Notes Class B Backstop Parties and no backstop payment shall be payable. iii. New Convertible Notes Class C in the principal amount of $6,816 million which, to the extent not subscribed and purchased by Eligible Equity Holders during the New Convertible Notes Preemptive Rights Offering Period, shall be distributed to New Convertible Notes Class C Backstop Parties and Participating Holders of General Unsecured Claims as provided under Class 5b. A backstop of $3,269 million in the new money investment in the New Convertible Notes Class C shall be provided by the New Convertible Notes Class C Backstop Parties in exchange for a 20% payment in cash on the Effective Date.[9] To the extent any Participating Holder of General Unsecured Claims that elected to receive Class 5b Treatment does not receive a full allocation on account of its Allowed Class 5 Claim, the remaining amount of such Allowed Class 5 Claim shall receive Class 5a Treatment and shall receive New Convertible Notes Class A and Preemptive Rights Proceeds with respect to such amount (as an Unused Allowed Claim). Further, any Participating Holder of General Unsecured

[8] Face Amount, included as a placeholder, equal to par plus accrued applicable interest as of the Petition Date on parent GUCs based on 11/25 FTI Low estimate, assuming certain adjustments. Subject to continued material revision. Sized based on illustrative $3,547mm (70.7% of outstanding LATAM Parent GUCs) held by Convert C Backstop Parties participating in the Convert C.

[9] The Commitment Creditors have determined that (i) 3% of such backstop payment in respect of the New Convertible Notes Class C will be allocated to the Backstop Payment Parties in their capacity as New Convertible Notes Class C Backstop Parties, with internal allocation among the Backstop Payment Parties to be determined by them, provided that each such Backstop Payment Party's entitlement to receive its share of such backstop payment may (but shall not automatically) travel with the Backstop Payment Party's transfer of Claims to their permitted Transferees pursuant to and subject to the terms of the Restructuring Support Agreement, and (ii) the remaining 17% of such backstop payment will be available to the New Convertible Notes Class C Backstop Parties (including for the avoidance of doubt, the Backstop Payment Parties) and any of their permitted Transferees pursuant to and subject to the terms of the relevant Backstop Agreement.

	Claims that does not deliver the necessary cash consideration for its purchase of New Convertible Notes Class C by the deadlines contemplated hereunder shall be treated as having not elected Class 5b Treatment, and shall receive New Convertible Notes Class A and Preemptive Rights Proceeds with respect to its Allowed Claim and shall not have any right to purchase or to receive an allocation of New Convertible Notes Class C.
Pre-emptive Rights	LATAM Parent shall conduct the ERO Rights Offering and the New Convertible Notes Offering in compliance with all Chilean law requirements, including first offering the ERO New Common Stock and New Convertible Notes to Eligible Equity Holders pursuant to preemptive rights offerings in accordance with Chilean law.
Exemption from SEC Registration and Registration Rights	All Plan Securities shall be registered with the CMF and listed on the Santiago Stock Exchange, and all New Common Stock and New Convertible Notes shall be freely transferrable in Chile by affiliates and non-affiliates, as of the Effective Date. The offer, issuance, sale and/or distribution (as applicable) of Plan Securities will be made in reliance on exemptions from registration under the Securities Act of 1933 (the "*Securities Act*"), including (but not limited to) Section 4(a)(2) and Regulation S under the Securities Act. Securities issued in reliance on the exemptions provided by Section 4(a)(2) and Regulation S will become eligible for resale within the time periods set forth in Rule 144 and Regulation S, respectively or pursuant to other valid exemptions from the Securities Act. LATAM Parent and the Commitment Creditors shall in good faith negotiate a registration rights agreement, in consultation with the Backstop Shareholders, with material terms to be agreed by no later than the hearing on approval of the Disclosure Statement, and which shall include (i) customary registration rights that will include an agreement to re-sale shelf registration rights, demand registration rights and/or piggy-back registration rights, (ii) agreement regarding reinstating the ADRs in the U.S. and (iii) a determination regarding whether the common stock will be listed on one or more of the Santiago Exchange, the NYSE/NASDAQ or other applicable "national securities market" and Chile.
Treatment of the Non-Qualified Holders	The offer, sale, allocation and issuance of the Plan Securities will be made in reliance on exemptions under the Securities Act which will limit eligibility to participate in those offerings or allocations to certain qualified investors in the United States and to investors outside of the United States, who in each case have an account that can hold Chilean securities. As noted above, Ineligible Holders will not be eligible to invest in the offerings or receive allocations of those securities.
Cancellation of Notes, Instruments, Certificates, and Other Documents	On the Effective Date, except to the extent otherwise provided in this Restructuring Term Sheet or the Plan, all notes, instruments, certificates, and other documents including credit agreements and indentures, shall be cancelled, and the Debtors' obligations thereunder or in any way related thereto shall be deemed satisfied in full and discharged, provided that Existing Letters of Credit, Existing Surety Bonds, insurance bonds, financial assurances, Cartas Fianzas, Boletas Bancarias, Boletas Garantía, Seguros de Caución, seguro garantia, fiança bancária, fiança de qualquer natureza, cartas de crédito, and other similar instruments (as amended, restated, renewed, modified, supplemented, extended, confirmed, or counter guaranteed from time to time) issued by various banks and other financial institutions to the Debtors on an unsecured or secured basis in the various countries where the Debtors operate shall not be cancelled, satisfied or discharged; provided that nothing shall limit the

	Debtors' ability to object to or seek a discharge of any contingent claims arising prior to the Effective Date, provided further, any indenture or agreement that governs the rights of the Holder of a Claim shall continue in effect solely for purposes of (i) allowing Holders to receive distributions under the Plan, and (ii) allowing and preserving the rights of the Local Bond Trustees and LATAM 2024/LATAM 2026 Bond Trustees.
Backstop	By no later than December 21, 2021, i. an agreement (the "*Commitment Creditors Backstop Agreement*") reflecting the terms on which the Commitment Creditors will backstop the rights offering of New Convertible Notes Class C and $400 million of the ERO Rights Offering, acceptable in form and substance to the Commitment Creditors and the Debtors, shall be agreed and executed by the Debtors and the Backstop Parties thereto. ii. an agreement (the "*Backstop Shareholders Backstop Agreement*" and together with the Commitment Creditors Backstop Agreement, the "*Backstop Agreements*") reflecting the terms on which the Backstop Shareholders will backstop the rights offering of New Convertible Notes Class B and $400 million of the ERO Rights Offering, acceptable in form and substance to the Backstop Shareholders and the Debtors, shall be agreed and executed by the Debtors and the Backstop Shareholders. The term of the Backstop Commitments is expected to be long-term in duration, taking into consideration, among other things, the expected case timeline, and shall be negotiated in good faith in connection with the Backstop Agreements
Exit Term Loan, Exit RCF and Modified Existing RCF	The Exit Term Loan/Notes, Exit RCF and Modified Existing RCF shall contain terms, including without limitation, affirmative and negative covenants, representations and warranties and events of default which are customary for transactions of this type, and which are in form and substance reasonably acceptable to the Commitment Creditors and the Backstop Shareholders.
Executory Contracts and Unexpired Leases	The Plan will provide for the assumption and rejection of Executory Contracts and Unexpired Leases, which the Debtors may designate in their sole discretion.
Releases by the Debtors	As of the Effective Date, the Releasing Parties shall be deemed to forever release, waive, and discharge conclusively, absolutely, unconditionally and irrevocably to the maximum extent permitted by applicable law, each of the Released Parties from any and all Claims, interests, obligations (contractual or otherwise), suits, judgments, damages, demands, debts, remedies, rights, Causes of Action (including Avoidance and Other Actions), rights of setoff and liabilities whatsoever (including any derivative claims asserted or assertable on behalf of the Debtors) in connection with or in any way relating to the Debtors, the Chapter 11 Cases, the Restructuring Support Agreement, the Disclosure Statement, or the Plan (other than the rights of the Debtors, or the Reorganized Debtors to enforce the obligations under the Confirmation Order and the Plan and the contracts, instruments, releases, and other agreements or documents delivered or that survive thereunder) whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, then existing or thereafter arising, in law, equity, or otherwise, that are based in whole or part on any act, omission, transaction, event, or other occurrence taking place on or prior to the Effective Date; provided, however, that nothing in the Plan: i. shall be deemed to prohibit the Reorganized Debtors from asserting and enforcing any Claims, obligations, suits, judgments, demands, debts, rights, causes of action or liabilities they may have against any employee

	(including directors and officers) for alleged breach of confidentiality, or any other contractual obligations owed to the Debtors or the Reorganized Debtors, including non-compete and related agreements or obligations; ii. shall operate as a release, waiver, or discharge of any causes of action or liabilities unknown to the Debtors as of the Petition Date arising out of gross negligence, willful misconduct, fraud or criminal acts of such Released Party; or iii. shall release any of the Causes of Actions preserved under the Plan against any Persons other than Released Parties. Entry of the Confirmation Order on the Confirmation Date shall constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019, of the foregoing release by the Debtors, which includes by reference each of the related provisions and definitions contained herein, and further, shall constitute the Bankruptcy Court's finding that the foregoing release by the Debtors: (1) is an essential means of implementing the Plan; (2) is an integral and non-severable element of the Plan and the transactions incorporated herein; (3) confers substantial benefits to the Debtors' Estates; (4) is in exchange for the good and valuable consideration provided by the released parties; (5) is a good-faith settlement and compromise of the claims released by the foregoing by the Debtors; (6) is in the best interests of the Debtors and all Holders of Claims and Equity Interests; (7) is fair, equitable and reasonable; (8) is given and made after due notice and opportunity for hearing; and (9) is a bar to any of the Debtors or the Reorganized Debtors asserting any claim or cause of action released pursuant to the foregoing release by the Debtors. The releases described herein shall, on the Effective Date, have the effect of res judicata (a matter adjudged), to the fullest extent permissible under applicable law of Chile, Colombia, Brazil, Peru, Ecuador, Cayman Islands, the United States and any other jurisdiction in which the Debtors operate.
Releases by Holders of Claims and Interests	As of the Effective Date, the Holders of Claims against and Equity Interests in the Debtors and the Reorganized Debtors who: (i) either vote to Accept the Plan or are presumed to have voted for the Plan under section 1126(f) of the Bankruptcy Code, (ii) (x) exercise their preemptive rights to subscribe to the ERO New Common Stock or the New Convertible Notes or (y) elect to receive New Convertible Notes Class C or (iii) are entitled to vote to Accept or reject the Plan and reject the plan or abstain from voting and do not timely submit a ballot to indicate their refusal to grant the releases in this paragraph, shall be deemed to forever release, waive, and discharge conclusively, absolutely, unconditionally and irrevocably to the maximum extent permitted by applicable law each of the Released Parties from any and all Claims, interests obligations (contractual or otherwise), suits, judgments, damages, demands, debts, rights, Causes of Action (including Avoidance and Other Actions), rights of setoff and liabilities whatsoever (including any derivative claims asserted or assertable on behalf of the Debtors) in connection with or in any way relating to the Debtors, the conduct of the Debtors' businesses, the Chapter 11 Cases, the Restructuring Support Agreement, the Disclosure Statement, or the Plan (other than the rights of the Debtors, the Reorganized Debtors, or a Creditor holding an Allowed Claim to enforce the obligations under the Confirmation Order and the Plan and the contracts, instruments, releases, and other agreements or documents delivered thereunder) whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, then existing or thereafter arising, in law, equity, or otherwise, whether for tort, contract, violation of federal or state securities law or otherwise, that are based in whole or part on any act, omission, transaction, event, or other occurrence taking place on or prior to the Effective Date; provided, however, that nothing in the Plan shall operate as a release, waiver or discharge of any Causes of Action or liabilities unknown to such holder

	as of the Petition Date arising out of gross negligence, willful misconduct, fraud or criminal acts of any such Released Party.
Exculpation	For purposes of the Plan, "Exculpated Parties" means (i) each of the Debtors, non-Debtor Affiliates, Reorganized Debtors, and all of their respective Affiliates, (ii) the Backstop Parties, in their capacity as such, (iii) the DIP Secured Parties, in their capacity as such, (iv) the Commitment Creditors, in their capacity as such, (v) the Backstop Shareholders, in their capacity as such, and (vi) with respect to the foregoing Persons in clauses (i) –(v), each of their respective officers, directors, employees, representatives, advisors, attorneys, notaries (pursuant to the laws of the United States and any other jurisdiction), auditors, agents and professionals, in each case acting in such capacity on or any time after the Petition Date, and any person claiming by or through any of them but excluding any other Causes of Action preserved by the Debtors. On the Effective Date, the Exculpated Parties shall neither have nor incur any liability to any Holder of a Claim or Equity Interest, the Debtors, the Reorganized Debtors, or any other party-in-interest, or any of their Related Persons for any pre-petition or post-petition act or omission in connection with, relating to, or arising out of the Chapter 11 Cases, the formulation, negotiation, or implementation of the Restructuring Support Agreement, Disclosure Statement, the Plan, the solicitation of acceptances of the Plan, the pursuit of confirmation of the Plan, the confirmation of the Plan, the consummation of the Plan or the administration of the Plan, except for acts or omissions that are the result of willful misconduct, gross negligence, fraud or criminal acts; provided, however, that (i) the foregoing is not intended to limit or otherwise impact any defense of qualified immunity that may be available under applicable law; (ii) each Exculpated Party shall be entitled to rely upon the advice of counsel concerning his, her, or its duties pursuant to, or in connection with, the Plan; and (iii) the foregoing exculpation shall not be deemed to release, affect, or limit any of the rights and obligations of the Exculpated Parties from, or exculpate the Exculpated Parties with respect to, any of the Exculpated Parties' obligations or covenants arising pursuant to the Plan or the Confirmation Order.
Settlement of Qatar and Delta Fraudulent Conveyance Claims	The Plan shall forever release, waive, and discharge conclusively, absolutely, unconditionally and irrevocably to the maximum extent permitted by applicable law, under Rule 9019, any purported avoidance, fraudulent conveyance claims and other claims referenced in (i) the Motion of the Official Committee of Unsecured Creditors for (I) Leave, Standing, and Authority to Commence and Prosecute Certain Claims and Causes of Action On Behalf of the Debtors' Estates Against Delta Air Lines, Inc. and Its Affiliates and (II) Non-Exclusive Settlement Authority Regarding Such Claims (ECF No. 2531) and (ii) the Motion of the Official Committee of Unsecured Creditors for (I) Leave, Standing, and Authority to Commence and Prosecute Certain Claims and Causes of Action On Behalf of the Debtors' Estates Against Qatar Airways Q.C.S.C. and Its Affiliates and (II) Non-Exclusive Settlement Authority Regarding Such Claims (ECF No. 2532) held by the Debtors that may exist against Qatar Airways Q.C.S.C. and Delta Air Lines, Inc. ("*Delta*"), under Sections 544, 548, 550 of the Bankruptcy Code and analogous laws under Rule 9019.
Preserved Causes of Action	i. Except as otherwise provided in the Plan, the Confirmation Order or in any document, instrument, release or other agreement entered into in connection with the Plan or approved by order of the Bankruptcy Court, in accordance with section 1123(b) of the Bankruptcy Code, the Debtors and their Estates shall retain and may enforce all rights to commence and pursue, as appropriate, any and all Causes of Action, whether arising before or after the

	Petition Date, including the Avoidance and Other Actions, and the Reorganized Debtors' rights to commence, prosecute, or settle such Causes of Action shall be preserved notwithstanding the occurrence of the Effective Date; provided that no Causes of Action released against the Released Parties, including the settled and released claims and causes of action described in the section "*Settlement of Qatar and Delta Fraudulent Conveyance Claims*" shall vest in the Reorganized Debtors. No Entity may rely on the absence of a specific reference in the Plan, the Plan Supplement, the Disclosure Statement, or the Confirmation Order to any Cause of Action against them as any indication that the Debtors or the Reorganized Debtors will not pursue any and all available Causes of Action against them. The Debtors and the Reorganized Debtors expressly reserve all rights to prosecute any and all Causes of Action against any Entity, except as otherwise expressly provided in the Plan. ii. Unless any Causes of Action against an Entity are expressly waived, relinquished, exculpated, released, compromised, or settled in the Plan or a final order of the Bankruptcy Court, the Reorganized Debtors expressly reserve all Causes of Action, for later adjudication, and, therefore no preclusion doctrine, including the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable or otherwise), or laches, shall apply to such Causes of Action upon, after, or as a consequence of the confirmation or consummation of the Plan. In accordance with section 1123(b)(3) of the Bankruptcy Code, any Causes of Action that a Debtor may hold against any Entity shall vest in the Reorganized Debtors. The Reorganized Debtors may pursue such Causes of Action, or decline to do any of the foregoing, as appropriate, in accordance with the best interests of the Reorganized Debtors and without further notice to or action, order or approval of the Bankruptcy Court.
Management Incentive Plan and Management Protection Provisions	The Debtors' management will be able to participate in a Management Incentive Plan the terms of which shall be agreed by the Debtors and the Commitment Parties at the time of the execution of the Backstop Agreements and which shall be consummated and implemented on the Effective Date. At the time of the execution of the Backstop Agreements, the Debtors will seek to amend and assume up to approximately 40 executives' existing employment agreements, which amended agreements shall include management protection provisions (the "*Management Protection Provisions*") in the amount of up to $35mm in the aggregate.
Restructuring Transactions	i. On, prior to, or after the Effective Date, the Debtors or the Reorganized Debtors, as applicable, may enter into any transaction (each a "Restructuring Transaction") and take any actions as may be necessary or appropriate to effectuate the Plan and the Restructuring Support Agreement, that are consistent with and pursuant to the terms and conditions of the Plan, including, without limitation, conducting the ERO Rights Offering, conducting the New Convertible Notes Offering, obtaining the Exit Financing, and all steps necessary to effectuate the Plan pursuant to any corporate governance obligation from any of the Debtors; provided that, for the avoidance of doubt, the documentation with respect to the Restructuring Transactions shall be in form and substance acceptable, or reasonably acceptable, as the case may be, to the Backstop Shareholders the Requisite Commitment Creditors and the Debtors as provided in the Restructuring Support Agreement. ii. The actions to effectuate the Restructuring Transactions may include (i) the execution and delivery of appropriate agreements, amendment of by-laws, or other documents containing terms that are consistent with the terms of the

	Plan and the Restructuring Support Agreement and that satisfy the applicable requirements of applicable law and such other terms to which the applicable entities may agree; (ii) the execution and delivery of appropriate instruments of transfer, assignment, assumption or delegation of any asset, property, right, liability, duty or obligation on terms consistent with the terms of the Plan and having such other terms to which the applicable entities may agree; (iii) the filing of appropriate certificates pursuant to applicable law; (iv) pledging, granting of liens or security interests over, assuming or guarantying obligations or taking such similar actions as may be necessary to preserve the rights and collateral interests of the secured Creditors of the Debtors and their subsidiaries at all times prior to the effectiveness and consummation of the Plan; (v) the payment, transfer or assignment of intercompany debt among the Debtors as may be necessary to comply with the term of the Plan and (vi) all other actions that the applicable entities determine to be necessary or appropriate to effectuate the Restructuring Transactions, including making filings or recordings that may be required by applicable law in connection with such transactions (including without limitation, any filings that may be required with the CMF and the Chilean stock exchanges) in each case consistent with the Plan and Restructuring Support Agreement. iii. The Confirmation Order shall and shall be deemed to, pursuant to sections 363 and 1123 of the Bankruptcy Code, authorize, among other things, all actions as may be necessary or appropriate to effect any transaction described in, approved by, contemplated by, or necessary to effectuate the Plan, including the Restructuring Transactions.
Conditions to Effectiveness	Unless waived by the Debtors with the consent of the Commitment Parties, each of the following is a condition precedent to the occurrence of the Effective Date: i. the Confirmation Order (including any amendment or modification thereof) shall (a) have been entered by the Bankruptcy Court in form and substance acceptable to the Debtors, Backstop Shareholders and the Requisite Commitment Creditors and (b) not have been stayed, vacated or set aside; ii. all actions, documents, certificates, and agreements necessary to implement the Plan shall have been effected or executed and delivered to the required parties and, to the extent required, filed with the applicable government units in accordance with applicable law; iii. all shareholder approvals and board approvals necessary to implement the Plan and issue the New Convertible Notes and ERO New Common Stock and amend the bylaws of LATAM Parent shall have been obtained; iv. to the extent that the Debtors in their sole discretion seek recognition of the Plan in Chile or Colombia, the Plan shall have been granted recognition or its equivalent status in Chile or Colombia, as the case may be; provided, however, that if the Debtors seek such recognition or equivalent status, any failure or delay in obtaining such recognition or equivalent status shall not be a condition precedent to the extent the then remaining Restructuring Transactions may be consummated in Chile and Colombia by the Effective Date; v. the Plan shall have been granted approval in the joint provisional liquidator proceeding pending in the Cayman Islands; vi. all of the conditions precedent for effectiveness of the Exit Financing shall have been satisfied or waived in accordance with the terms thereof; vii. notice of the projected Effective Date shall have been provided to the Committee, or its counsel, no later than five (5) Business Days prior to the projected Effective Date;

	viii. all government and regulatory filings and approvals necessary to implement the Plan shall have been completed or received, as applicable, including, without limitation, anti-trust filings (to the extent required) and registration of Plan Securities with the CMF; ix. the Plan, the Disclosure Statement and Restructuring Documents have not been amended or modified other than in a manner in form and substance consistent in all material respects with the Restructuring Term Sheet and otherwise acceptable to the Debtors, the Requisite Commitment Creditors and the Backstop Shareholders; x. the Restructuring Support Agreement is in full force and effect and no Termination Event (as defined in the Restructuring Support Agreement has occurred and is continuing; xi. all outstanding Commitment Creditor Fees and Backstop Shareholder Fees that are due and payable have been paid in full by the Debtors in Cash to the extent invoiced in advance of the Effective Date; and xii. there shall be no ruling, judgment or order issued by any Governmental Unit making illegal, enjoining or otherwise preventing or prohibiting the consummation of the Restructuring Transactions unless such ruling, judgment or order has been stayed, reversed or vacated.
Retention of Jurisdiction	The Plan will provide that the Bankruptcy Court shall retain jurisdiction for usual and customary matters.
Governance	i. *Certificates of Incorporation and By-Laws*. The certificates or articles of incorporation of the Reorganized Debtors shall be amended on terms reasonably acceptable to the Commitment Creditors and the Backstop Shareholders, and the by-laws of the Reorganized Debtors shall be amended on terms acceptable to the Commitment Creditors and the Backstop Shareholders, in each case, including to satisfy the provisions of the Plan and the Bankruptcy Code, shall be included in the Plan Supplement, and, among other things, (i) shall include pursuant to section 1123(a)(6) of the Bankruptcy Code, a provision prohibiting the issuance of non-voting equity securities at emergence, but only to the extent required by section 1123(a)(6) of the Bankruptcy Code and without waiver of any right to further modify or amend the certificates or articles of incorporation and by-laws of the Reorganized Debtors as permitted therein and pursuant to applicable non-bankruptcy law on and after the Effective Date, (ii) to the extent necessary or appropriate, shall include such provisions as may be needed to effectuate and consummate the Plan and the transactions contemplated herein and (iii) shall include, in a transitory article of the by-laws for LATAM Parent, an increase of the threshold for LATAM Parent shareholder approval of corporate actions identified in the second paragraph of Section 67 of Law 18,046 to 73% of shareholders of the Reorganized Debtors for two (2) years. The foregoing amendments shall be included in the Plan Supplement. ii. *Officers and Directors of Reorganized Debtors*. By and after the Effective Date, each director, officer, or manager of the Reorganized Debtors shall continue to serve pursuant to the terms of their respective charters and bylaws or other formation and constituent documents, and applicable laws of the respective Reorganized Debtor's jurisdiction of formation. Subject to any requirement of Bankruptcy Court approval pursuant to section 1129(a)(5) of the Bankruptcy Code, unless otherwise provided for herein, the existing named executive officers of the Debtors shall continue in office on and after the Effective Date in accordance with the applicable governing documents and employment arrangements.

	iii. *Directors of Reorganized LATAM Parent.* The Commitment Creditors and the Backstop Shareholders, acting reasonably and in good faith, shall enter into an agreement on terms acceptable to such parties (the "*Shareholders' Agreement*"), or enter into other arrangements mutually acceptable to the Commitment Creditors, the Backstop Shareholders and the Debtors, that provides, (A) for a two (2) year term following the Effective Date, that the parties shall vote their shares so the Reorganized LATAM Parent Board will be comprised, both initially and in the filling of any vacancies thereon, of nine (9) directors, who in accordance with Chilean law, shall be appointed as follows: (i) five (5) directors, including the vice-chair of the Reorganized LATAM Parent Board, nominated by the Commitment Creditors; (ii) four (4) directors, including the chair of the Reorganized LATAM Parent Board (who shall be a Chilean national), nominated by the Backstop Shareholders (such a board of directors constituted as described in clauses (i) through (ii), the "Effective Date Board"); and (B) for the first five (5) years after the Effective Date, in the event of a wind-down liquidation, or dissolution of LATAM Parent, recoveries on the new Convertible Notes Class B or the New Common Stock 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 new common stock to be delivered upon conversion for the New Convertible Notes Class A or New Convertible Notes Class C, in each case held by the Commitment Creditors on the Effective Date. The Shareholders' Agreement shall be registered in the shareholders registry of Reorganized LATAM Parent.
Fees	Upon execution of the Backstop Agreements, the Debtors agree that they shall pay to the Backstop Shareholders and Commitment Creditors the Backstop Shareholder Fees and the Commitment Creditor Fees, in each case to the extent properly invoiced, (i) upon Bankruptcy Court approval of each Backstop Agreement, such Backstop Shareholder Fees and Commitment Creditor Fees that are respectively accrued through the date of such approval in cash upon such approval of each Backstop Agreement, (ii) following Bankruptcy Court approval of each Backstop Agreement, with respect to such Backstop Shareholder Fees and the Commitment Creditor Fees that are respectively due and payable, each month within 30 days of receiving an invoice from such Commitment Creditor or Backstop Shareholder (or their advisors) in full in cash, and (iii) on the Effective Date with respect to such Backstop Shareholder Fees and the Commitment Creditor Fees that are respectively due and payable in full in cash.

Annex 1: Defined Terms

"Accept" means, with respect to the acceptance of the Plan by a Class of Claims or Equity Interests, votes cast (or deemed cast pursuant to an order of the Bankruptcy Court or the applicable provisions of the Bankruptcy Code) in favor of the Plan by the requisite number and principal amount of Allowed Claims or Equity Interests in such Class as set forth in section 1126(c) of the Bankruptcy Code.

"Administrative Expense Claim" means any Claim for costs and expenses of administration of the Chapter 11 Case that is assertable under section 503(b), 507(b), or 1114(e)(2) of the Bankruptcy Code, including, without limitation: (a) any actual and necessary costs and expenses incurred on or after the Petition Date of preserving the Debtors' Estates and operating the businesses of the Debtors prior to the Effective Date; and (b) compensation for legal, financial, advisory, accounting, and other services and reimbursement of expenses Allowed by the Bankruptcy Court under section 327, 330, 331, 363, or 503(b) of the Bankruptcy Code to the extent incurred prior to the Effective Date.

"*Affiliate*" means Affiliate has the meaning set forth in 11 U.S.C. 101.

"Allowed" means, with reference to any Claim, or any portion thereof, that is not a Disputed Claim and (i) that has been listed by the Debtors in the Schedules as liquidated in an amount greater than $0 and/or not disputed, contingent or undetermined, and with respect to which no contrary proof of claim has been Filed, (ii) has been specifically allowed under this Plan, (iii) the amount or existence of which has been determined or allowed by a Final Order or (iv) as to which a proof of claim has been timely Filed before the Bar Date in a liquidated, non-contingent amount that is not disputed or as to which no objection has been timely interposed in accordance with Section 9.1 of the Plan or any other period of limitation fixed by the Bankruptcy Code, the Bankruptcy Rules or the Bankruptcy Court; provided, further that any such Claims Allowed solely for the purpose of voting to Accept or reject this Plan pursuant to an order of the Bankruptcy Court shall not be considered "Allowed Claims" for the purpose of distributions hereunder.

"Allowed Class 5a Treatment Cash Amount" means, for each Holder of an Allowed Class 5 Claim that is receiving Class 5a Treatment, their Allowed Class 5 Claim (Pro Rata for all Allowed Class 5 Claims receiving Class 5a Treatment) multiplied by the Conversion Ratio of the New Convertible Notes Class A.

"Amended First DIP Order" means the *Amended Order (I) Authorizing the Debtors to (A) Obtain Postpetition Financing, and (B) Grant Superpriority Administrative Expense Claims, and (II) Granting Related Relief*, ECF No. 1454.

"Avoidance and Other Actions" means any and all avoidance, recovery, subordination or other actions or remedies that may be brought by and on behalf of the Debtors or their Estates under the Bankruptcy Code or applicable non-bankruptcy law, including, without limitation, actions or remedies arising under sections 510 and 542-553 of the Bankruptcy Code.

"Backstop Parties" means, collectively, the New Convertible Notes Class B Backstop Parties, the New Convertible Notes Class C Backstop Parties and the ERO New Common Stock Backstop Parties.

"*Backstop Payment Parties*" means LMS Credit, LLC; Sculptor Master Fund, LTD.; Sculptor Enhanced Master Fund, LTD.; Sculptor SC II, LP; Sculptor Master Fund, LTD.; Sculptor Credit Opportunities Master Fund, LTD.; Sajama Investments, LLC; Lauca Investments, LLC; Conifer Finance 3, LLC; Redwood IV Finance 3, LLC; TAO Finance 3-A, LLC; Strategic Value Master Fund, Ltd.; Strategic Value Opportunities Fund, L.P.; Strategic Value Special Situations Master Fund IV, L.P.; Strategic Value Special Situations Master Fund V, L.P.; Strategic Value Dislocation Master Fund L.P.; Strategic Value New Rising Fund, L.P.; and any successor, transferee or assignee of the foregoing

"*Backstop Shareholder Fees*" means the reasonable and documented fees, expenses, disbursement and other costs incurred by each of the Backstop Shareholders in connection with the Chapter 11 Cases, including, but not limited to attorneys', financial advisors and agents' fees, expenses and disbursements incurred by each of the Backstop

Shareholders, whether prior to or after the execution of the Restructuring Support Agreement and whether prior to or after consummation of the Plan.

"*Backstop Shareholders*" means, collectively, Costa Verde Aeronáutica S.A., Delta Air Lines, Inc., and Qatar Airways Investment (UK) Ltd.

"Bankruptcy Code" means title 11 of the United States Code, as now in effect or hereafter amended so as to be applicable in these Chapter 11 Cases.

"Business Day" means 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; Santiago Chile; Rio de Janeiro or São Paulo, Brazil; Lima, Peru; or Bogota, Colombia are required or authorized to remain closed.

"Causes of Action" means, without limitation, any and all Claims, causes of action, demands, rights, actions, suits, damages, injuries, remedies, obligations, liabilities, accounts, defenses, offsets, powers, privileges, licenses and franchises of any kind or character whatsoever, known, unknown, accrued or to accrue, contingent or non-contingent, matured or unmatured, suspected or unsuspected, foreseen or unforeseen, whether arising before, on or after the Petition Date, in contract or in tort, in law or in equity, or under any other theory of law, whether asserted or assertable directly or derivatively in law or equity or otherwise by way of claim, counterclaim, cross-claim, third party action, action for indemnity or contribution or otherwise, including, without limitation, the Avoidance and Other Actions.

"Chapter 11 Cases" means the cases commenced under Chapter 11 of the Bankruptcy Code by the Debtors in the Bankruptcy Court, styled In re LATAM Airlines Group, S.A., et al., Chapter 11 Case No. 20-11254 (JLG) (jointly administered), currently pending before the Bankruptcy Court.

"Chilean Business Day" means any day other than a Sunday or other day on which commercial banks in Santiago Chile are required or authorized to remain closed.

"Claim" has the definition set forth in section 101(5) of the Bankruptcy Code.

"Class" means a category of Claims against or Equity Interests in the Debtors as set forth in this Term Sheet pursuant to section 1122(a) of the Bankruptcy Code.

"*CMF*" means Comisión para el Mercado Financiero.

"*Commitment Creditors*" means the members of the ad hoc group of LATAM Parent claimholders listed on Schedule II of the Restructuring Support Agreement (as may be modified pursuant to the terms of the Restructuring Support Agreement). Unless specified otherwise, any reference to any consent rights of the Commitment Creditors shall be determined by members of the Commitment Creditors holding a majority of the total General Unsecured Claims against LATAM Parent held by the Commitment Creditors at such time.

"*Commitment Creditor Fees*" means (i) the reasonable and documented fees, expenses, disbursements and other costs incurred by (x) each of the Backstop Payment Parties, up to a maximum aggregate amount of $3,000,000, and (y) the Commitment Creditors, acting as a group, in each case of (x) and (y), in connection with the Chapter 11 Cases, including, but not limited to attorneys', financial advisors and agents' fees, expenses and disbursements incurred by each of the Backstop Parties, and/or Commitment Creditors acting as a group, as the case may be, whether prior to or after the execution of the Restructuring Support Agreement and whether prior to or after consummation of the Plan, and (ii) the backstop payments payable to the Commitment Creditors under the Commitment Creditors Backstop Agreement. For the avoidance of doubt, Commitment Creditors Fees shall not include the fees and expenses of attorneys, financial advisors or other advisors retained by individual Commitment Creditors, except with respect to the Backstop Payment Parties.

"*Committee*" means the official committee of unsecured creditors appointed in the Chapter 11 Cases.

"Confirmation Date" means the date on which the clerk of the Bankruptcy Court enters the Confirmation Order on the docket of the Bankruptcy Court.

"Confirmation Order" means the order of the Bankruptcy Court confirming the Plan pursuant to section 1129 of the Bankruptcy Code.

"*Conversion Ratio*" means with respect to any series of the New Convertible Notes, (i) the product of (a) the proportion of Reorganized LATAM Parent Stock underlying the relevant series of New Convertible Notes relative to the total Reorganized LATAM Parent Stock, assuming conversion of all New Convertible Notes, expressed as a percentage multiplied by (b) the Plan Equity Value, divided by (ii) the principal amount of the relevant class of New Convertible Notes.[10]

"Creditor" has the meaning set forth in section 101(10) of the Bankruptcy Code.

"*Debtor Released Parties*" means the Debtors and each of their Related Persons excluding members, partners, or holders of equity interests.

"DIP Agents" means, collectively, Bank of Utah, as administrative agent and collateral agent under the DIP Facility, Banco Santander Chile as Chile Local Collateral Agent under the DIP Facility, TMF Brasil Administração e Gestão de Ativos Ltda. as the Brazil Local Collateral Agent under the DIP Facility, TMF Colombia Ltda. as the Colombia Local Collateral Agent under the DIP Facility, TMF Ecuador, S.A. as the Ecuador Local Collateral Agent under the DIP Facility, Fiduperú S.A. Sociedad Fiduciaria as the Peru Local Collateral Agent under the DIP Facility.

"DIP Claim" means any Claim against any Debtor that is party to the DIP Credit Agreement on account of, arising from or related to the DIP Credit Agreement, any DIP Order or any other DIP Facility Documents, including accrued but unpaid interest, costs, fees and indemnities.

"DIP Credit Agreement" means that certain Super-Priority Debtor-in-Possession Term Loan Agreement dated September 29, 2020 by and among LATAM Parent, as borrower, the guarantors party thereto, the DIP Lenders, the Bank of Utah as administrative agent and collateral agent, and local collateral agents party thereto as may be amended, modified, or supplemented from time to time.

"DIP Facility" means the credit facility provided under the DIP Credit Agreement as amended, restated and modified from time to time.

"DIP Facility Documents" means the DIP Credit Agreement and all related agreements, documents, and instruments delivered or executed in connection with the DIP Facility.

"DIP Lenders" means, collectively, the Tranche A DIP Lenders, Tranche B DIP Lenders and Tranche C DIP Lenders.

"DIP Orders" means, collectively, the First DIP Order, the Amended First DIP Order and the Tranche B DIP Order.

"DIP Secured Parties" means, collectively, the DIP Lenders and DIP Agents.

"*Disputed Claim*" means any Claim or any portion thereof, that has not been Allowed, but has not been disallowed pursuant to the Plan or a Final Order of the Bankruptcy Court or other court of competent jurisdiction.

"Effective Date" means the date of substantial consummation of the Plan, which shall be the first Business Day upon which all conditions precedent to the effectiveness of the Plan, are satisfied or waived in accordance with the Plan.

[10] Due to the ongoing claims reconciliation process, the ultimate conversion ratio used for each series of New Convertible Notes Class A and New Convertible Notes Class C and is subject to change from those used herein and in the Exhibits to this Agreement.

"Eligible Equity Holders" means all Holders of Equity Interests registered on the shareholders' registry of LATAM Parent as of midnight on the Equity Record Date, excluding any Holders of Existing ADS Interests, who will be entitled to exercise preemptive rights under applicable laws with respect to the ERO New Common Stock and the New Convertible Notes during the ERO Preemptive Rights Offering Period and the New Convertible Notes Preemptive Rights Offering Period, respectively.

"Entity" has the meaning set forth in section 101(15) of the Bankruptcy Code.

"Equity Interest" means any equity interest or related proxy, in any of the Debtors represented by duly authorized, validly issued and outstanding shares of preferred stock or common stock, stock appreciation rights, membership interests, partnership interests, or any other instrument evidencing a present ownership interest, inchoate or otherwise, in any of the Debtors, or right to convert into such an equity interest or acquire any equity interest of the Debtors, whether or not transferable, or an option, warrant or right, contractual or otherwise (as applicable to each Debtor under applicable law), to acquire any such interest, which was in existence prior to or on the Petition Date.

"Equity Record Date" means the fifth Chilean Business Day preceding the date on which LATAM Parent publishes a notice informing Holders of Existing Equity Interests of their right to subscribe and purchase New Convertible Notes and/or ERO New Common Stock (as applicable).

"ERO New Common Stock" means the common stock to be delivered by Reorganized LATAM Parent on the Effective Date in the ERO Rights Offering.

"ERO New Common Stock Backstop Parties" means (i) the Commitment Creditors up to $400 million, and (ii) the Backstop Shareholders up to the Backstop Shareholders Cap, in each case in their respective capacity as parties providing a backstop commitment in connection with the ERO New Common Stock.

"ERO Preemptive Rights Offering Period" means the thirty-day preemptive period during which the Eligible Equity Holders (including, without limitation, the Backstop Shareholders and the Non-Backstop Shareholders) are entitled to preemptive rights with respect to the ERO New Common Stock, which period will commence on the date in which LATAM Parent informs the Eligible Equity Holders about their right to subscribe and purchase of the ERO New Common Stock.

"ERO Rights Offering" means the $800 million ERO New Common Stock rights offering by LATAM Parent as described in Exhibit E to the Restructuring Support Agreement (i) to Eligible Equity Holders (including, without limitation, the Backstop Shareholders and the Non-Backstop Shareholders) during the ERO Preemptive Rights Offering Period and (ii) thereafter to Eligible Equity Holders (including, without limitation, the Backstop Shareholders and the Non-Backstop Shareholders) that participated in the ERO Preemptive Rights Offering Period in accordance with the ERO Rights Offering Procedures, and which shall be backstopped by the ERO New Common Stock Backstop Parties.

"*ERO Rights Offering Procedures*" means the offering procedures governing the ERO Rights Offering, including during the ERO Preemptive Rights Offering Period, attached as an exhibit to the Plan Supplement and in form and substance reasonably acceptable to the Debtors and the Commitment Parties.

"Estate" means the estate of each of the Debtors created under section 541 of the Bankruptcy Code.

"*Executory Contract*" means a contract to which any Debtor is a party that is subject to assumption or rejection under section 365 of the Bankruptcy Code.

"Existing ADS Interests" means all Existing Equity Interests held in the form of American Depository Shares.

"Existing Equity Interests" means all Equity Interests existing in LATAM Parent as of the date of the Plan.

"Existing Letters of Credit" means all outstanding undrawn pre-petition and post-petition letters of credit of the Debtors (as amended, restated, renewed, modified, supplemented, extended, confirmed, or counter guaranteed from time to time).

"Existing Surety Bond" means all outstanding undrawn pre-petition and post-petition surety bonds of the Debtors (as amended, restated, renewed, modified, supplemented, extended, confirmed, or counter guaranteed from time to time).

"Exit Financing" means, collectively, the Exit Term Loan/Notes, the Exit RCF and the Modified Existing RCF.

"*Final Order*" means an order or judgment of the Bankruptcy Court or other court of competent jurisdiction with respect to the subject matter, as entered on the docket in any Chapter 11 Case or the docket of any court of competent jurisdiction, and as to which the time to appeal, or seek certiorari or move for a new trial, reargument, or rehearing has expired and no appeal or petition for certiorari or other proceedings for a new trial, reargument, or rehearing has been timely taken, or as to which any appeal that has been taken or any petition for certiorari that has been or may be timely filed has been withdrawn or resolved by the highest court to which the order or judgment was appealed or from which certiorari was sought or the new trial, reargument, or rehearing shall have been denied, resulted in no stay pending appeal of such order or has otherwise been dismissed with prejudice; provided, however, that the possibility that a motion under Rule 60 of the Federal Rules of Civil Procedure or any analogous rule under the Bankruptcy Rules, may be filed with respect to such order shall not preclude such order from being a Final Order.

"First DIP Order" means the *Order (I) Authorizing the Debtors to (A) Obtain Postpetition Financing, and (B) Grant Superpriority Administrative Expense Claims, and (II) Granting Related Relief*, ECF No. 1091.

"General Unsecured Claim" means any Claim against any Debtor that is not otherwise paid in full during the Chapter 11 Cases pursuant to an order of the Bankruptcy Court and that is not an Administrative Expense Claim, Priority Tax Claim, Other Priority Claim, Other Secured Claim, DIP Claims, RCF Claim, Spare Engine Facility Claim, LATAM 2024 Bond Claim, LATAM 2026 Bond Claim, Pre-Delivery Payment Facility Claim or Litigation Claim.

"*Governmental Unit*" means a "governmental unit" as defined in section 101 of the Bankruptcy Code.

"Holder" means a Person or an Entity who is the registered holder of a Claim or Equity Interest as of the applicable date of determination or an authorized agent of such Person or Entity.

"*Impaired*" means, when used in reference to a Claim or Equity Interest, a Claim or Equity Interest that is "impaired" within the meaning of section 1124 of the Bankruptcy Code.

"Ineligible Holder" means any Person or Entity that meets one or more of the following conditions: (i) such Person or Entity does not have an account that can hold Chilean securities and/or (ii) such Person or Entity is not (a) a "qualified institutional buyer" within the meaning of Rule 144A(a)(1) or an Institutional Accredited Investor (IAI) under the Securities Act, or (b) a non-U.S. person located outside of the United States and who does not hold General Unsecured Claims for the account or benefit of a U.S. person, within the meaning of Regulation S under the Securities Act.

"Initial Petition Date" means May 26, 2020.

"Intercompany Claim" means any Claim against any Debtor by any other Debtor or non-Debtor Affiliate whether arising prior to, on or after the Petition Date.

"LATAM 2024 Bonds" means those 6.875% senior, unsecured notes due April 2024 in principal amount of $700 million pursuant to the indenture dated April 11, 2017 by and among LATAM Finance Ltd. as issuer, LATAM Parent as guarantor and Bank of New York Mellon Corporation as trustee registrar, transfer agent and paying agent.

"LATAM 2026 Bonds" means those 7% senior, unsecured notes due March 2026 in principal amount of $800 million pursuant to the indenture dated February 11, 2019 by and among LATAM Finance Ltd. as issuer, LATAM Parent as guarantor and Bank of New York Mellon Corporation as trustee registrar, transfer agent and paying agent.

"LATAM 2024 Bond Claim" means any Claim against any Debtor on account of, arising from or related to the LATAM 2024 Bond, including accrued but unpaid interest, costs, fees and indemnities.

"LATAM 2026 Bond Claim" means any Claim against any Debtor on account of, arising from or related to the LATAM 2026 Bonds, including accrued but unpaid interest, costs, fees and indemnities.

"LATAM 2024/LATAM 2026 Bond Trustees" means, collectively, the trustees under the LATAM 2024 Bonds and the LATAM 2026 Bonds.

"LATAM International Bond Claim Amount" means the amount outstanding under the LATAM 2024 Bonds and LATAM 2026 Bonds in the combined amount of $1,519,237,847.22.

"Lien" has the meaning set forth in 11 U.S.C. § 101(37).

"Litigation Claim" means any Claim asserted in or arising from any ongoing litigation, arbitration or similar proceedings or causes of action against any of the Debtors pending as of the Petition Date that is not reduced to judgment as of the Voting Record Date; *provided*, however that it shall not include any Claim related to any adversary proceeding pending in the Chapter 11 Cases.

"Local Bonds" means, collectively, those Series A Local Bonds, Series B Local Bonds, Series C Local Bonds, Series D Local Bonds and Series E Local Bonds issued by LATAM Parent.

"Local Bond Trustees" means the trustees under the Local Bonds.

"Management Incentive Plan" means a management and director incentive program to be established and implemented with respect to the Reorganized Debtors by the Effective Date, on the terms as provided herein and as acceptable to the Commitment Creditors and the Backstop Shareholders and consistent with market terms for a company the size and complexity of LATAM and the markets in which it operates.

"*Net Sale Proceeds*" means the net cash proceeds generated from the sale of the New Convertible Notes Class A pursuant to the monetization process set forth in the Plan, which process shall be reasonably acceptable to the Commitment Creditors.

"New Convertible Notes" means, collectively, the New Convertible Notes Class A, New Convertible Notes Class B and New Convertible Notes Class C.

"*New Convertible Notes Back-up Shares*" means new LATAM Parent common stock to be distributed to the holders of the New Convertible Notes that exercise the rights to convert their respective New Convertible Notes into the series of shares underlying such New Convertible Notes.

"New Convertible Notes Class A" means the convertible notes in a principal amount of $1,467 million issued by LATAM Parent which will mature on December 31, 2121 and have such other terms as set forth on Exhibit B (Convertible A Notes Term Sheet) to the Restructuring Support Agreement.

"New Convertible Notes Class B" means the convertible notes in a principal amount of $1,373 million issued by LATAM Parent which will mature on December 31, 2121 and have such other terms as set forth on Exhibit C (Convertible B Notes Term Sheet) to the Restructuring Support Agreement.

"New Convertible Notes Class B Backstop Parties" means Costa Verde Aeronáutica S.A., Delta Air Lines Inc., and Qatar Airways Investment (UK) Ltd., each in their capacity as a party providing a backstop commitment in connection with the New Convertible Notes Class B.

"New Convertible Notes Class C" means the convertible notes in a principal amount of $6,816 million issued by LATAM Parent which will mature on December 31, 2121 and have such other terms as set forth on Exhibit D (Convertible C Notes Term Sheet) to the Restructuring Support Agreement.

"New Convertible Notes Class C Backstop Parties" means the Commitment Creditors, in their capacity as the parties providing a backstop commitment in connection with the New Convertible Notes Class C

"*New Convertible Notes Class C Unsecured Creditor*" means any Holder of an Allowed General Unsecured Claim against LATAM Parent that timely elects to receive recovery and invest new money in accordance with the Class 5b Treatment under the Plan (other than the New Convertible Notes Class C Backstop Parties).

"New Convertible Notes Offering" means the offering of New Convertible Notes by LATAM Parent to Eligible Equity Holders during the New Convertible Notes Preemptive Rights Offering Period.

"*New Convertible Notes Offering Procedures*" means the offering procedures governing the New Convertible Notes Offering, attached as an exhibit to the Plan Supplement and in form and substance reasonably acceptable to the Debtors, the Commitment Creditors and the Backstop Shareholders.

"New Convertible Notes Preemptive Rights Offering Period" means the thirty-day preemptive period during which the Eligible Equity Holders are entitled to preemptive rights with respect to the New Convertible Notes, which period will commence on the date in which LATAM Parent informs the Eligible Equity Holders about their right to subscribe and purchase the New Convertible Notes.

"*Non-Backstop Shareholder*" means all Holders of Existing Equity Interests other than the Backstop Shareholders.

"Other Priority Claim" means any Claim against any Debtor, other than an Administrative Expense Claim or Priority Tax Claim, that is entitled to priority in payment pursuant to section 507(a) of the Bankruptcy Code.

"Other Secured Claim" means any Secured Claim against any Debtor except an RCF Claim or Spare Engine Facility Claim.

"Original Tranche C DIP Lenders" means the Tranche C Initial Lenders as defined in the DIP Credit Agreement.

"Participating Holders of General Unsecured Claims" means, collectively, the New Convertible Notes Class C Backstop Parties and the New Convertible Notes Class C Unsecured Creditors.

"Petition Date" means the Initial Petition Date or Subsequent Petition Date as applicable to each Debtor.

"Plan Equity Value" means US$7,611,073,306.[11]

"Plan Securities" means securities to be issued pursuant to the Plan, including Reorganized LATAM Parent Stock the New Convertible Notes and the New Convertible Notes Back-up Shares.

"Plan Supplement" means the compilation of documents and forms of documents as amended from time to time in form and substance reasonably acceptable to the Commitment Creditors and the Backstop Shareholders (or such other standard as provided in the Restructuring Support Agreement) that constitute exhibits to the Plan filed with the Bankruptcy Court no later than five Business Days before the voting deadline.

"Pre-Delivery Payment Facility Claim" means (i) the $40 million Claim against Piquero Leasing Limited and (ii) the $40 million claim against LATAM Parent arising out of the Pre-Delivery Payment Facility and allowed pursuant to the *Order (I) Authorizing the Debtor to Implement Certain Transactions, Including (A) Assumption of Certain Financing Agreements and (B) Entry into Financing Agreement Amendments with Airbus S.A.S. and Banco Santander, S.A. and (II) Approving the Settlement Agreement*, ECF No. 3038.

"Priority Tax Claim" means any Claim of a governmental unit of a kind specified in sections 502(i) and 507(a)(8) of the Bankruptcy Code, including a Secured Tax Claim.

"Pro Rata" means, with respect to any Allowed Claim, the proportion that such Allowed Claim (in U.S. dollars or U.S. Dollar Equivalent) bears to the aggregate (in U.S. dollars or U.S. Dollar Equivalent) of all Allowed Claims in the applicable Class, provided, for the avoidance of doubt, that each Creditor that holds an Allowed Claim against multiple Debtors arising out of the same liability shall be entitled to a single recovery under the Plan on account of such collective Allowed Claims.

"RCF Credit Agreement" means that certain Credit and Guaranty Agreement dated as of March 29, 2016 (as may be amended, restated, supplemented or otherwise modified from time to time) by and among, LATAM Parent, acting through its Florida branch, as borrower, TAM Linhas Aéreas S.A., Transporte Aéreo S.A., Lan Cargo S.A., Tordo Aircraft Leasing Trust, Quetro Aircraft Leasing Trust and Caiquen Leasing LLC as guarantors, and a syndicate of lenders, Citibank N.A. as administrative agent, Wilmington, as collateral agent, and Banco Citibank S.A as Brazilian collateral agent.

"RCF Claims" means any Claim against any Debtor on account of, arising from or related to the RCF Credit Agreement or any other RCF Documents, including accrued but unpaid interest, costs, fees and indemnities.

"RCF Documents" means the RCF Credit Agreement and all related agreements, documents, and instruments delivered or executed in connection with the RCF Facility.

"RCF Facility" means the credit facility provided under the RCF Credit Agreement.

"*Reinstated*" means (a) leaving unaltered the legal, equitable, and contractual rights to which a Claim or Equity Interest entitles the Holder of such Claim or Equity Interest so as to leave such Claim or Equity Interest not Impaired or (b) notwithstanding any contractual provision or applicable law that entitles the Holder of a Claim or Equity Interest to demand or receive accelerated payment of such Claim or Equity Interest after the occurrence of a default: (i) curing any such default that occurred before or after the Petition Date, other than a default of a kind specified in section 365(b)(2) of the Bankruptcy Code or of a kind that section 365(b)(2) expressly does not require to be cured;

[11] Illustrative assumption reflecting mid-point of potential range of $13,000 million - $15,000 million; not a PJT valuation and subject to change.

(ii) reinstating the maturity (to the extent such maturity has not otherwise accrued by the passage of time) of such Claim or Equity Interest as such maturity existed before such default; (iii) compensating the Holder of such Claim or Equity Interest for any damages incurred as a result of any reasonable reliance by such Holder on such contractual provision or such applicable law; (iv) if such Claim or Equity Interest arises from a failure to perform a nonmonetary obligation other than a default arising from failure to operate a nonresidential real property lease subject to section 365(b)(1)(A), compensating the Holder of such Claim or Equity Interest (other than the Debtor or an insider) for any actual pecuniary loss incurred by such Holder as a result of such failure; and (v) not otherwise altering the legal, equitable or contractual rights to which such Claim or Equity Interest entitles the Holder.

"Related Person" means, with respect to any Person, such Person's predecessors, successors, assigns and present and former Affiliates (whether by operation of law or otherwise) and for each of the foregoing: each of their present or former directors and officers, and any Person claiming by or through them, members, partners, equity-holders, employees, representatives, advisors, attorneys, notaries (pursuant to the laws of the United States and any other jurisdiction), auditors, agents and professionals, in each case acting in such capacity, and any Person claiming by or through any of them.

"Released Parties" means (i) each of the Debtor Released Parties, (ii) the Committee in its capacity as such, (iii) each of the Backstop Parties in their capacity as such, (iv) each of the DIP Secured Parties in their capacity as such, (v) the Eblen Group in their capacity as a party to the Restructuring Support Agreement and each of the Backstop Shareholders in their capacity as such, (vi) each of the Commitment Creditors in their capacity as such, and (vii) with respect to each of (ii) - (vi), such Person's predecessors, successors, assigns and for each of the foregoing: each of their present or former directors and officers, and any Person claiming by or through them, members, partners, equity-holders, employees, representatives, advisors, attorneys, notaries (pursuant to the laws of the United States and any other jurisdiction), auditors, agents and professionals, in each case acting in such capacity, and any Person claiming by or through any of them, for each of the foregoing in their capacity as such.

"Releasing Parties" means each of the Debtors, the Reorganized Debtors, and any Person or Entity seeking to exercise the rights of the Debtors' Estates, including, without limitation, any successor to the Debtors or any Estate representative appointed or selected pursuant to section 1123(b)(3) of the Bankruptcy Code, the Committee and all Related Persons of the foregoing.

"Reorganized Debtors" means the Debtors, in each case, or any successor thereto, by merger, consolidation, or otherwise, on or after the Effective Date.

"Reorganized LATAM Parent" means LATAM Airlines Group, S.A., or any successor thereto, by merger, consolidation, or otherwise, on or after the Effective Date.

"Reorganized LATAM Parent Board" means the board of directors of Reorganized LATAM Parent.

"Reorganized LATAM Parent Stock" means, collectively, the ERO New Common Stock, the Existing Equity Interests and the New Convertible Notes Back-up Shares.

"Restructuring Support Agreement" means that certain Restructuring Support Agreement to be executed and filed as an exhibit to the Disclosure Statement and in form and substance acceptable to the Debtors, the Commitment Creditors and the Backstop Shareholders.

"Secured Claim" means any Claim against any Debtor that is secured by a Lien on property in which such Debtor's Estate has an interest or that is subject to setoff under section 553 of the Bankruptcy Code, to the extent of the value of the Claim Holder's interest in the applicable Estate's interest in such property or to the extent of the amount subject to setoff, as applicable, as determined pursuant to section 506(a) of the Bankruptcy Code or, in the case of setoff, pursuant to section 553 of the Bankruptcy Code.

"Secured Tax Claim" means any Secured Claim which, absent its secured status, would be entitled to priority in right of payment under section 507(a)(8) of the Bankruptcy Code.

"Series A Local Bonds" means those local bonds sold by LATAM Parent, as issuer, on the Santiago Stock Exchange on August 17, 2017, which mature on June 1, 2028, and which, as of the Initial Petition Date, the principal nominal amount was $89.2 million plus unliquidated amounts including interest, fees, expenses, charges and other obligations.

"Series B Local Bonds" means those local bonds sold by LATAM Parent, as issuer, on the Santiago Stock Exchange on August 17, 2017, which mature on January 1, 2028, and which, as of the Initial Petition Date, the

principal nominal amount was $89.2 million plus unliquidated amounts including interest, fees, expenses, charges and other obligations.

"Series C Local Bonds" means those local bonds sold by LATAM Parent, as issuer, on the Santiago Stock Exchange on August 17, 2017, which mature on June 1, 2022, and which, as of the Initial Petition Date, the principal nominal amount was $65.98 million plus unliquidated amounts including interest, fees, expenses, charges and other obligations.

"Series D Local Bonds" means those local bonds sold by LATAM Parent, as issuer, on the Santiago Stock Exchange on August 17, 2017, which mature on January 1, 2028, and which, as of the Initial Petition Date, the principal nominal amount was $65.98 million plus unliquidated amounts including interest, fees, expenses, charges and other obligations.

"Series E Local Bonds" means those local bonds sold by LATAM Parent, as issuer, on the Santiago Stock Exchange on July 6, 2019, which mature in April 2029, and as of the Initial Petition Date, the principal nominal amount was $178.3 million plus unliquidated amounts including interest, fees, expenses, charges and other obligations.

"Spare Engine Facility" means the credit facility provided under the Spare Engine Facility Agreement.

"Spare Engine Facility Agreement" means that certain Amended and Restated Loan Agreement, dated as of June 29, 2018 (as may be amended, restated, supplemented or otherwise modified from time to time) by and among LATAM 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 as identified in and under the Spare Engine Facility Agreement.

"Spare Engine Facility Claims" means any Claim against any Debtor on account of, arising from or related to the Spare Engine Facility Agreement or other Spare Engine Facility Documents including accrued but unpaid interest, costs, fees and indemnities.

"Spare Engine Facility Documents" means the Spare Engine Facility Agreement and all related agreements, documents, and instruments delivered or executed in connection with the Spare Engine Facility.

"Subsequent Debtor" means those affiliates of LATAM Parent who filed their voluntary petitions for relief on July 7 or July 9, 2020, including Piquero Leasing Limited, TAM S.A.; TAM Linhas Aéreas S.A., ABSA Aerolinhas Brasileiras S.A., Prismah Fidelidade Ltda., Fidelidade Viagens e Turismo S.A., TP Franchising Ltda., Holdco I S.A. and Multiplus Corretora de Seguros Ltda.

"Subsequent Petition Date" means July 7, 2020 or July 9, 2020 as applicable to each Subsequent Debtor.

"Tranche A DIP Lender" means Oaktree Capital Management L.P., as lender under the Tranche A facility pursuant to the DIP Credit Agreement and any other entities that become a "Tranche A Lender" under the DIP Credit Agreement from time to time.

"Tranche B Amendment" means that certain Fourth Amendment to the Credit Agreement approved pursuant to the Tranche B DIP Order.

"Tranche B DIP Lenders" means, collectively, Oaktree Capital Management L.P. together with such funds, accounts and entities advised by Oaktree Capital Management L.P. and its affiliates and Apollo Management Holdings L.P. together with such funds, accounts and entities advised by Apollo Management Holdings L.P. and its affiliates and any other entities that become a "Tranche B Lender" under the DIP Credit Agreement from time to time.

"Tranche B DIP Order" means the *Order (I) Authorizing the Debtors to (A) Obtain Tranche B Postpetition Financing and (B) Grant Superpriority Administrative Expense Claims, and (II) Granting Related Relief*, ECF No. 3378.

"Tranche C DIP Lenders" means the Original Tranche C DIP Lenders, the Tranche C Knighthead Group Lenders and any other entities that become a "Tranche C Lender" under the DIP Credit Agreement as may be amended, modified, or supplemented from time to time.

"Tranche C Knighthead Group Lenders" means Knighthead Capital Management, LLC or one of its Affiliates.

"*Unexpired Lease*" means a lease to which any Debtor is a party that is subject to assumption or rejection under section 365 of the Bankruptcy Code.

"Unimpaired" means, when used in reference to a Claim or Equity Interest, a Claim or Equity Interest that is not Impaired within the meaning of section 1124 of the Bankruptcy Code.

Exhibit B

New Convertible Notes Class A Term Sheet

EXHIBIT B EXECUTION VERSION

LATAM AIRLINES GROUP S.A.

Offering of New Convertible Notes Class A Due December 31, 2121

Summary of Proposed Terms and Conditions

The following term sheet (the "New Convertible Notes Class A Term Sheet") summarizes the principal economic terms of a proposed issuance by LATAM Airlines Group S.A. pursuant to the Approved Plan. Any agreement with respect to the matters discussed herein shall be subject in all respect to negotiation and execution of definitive documentation. Capitalized terms used and not otherwise defined in this New Convertible Notes Class A Term Sheet shall have the meanings assigned to such terms in the Restructuring Support Agreement or the Restructuring Term Sheet, as applicable.

THIS NEW CONVERTIBLE NOTES CLASS A TERM SHEET IS NOT AN OFFER WITH RESPECT TO ANY SECURITIES OR A SOLICITATION OF ACCEPTANCES OF ANY CHAPTER 11 PLAN WITHIN THE MEANING OF SECTION 1125 OF THE BANKRUPTCY CODE OR ANY OTHER PLAN OF REORGANIZATION OR SIMILAR PROCESS UNDER ANY OTHER APPLICABLE LAW. ANY SUCH OFFER OR SOLICITATION WILL COMPLY WITH ALL APPLICABLE SECURITIES LAWS, PROVISIONS OF THE BANKRUPTCY CODE AND/OR OTHER APPLICABLE LAWS.

Issuer	LATAM Airlines Group S.A. (the "Issuer" or "LATAM Parent"), a corporation organized under the laws of Chile, as reorganized pursuant to the Approved Plan.
Security Description	Unsecured convertible notes Class A due December 31, 2121 (the "New Convertible Notes Class A"), issued under Chilean law (*Bonos Convertibles en Acciones*).
Principal Amount Offered	US$1,467,122,943.43[1] aggregate principal amount of New Convertible Notes Class A.
Investors / Recipients	• Eligible Equity Holders (other than Backstop Shareholders) (the "Non-Backstop Shareholders"), to the extent exercising preemptive rights in the New Convertible Notes Class A Preemptive Rights Offering (defined below); • Certain Holders of Allowed General Unsecured Claims against LATAM Parent that are not Ineligible Holders, other than (i) the New Convertible Notes Class C Backstop Parties and (ii) the New Convertible Notes Class C Unsecured Creditors, each term as defined in the New Convertible Notes Class C Term Sheet (the "New Convertible Notes Class A Unsecured Creditors"). • New Convertible Notes Class C Unsecured Creditors and New Convertible Notes Class C Backstop Parties (as defined in the New Convertible Notes Class C Term Sheet), to the

[1] Face amount equal to par plus accrued interest as of the Petition Date on an assumed approximately 29.26% of the LATAM Parent General Unsecured Claims, based on 11.25 FTI Low estimate, assuming certain adjustments (i.e., assumes approximately 70.74% of LATAM Parent General Unsecured Claims are held by the New Convertible Notes Class C Backstop Parties and that they subscribe to all of the Convertible Notes Class C).

	extent of any of their Allowed Claims remain outstanding (the "Unused Allowed Claims") after application of the Unused Allocation Amount (as defined in the New Convertible Notes Class C Term Sheet).
Backstop	None.
Use of Convertible Notes Class A	In connection with the New Convertible Notes Class A Notes Subsequent Notes Allocation (defined below), New Convertible Notes Class A will be provided to (i) New Convertible Note Class A Unsecured Creditors as consideration on account of such Holders' Allowed Claims and (ii) New Convertible Notes Class C Unsecured Creditors and New Convertible Notes Class C Backstop Parties as consideration on account of such Holders' Unused Allowed Claims, as provided in the Class 5a Treatment of the Approved Plan, and with the same terms and Conversion Ratio applicable to New Convertible Note Class A Unsecured Creditors.
Use of Proceeds	Any cash proceeds generated in the New Convertible Notes Class A Preemptive Rights Offering will be applied to New Convertible Notes Class A Unsecured Creditors' Allowed Claims as necessary, up to the maximum recovery provided for such Allowed Claims under the Approved Plan, with any remainder retained by LATAM Parent for working capital purposes. Further, any Ineligible Holders shall receive a distribution of cash in respect of their Allowed General Unsecured Claim equal to their pro rata share of the Net Sale Proceeds (as defined below) in respect of the New Convertible Notes Class A such Ineligible Holder would otherwise be entitled to receive under the Approved Plan if it were not an Ineligible Holder, pursuant to a mechanism set forth in the Approved Plan and facilitated by LATAM Parent. "Net Sale Proceeds" shall mean the net cash proceeds generated from the sale of the New Convertible Notes Class A pursuant to the monetization process set forth in the Approved Plan.
New Convertible Notes Class A Preemptive Rights Offering and New Convertible Notes Class A Subsequent Notes Allocation	The offering and allocation of New Convertible Notes Class A will include (i) a preemptive rights offering (the "New Convertible Notes Class A Preemptive Rights Offering") to Eligible Equity Holders, provided, however, that the Backstop Shareholders will waive their respective preemptive rights with respect to such offering, and (ii) the allocation on the Effective Date of New Convertible Notes Class A not subscribed and purchased during the New Convertible Notes Class A Preemptive Rights Offering (the "New Convertible Notes Class A Subsequent Notes Allocation") to New Convertible Notes Class A Unsecured Creditors.

	For the avoidance of doubt, the offering and allocation of New Convertible Notes Class A shall always be at the same price for all investors thereto (provided that Eligible Equity Holders participating in the New Convertible Notes Class A Preemptive Rights Offering shall pay such price 100% in cash). *New Convertible Notes Class A Preemptive Rights Offering* All Eligible Equity Holders as of the Equity Record Date shall have the opportunity to participate in the New Convertible Notes Class A Preemptive Rights Offering. The Backstop Shareholders shall waive their preemptive rights with respect to such offering, and the related New Convertible Notes Class A shall be retained by the Issuer for allocation in the New Convertible Notes Class A Subsequent Notes Allocation. The New Convertible Notes Class A Preemptive Rights Offering will follow customary procedures under applicable Chilean corporate law. *New Convertible Notes Class A Subsequent Notes Allocation* Any New Convertible Notes Class A not acquired in the New Convertible Notes Class A Preemptive Rights Offering shall be distributed on the Effective Date by the Issuer pursuant to the Approved Plan to (i) the New Convertible Notes Class A Unsecured Creditors as their recovery on account of their Allowed Claims and (ii) the New Convertible Notes Class C Unsecured Creditors and the New Convertible Notes Class C Backstop Parties as recovery on account of such creditors' Unused Allowed Claims. As noted above, on the Effective Date, the Issuer shall also distribute to the New Convertible Notes Class A Eligible Holders of Unsecured Claims cash proceeds, if any, obtained from the subscription and purchase of the New Convertible Notes Class A by the Non-Backstop Shareholders during the New Convertible Notes Class A Preemptive Rights Offering as necessary for recovery on their Allowed Claims as provided in the Approved Plan.
Final Maturity	December 31, 2121
Annual Interest Rate	0%
Conversion Ratio	The Conversion Ratio of New Convertible Notes Class A to New Convertible Notes Back-up Shares will be a ratio equal to 0.193333x[2] (the "New Convertible Notes Class A Conversion Ratio"), based on the recoveries of Holders of Allowed General Unsecured Claims under the Approved Plan; provided, however, that to the extent the Plan Equity Value is amended or otherwise

[2] Due to ongoing the ongoing claims reconciliation process, the ultimate Conversion Ratio used is subject to change from those used herein.

	changed, the Conversion Ratio with respect to the New Convertible Notes Class A will be correspondingly amended to maintain the same proportional value (relative to Plan Equity Value) attributable to the New Convertible Back-up Shares as implied by the foregoing Conversion Ratio. The New Convertible Notes Class A Conversion Ratio shall step down by 50% on the day that is sixty (60) days after the Effective Date.
Conversion Drag Along Rights	At such time as holders of an aggregate amount of New Convertible Notes Class A in excess of 50% have elected to convert their New Convertible Notes Class A, then all New Convertible Notes Class A shall mandatorily convert simultaneously.
Covenants	None.
Events of Default	None other than non-payment.
Governance Rights	The New Convertible Notes Class A will convert into ordinary shares of New Convertible Notes Back-up Shares with identical governance rights to the existing common stock of the Issuer.
Governing law	Chile
Clearing	Depósito Central de Valores S.A., Depósito de Valores
Securities Law Matters	The New Convertible Notes Class A Preemptive Rights Offering will take place only in the Chilean capital markets and in accordance with applicable Chilean law. The offering of New Convertible Notes Class A pursuant to the New Convertible Notes Class A Preemptive Rights Offering will be exempt from registration with the U.S. Securities and Exchange Commission (the "SEC") under applicable law. The distribution of New Convertible Notes Class A pursuant to the New Convertible Notes Class A Subsequent Notes Allocation will be exempt from registration with the SEC under applicable law. The New Convertible Notes Back-up Shares issued upon conversion of the New Convertible Notes Class A will be entitled to Registration Rights as provided in the Restructuring Term Sheet.
Additional Information	The New Convertible Notes Class A will not be rated and will be listed with the CMF and stock exchanges in Chile as required under applicable Chilean law.

Exhibit C

New Convertible Notes Class B Term Sheet

EXHIBIT C EXECUTION VERSION

LATAM AIRLINES GROUP S.A.

Offering of New Convertible Notes Class B Due December 31, 2121

Summary of Proposed Terms and Conditions

The following term sheet (the "New Convertible Notes Class B Term Sheet") summarizes the principal economic terms of a proposed investment in LATAM Airlines Group S.A. *pursuant to the Approved Plan. Any agreement with respect to the matters discussed herein shall be subject in all respect to negotiation and execution of definitive documentation. Capitalized terms used and not otherwise defined in this New Convertible Notes Class B Term Sheet shall have the meanings assigned to such terms in the Restructuring Support Agreement or the Restructuring Term Sheet, as applicable.*

THIS NEW CONVERTIBLE NOTES CLASS B TERM SHEET IS NOT AN OFFER WITH RESPECT TO ANY SECURITIES OR A SOLICITATION OF ACCEPTANCES OF ANY CHAPTER 11 PLAN WITHIN THE MEANING OF SECTION 1125 OF THE BANKRUPTCY CODE OR ANY OTHER PLAN OF REORGANIZATION OR SIMILAR PROCESS UNDER ANY OTHER APPLICABLE LAW. ANY SUCH OFFER OR SOLICITATION WILL COMPLY WITH ALL APPLICABLE SECURITIES LAWS, PROVISIONS OF THE BANKRUPTCY CODE AND/OR OTHER APPLICABLE LAWS.

Issuer	LATAM Airlines Group S.A. (the "Issuer", the "Company" or "LATAM Parent"), a corporation organized under the laws of Chile, as reorganized pursuant to the Approved Plan.
Security Description	Unsecured convertible notes Class B due December 31, 2121 (the "New Convertible Notes Class B"), issued under Chilean law (*Bonos Convertibles en Acciones*).
Principal Amount Offered	US$1,372,839,694.12 aggregate principal amount of New Convertible Notes Class B.
Investors / Recipients	• Costa Verde Aeronáutica S.A., Delta Air Lines, Inc., and Qatar Airways Investment (UK) Ltd., in their capacity as Backstop Shareholders providing the New Convertible Notes Class B Backstop Commitment (defined below) (together, the "New Convertible Notes Class B Backstop Parties"); and • Eligible Equity Holders (other than the Backstop Shareholders) (the "Non-Backstop Shareholders") to the extent exercising preemptive rights in the New Convertible Notes Class B Preemptive Rights Offering (defined below).
Backstop	Subject in all respects to the terms of the Restructuring Support Agreement and the Backstop Commitment Agreements, the New Convertible Notes Class B Backstop Parties shall agree to exercise all their preemptive rights to subscribe and purchase the New Convertible Notes Class B, and backstop (the "New Convertible Notes Class B Backstop Commitment") the remainder of the New Convertible Notes Class B not subscribed

	and purchased by the Non-Backstop Shareholders in the New Convertible Notes Class B Preemptive Rights Offering.
Backstop Payment	None.
Use of Proceeds	Any cash proceeds generated in the New Convertible Notes Class B Preemptive Rights Offering and the New Convertible Notes Class B Subsequent Notes Allocation will be used by LATAM Parent for payments as necessary under the Approved Plan and otherwise for working capital purposes.
New Convertible Notes Class B Preemptive Rights Offering and New Convertible Notes Class B Subsequent Notes Allocation	The offering of New Convertible Notes Class B will include (i) a preemptive rights offering (the "New Convertible Notes Class B Preemptive Rights Offering") to Eligible Equity Holders, and (ii) the allocation on the Effective Date of New Convertible Notes Class B not subscribed and purchased during the New Convertible Notes Class B Preemptive Rights Offering (the "New Convertible Notes Class B Subsequent Notes Allocation") to the New Convertible Notes Class B Backstop Parties. For the avoidance of doubt, the offering and allocation of New Convertible Notes Class B shall always be at the same price for all investors thereto. *New Convertible Notes Class B Preemptive Rights Offering* All Eligible Equity Holders as of the Equity Record Date shall have the opportunity to participate in the New Convertible Notes Class B Preemptive Rights Offering. The New Convertible Notes Class B Preemptive Rights Offering will follow customary procedures under applicable Chilean corporate law. *New Convertible Notes Class B Subsequent Notes Allocation* Any New Convertible Notes Class B not acquired in the New Convertible Notes Class B Preemptive Rights Offering shall be subscribed and purchased on the Effective Date by the New Convertible Notes Class B Backstop Parties.
Final Maturity	December 31, 2121.
Annual Interest Rate	1% payable paid in cash annually, with no interest accruing or payable in the first 60 days.
Conversion Mechanics; Conversion Ratio; Drag Rights	Each holder of New Convertible Notes Class B will have the right to convert its New Convertible Notes Class B into New Convertible Notes Back-up Shares as follows: • *First Convertible Notes Class B Conversion Period*: Each holder of New Convertible Notes Class B will have the ability to convert its New Convertible Notes Class B within sixty (60) days from the Effective Date into New Convertible Back-up Shares with a value

	based on a Conversion Ratio equal to 1.159152x (the "New Convertible Notes Class B Conversion Ratio"); *provided, however,* that to the extent the Plan Equity Value is amended or otherwise changed, the Conversion Ratio with respect to the New Convertible Notes Class B will be correspondingly amended to maintain the same proportional value (relative to Plan Equity Value) attributable to the New Convertible Back-up Shares as implied by the foregoing Conversion Ratio. The holders of such New Convertible Back-up Shares shall be restricted from the sale or transfer of such New Convertible Back-up Shares until the fourth (4^{th}) anniversary of the Effective Date, *provided*, *however*, that such holders shall be permitted to pledge or otherwise encumber such New Convertible Notes Back-up Shares during such period; *provided, further,* that each Backstop Shareholder shall be permitted to sell or transfer such New Convertible Back-up Shares to another Backstop Shareholder or an Affiliate, who, for the avoidance of doubt, shall also be subject to the restrictions from sale and transfer of New Convertible Back-up Shares as described herein. • *Second Convertible Notes Class B Conversion Period*: Each holder of New Convertible Notes Class B will have the subsequent ability to convert their New Convertible Notes Class B into New Convertible Notes Back-up Shares beginning on the fourth (4^{th}) anniversary of the Effective Date (such date, the "Four-Year Conversion Date"). Such conversion shall be based on the New Convertible Notes Class B Conversion Ratio until the day that is sixty (60) days after the Four-Year Conversion Date. On the day that is sixty (60) days after the Four-Year Conversion Date, the New Convertible Notes Class B Conversion Ratio shall step down by 50%. At such time as holders of an aggregate amount of New Convertible Notes Class B in excess of 50% have elected to convert their New Convertible Notes Class B, then all New Convertible Notes Class B shall mandatorily convert simultaneously. The New Convertible Notes Class B Backstop Parties shall each elect to convert their New Convertible Notes Class B during the first Convertible Note Class B Conversion Period.
Redemption Rights	The Company may redeem any New Convertible Notes Class B at par at its sole option after four (4) years and sixty (60) days from the Effective Date.

Covenants	None.
Events of Default	None other than non-payment.
Governance Rights	The New Convertible Notes Class B will convert into ordinary shares of New Convertible Notes Back-up Shares with identical governance rights to the existing common stock of the Issuer, subject to the Shareholders' Agreement.
Governing law	Chile
Clearing	Depósito Central de Valores S.A., Depósito de Valores
Securities Law Matters	The New Convertible Notes Class B Preemptive Rights Offering will take place only in the Chilean capital markets and in accordance with applicable Chilean law. The offering of New Convertible Notes Class B pursuant to the New Convertible Notes Class B Preemptive Rights Offering will be exempt from registration with the U.S. Securities and Exchange Commission under applicable law. The allocation of New Convertible Notes Class B pursuant to the New Convertible Notes Class B Subsequent Notes Allocation will be made in reliance on the exemptions provided by Section 4(a)(2) and Regulation S of the Securities Act of 1933 (the "Securities Act") and will become eligible for resale within the time periods set forth in Rule 144 and Regulation S of the Securities Act, respectively or pursuant to other valid exemptions from the Securities Act. Therefore, participation in the New Convertible Notes Class B Subsequent Notes Allocation will be limited to (i) "qualified institutional buyers" within the meaning of Rule 144A(a)(1) under the Securities Act, or (ii) non-U.S. persons located outside of the United States and who do not hold General Unsecured Claims for the account or benefit of a U.S. person, within the meaning of Regulation S under the Securities Act, in each case which have an account capable of holding Chilean securities. The New Convertible Notes Back-up Shares issued upon conversion of the New Convertible Notes Class B will be entitled to Registration Rights as provided in the Restructuring Term Sheet.
Additional Information	The New Convertible Notes Class B will not be rated and will be listed with the CMF and stock exchanges in Chile as required under applicable Chilean law.

Exhibit D

New Convertible Notes Class C Term Sheet

EXHIBIT D EXECUTION VERSION

LATAM AIRLINES GROUP S.A.

Offering of New Convertible Notes Class C Due December 31, 2121

Summary of Proposed Terms and Conditions

The following term sheet (the "New Convertible Notes Class C Term Sheet") summarizes the principal economic terms of a proposed investment in LATAM Airlines Group S.A. *pursuant to the Approved Plan. Any agreement with respect to the matters discussed herein shall be subject in all respect to negotiation and execution of definitive documentation. Capitalized terms used and not otherwise defined in this New Convertible Notes Class C Term Sheet shall have the meanings assigned to such terms in the Restructuring Support Agreement or the Restructuring Term Sheet, as applicable.*

THIS NEW CONVERTIBLE NOTES CLASS C TERM SHEET IS NOT AN OFFER WITH RESPECT TO ANY SECURITIES OR A SOLICITATION OF ACCEPTANCES OF ANY CHAPTER 11 PLAN WITHIN THE MEANING OF SECTION 1125 OF THE BANKRUPTCY CODE OR ANY OTHER PLAN OF REORGANIZATION OR SIMILAR PROCESS UNDER ANY OTHER APPLICABLE LAW. ANY SUCH OFFER OR SOLICITATION WILL COMPLY WITH ALL APPLICABLE SECURITIES LAWS, PROVISIONS OF THE BANKRUPTCY CODE AND/OR OTHER APPLICABLE LAWS.

Issuer	LATAM Airlines Group S.A. (the "Issuer" or "LATAM Parent"), a corporation organized under the laws of Chile, as reorganized pursuant to the Approved Plan.
Security Description	Unsecured convertible notes Class C due December 31, 2121 (the "New Convertible Notes Class C"), issued under Chilean law (*Bonos Convertibles en Acciones*).
Principal Amount Offered	US$6,816,071,620.60[1] aggregate principal amount of New Convertible Notes Class C.
Investors / Recipients	• The Commitment Creditors, in their capacity as the parties providing the New Convertible Notes Class C Backstop Commitment (defined below) but only to the extent they are not Ineligible Holders (the "New Convertible Notes Class C Backstop Parties"). • Certain Holders of Allowed General Unsecured Claims against LATAM Parent that are not Ineligible Holders (the "New Convertible Notes Class C Unsecured Creditors") that have elected to receive Class 5b Treatment under the Approved Plan and hold such Allowed General Unsecured Claims at the time of their election; • Eligible Equity Holders (other than Backstop Shareholders) (the "Non-Backstop Shareholders"), to the extent exercising preemptive rights in the New Convertible Notes Class C Preemptive Rights Offering (defined below).
Backstop	The New Convertible Notes Class C Backstop Parties shall backstop (the "New Convertible Notes Class C Backstop Commitment") New

[1] Consisting illustratively of approximately US$3,547 million in LATAM Parent Allowed General Unsecured Claims or approximately 70.74% of the LATAM Parent General Unsecured Claims pool, and U.S.$3,269 million in new money.

	Convertible Notes Class C that are not purchased by the Non-Backstop Shareholders in the New Convertible Notes Class C Preemptive Rights Offering, or subscribed by the New Convertible Notes Class C Unsecured Creditors, up to an aggregate amount of new money contribution of US$3,269,160,305.88 (the "New Convertible Notes Class C Backstop Commitment Amount").
Backstop Payment	20% of the New Convertible Notes Class C Backstop Commitment Amount, payable in cash on the Effective Date.
Use of New Convertible Notes Class C	In connection with the New Convertible Notes Class C Subsequent Notes Allocation (defined below), New Convertible Notes Class C will be provided to the New Convertible Notes Class C Backstop Parties up to the Direct Allocation Amount (defined below). The Unused Allocation Amount (defined below) shall be allocated to the New Convertible Notes Class C Unsecured Creditors and the New Convertible Notes Class C Backstop Parties as follows: (i) as consideration on account of such Holders' Allowed Claims in the Chapter 11 Cases in the amount consistent with the recovery provided on account of Class 5b Treatment under the Approved Plan and (ii) as consideration on account of new money investment by such Holders.
Use of Proceeds	Any cash proceeds generated in the New Convertible Notes Class C Preemptive Rights Offering will be applied on a pro rata basis to New Convertible Notes Class C Unsecured Creditors' Allowed Claims and to New Convertible Notes Class C Backstop Parties' Allowed Claims to the extent of any shortfall of New Convertible Notes Class C with respect to the Unused Allocation Amount (defined below), up to the maximum recovery provided for such Allowed Claims under the Approved Plan, with any remainder to be retained by the Issuer for use towards payment obligations in accordance with the Approved Plan and for working capital purposes.
New Convertible Notes Class C Preemptive Rights Offering and New Convertible Notes Class C Subsequent Notes Allocation	The offering and allocation of New Convertible Notes Class C will include (i) a preemptive rights offering (the "New Convertible Notes Class C Preemptive Rights Offering") to Eligible Equity Holders, provided, however, that the Backstop Shareholders will waive their preemptive rights with respect to such offering, and (ii) the allocation on the Effective Date of New Convertible Notes Class C not subscribed and purchased during the New Convertible Notes Class C Preemptive Rights Offering (the "New Convertible Notes Class C Subsequent Notes Allocation") to New Convertible Notes Class C Unsecured Creditors and New Convertible Notes Class C Backstop Parties as described below. For the avoidance of doubt, the offering and allocation of New Convertible Notes Class C shall always be at the same price for all investors thereto (provided that Eligible Equity Holders participating in the New Convertible Notes Class C Preemptive Rights Offering shall pay such price 100% in cash). *New Convertible Notes Class C Preemptive Rights Offering* Eligible Equity Holders as of the Equity Record Date shall have the opportunity to participate in the New Convertible Notes Class C

Preemptive Rights Offering. The Backstop Shareholders shall waive their preemptive rights with respect to such offering, and the related New Convertible Notes Class C shall be retained by the Issuer for allocation in the New Convertible Notes Class C Subsequent Notes Allocation. The New Convertible Notes Class C Preemptive Rights Offering will follow customary procedures under applicable Chilean corporate law.

New Convertible Notes Class C Subsequent Notes Allocation

Any New Convertible Notes Class C not acquired in the New Convertible Notes Class C Preemptive Rights Offering shall be distributed on the Effective Date in the New Convertible Notes Class C Subsequent Notes Allocation. In connection with such distribution, 50% of the New Convertible Notes Class C shall be reserved for purchase by and distribution to the New Convertible Notes Class C Backstop Parties, to the extent available after the New Convertible Notes Class C Preemptive Rights Offering (the "Direct Allocation Amount").

The remainder (the "Unused Allocation Amount") shall be allocated to the New Convertible Notes Class C Unsecured Creditors and the New Convertible Notes Class C Backstop Parties as follows:

- The New Convertible Notes Class C Unsecured Creditors (other than the New Convertible Notes Class C Backstop Parties) shall subscribe to the Unused Allocation Amount with an amount of Allowed Claims (and related new money) equal to approximately 35.36984% of the Allowed Claims of the New Convertible Notes Class C Unsecured Creditors; any unsubscribed for amount shall be reallocated to New Convertible Notes Class C Backstop Parties.

- The New Convertible Notes Class C Backstop Parties shall subscribe to the Unused Allocation Amount with an amount of Allowed Claims (and related new money) equal to approximately 70.73967% of the Allowed Claims of the New Convertible Notes Class C Backstop Parties that remain after reduction by Allowed Claims used in the Direct Allocation Amount. Any Unused Allocation Amount shall be distributed to the New Convertible Notes Class C Backstop Parties in accordance with their New Convertible Notes Class C Backstop Commitment.

The Unused Allowed Claims of the New Convertible Notes Class C Unsecured Creditors and the Unused Allowed Claims of the New Convertible Notes Class C Backstop Parties after application of the Unused Allocation Amount (including with respect to the New Convertible Notes Class C Backstop Commitment) shall receive their respective allocation of New Convertible Notes Class A, as provided in the Class 5a Treatment in the Approved Plan and as described in the New Convertible Notes Class A Term Sheet.

The consideration provided by the New Convertible Notes Class C Backstop Parties for the Direct Allocation Amount and the consideration provided by the New Convertible Notes Class C

	Unsecured Creditors and the New Convertible Notes Class C Backstop Parties for the Unused Allocation Amount (including with respect to the New Convertible Note Class C Backstop Commitment) shall be comprised of US$0.921692 of new money for each $1 of Allowed Claims. Any funds with respect to the New Convertible Notes Class C Backstop Commitment shall be payable no earlier than five (5) Business Days prior to the Effective Date).
Final Maturity	December 31, 2121
Annual Interest Rate	0%
Conversion Ratio	The Conversion Ratio of New Convertible Notes Class C to New Convertible Notes Back-up Shares will be a ratio equal to 0.705506x[2] at Plan Equity Value (the "New Convertible Notes Class C Conversion Ratio"); *provided, however,* that to the extent the Plan Equity Value is amended or otherwise changed, the Conversion Ratio with respect to the New Convertible Notes Class C will be correspondingly amended to maintain the same proportional value (relative to Plan Equity Value) attributable to the New Convertible Back-up Shares as implied by the foregoing Conversion Ratio. The New Convertible Notes Class C Conversion Ratio shall step down by 50% on the day that is sixty (60) days after the Effective Date.
Conversion Drag Along Rights	At such time as holders of an aggregate amount of New Convertible Notes Class C in excess of 50% have elected to convert their New Convertible Notes Class C, then all New Convertible Notes Class C shall mandatorily convert simultaneously.
Securities Law Matters	The New Convertible Notes Class C Preemptive Rights Offering will take place in the Chilean capital markets only and in accordance with applicable Chilean law. The offering of New Convertible Notes Class C pursuant to the New Convertible Notes Class C Preemptive Rights Offering will be exempt from registration with the U.S. Securities and Exchange Commission (the "SEC") under applicable law. The distribution of New Convertible Notes Class C pursuant to the New Convertible Notes Class C Subsequent Notes Allocation will be exempt from registration with the SEC under applicable law. Participation in the New Convertible Notes Class C Subsequent Notes Allocation will be limited to certain qualified investors in the United States, and to investors outside the United States. The New Convertible Notes Class C issued in reliance on the exemptions provided by Section 4(a)(2) and Regulation S of the Securities Act of 1933 (the "Securities Act") will become eligible for resale within the time periods set forth in Rule 144 and Regulation S of the Securities Act, respectively, or pursuant to other valid exemptions from the Securities Act. Therefore, participation in the New Convertible Notes Class C Subsequent Notes Allocation will be limited to (i) "qualified institutional buyers" within the meaning of Rule 144A(a)(1) under the Securities Act, or (ii) non-U.S. persons

[2] Due to ongoing the ongoing claims reconciliation process, the ultimate Conversion Ratio used is subject to change from those used herein.

	located outside of the United States and who do not hold General Unsecured Claims for the account or benefit of a U.S. person, within the meaning of Regulation S under the Securities Act, in each case which have an account capable of holding Chilean securities. The New Convertible Notes Back-up Shares issued upon conversion of the New Convertible Notes Class C will be entitled to Registration Rights as provided in the Restructuring Term Sheet.
Covenants	None.
Events of Default	None other than non-payment.
Governance Rights	The New Convertible Notes Class C will convert into ordinary shares of New Convertible Notes Back-up Shares with identical governance rights to the existing common stock of the Issuer, subject to the Shareholders' Agreement.
Governing law	Chile
Clearing	Depósito Central de Valores S.A., Depósito de Valores
Additional Information	The New Convertible Notes Class C will not be rated and will be listed with the CMF and stock exchanges in Chile as required under applicable Chilean law.

Exhibit E

Equity Rights Offering Term Sheet

EXHIBIT E EXECUTION VERSION

LATAM AIRLINES GROUP S.A.

Equity Rights Offering of New Common Stock

Summary of Proposed Terms and Conditions

The following term sheet (the "ERO Term Sheet") summarizes the principal economic terms of a proposed investment in LATAM Airlines Group S.A. *pursuant to the Approved Plan. Any agreement with respect to the matters discussed herein shall be subject in all respects to negotiation and execution of definitive documentation. Capitalized terms used and not otherwise defined in this ERO Term Sheet shall have the meanings assigned to such terms in the Restructuring Support Agreement or the Restructuring Term Sheet, as applicable.*

THIS ERO TERM SHEET IS NOT AN OFFER WITH RESPECT TO ANY SECURITIES OR A SOLICITATION OF ACCEPTANCES OF ANY CHAPTER 11 PLAN WITHIN THE MEANING OF SECTION 1125 OF THE BANKRUPTCY CODE OR ANY OTHER PLAN OF REORGANIZATION OR SIMILAR PROCESS UNDER ANY OTHER APPLICABLE LAW. ANY SUCH OFFER OR SOLICITATION WILL COMPLY WITH ALL APPLICABLE SECURITIES LAWS, PROVISIONS OF THE BANKRUPTCY CODE AND/OR OTHER APPLICABLE LAWS.

Issuer	LATAM Airlines Group S.A. (the "Issuer" or "LATAM Parent"), a corporation organized under the laws of Chile, as reorganized pursuant to the Approved Plan.
Security Description	ERO New Common Stock (as defined in the Plan Term Sheet attached as Exhibit A to the Restructuring Support Agreement).
Rights Offering Amount	US$800,000,000 of ERO New Common Stock.
Investors / Recipients	• Backstop Shareholders; • Eligible Equity Holders (other than the Backstop Shareholders) (the "Non-Backstop Shareholders"), to the extent exercising preemptive rights in the ERO Rights Offering (defined below); • Commitment Creditors, in their capacity as parties providing the Commitment Creditors ERO New Common Stock Backstop Commitment (defined below) (the "Commitment Creditors ERO New Common Stock Backstop Parties").
Backstop	The Commitment Creditors ERO New Common Stock Backstop Parties shall provide a backstop commitment (the "Commitment Creditors ERO New Common Stock Backstop Commitment") to acquire up to US$400,000,000 in ERO New Common Stock that is not purchased by the Eligible Equity Holders during the ERO Rights Offering (the "Commitment Creditors ERO New Common Stock Backstop Commitment Amount").

	The Backstop Shareholders shall provide a backstop commitment to acquire up to US$400,000,000 in ERO New Common Stock in their capacity as Eligible Equity Holders during the ERO Rights Offering (subject to the Backstop Shareholders Cap (defined below)) (the "Backstop Shareholders ERO New Common Stock Backstop Commitment Amount").
Backstop Payment	20% of U.S.$400,000,000, payable in cash on the Effective Date to the Commitment Creditors ERO New Common Stock Backstop Parties. For the avoidance of doubt, the Backstop Shareholders shall not be entitled to payment of a backstop payment; the entire backstop payment shall be payable to Commitment Creditors ERO New Common Stock Backstop Parties.
Use of Proceeds	The cash proceeds shall be used by the Issuer for payments as necessary under the Approved Plan and otherwise for working capital purposes.
ERO Rights Offering	The offering and allocation of ERO New Common Stock (the "ERO Rights Offering") will include (i) a preemptive rights offering to all Eligible Equity Holders (including without limitation the Backstop Shareholders and the Non-Backstop Shareholders) (such period, the "ERO Preemptive Rights Offering Period"); (ii) in the event not all ERO New Common Stock is subscribed and purchased during the ERO Preemptive Rights Offering Period, there shall be a second, substantially concurrent, round of subscription and purchase for Eligible Equity Holders that participated in the ERO Rights Offering during the ERO Preemptive Rights Offering Period (including without limitation, the Backstop Shareholders (subject to the Backstop Shareholders Cap) and participating Non-Backstop Shareholders); and (iii) if any shares of ERO New Common Stock remain unsubscribed on the Effective Date, there shall be an allocation of ERO New Common Stock to the ERO New Common Stock Backstop Parties (the "ERO New Common Stock Allocation"). For the avoidance of doubt, the offering and allocation of the ERO New Common Stock shall always be at the same price for all investors thereto. *ERO Preemptive Rights Offering Period* All Eligible Equity Holders (including without limitation the Backstop Shareholders and all Non-Backstop Shareholders) as of the Equity Record Date shall have the opportunity to participate in the ERO Rights Offering during the ERO Preemptive Rights Offering Period, at a price equal to the Subscription Price (defined below). The Backstop Shareholders shall utilize their preemptive rights to acquire their respective pro rata amount of ERO New Common Stock; provided that the total number of shares in Reorganized LATAM Parent subscribed by the Backstop Shareholders in the ERO Rights Offering and on account of the conversion of the New Convertible Notes Class B into New Convertible Back-up Shares to the extent all conversion options are exercised, shall not exceed 27% of the total amount of Reorganized LATAM Parent common stock (on a fully diluted basis) to be issued pursuant to the Approved Plan (the "Backstop

	Shareholders Cap"). The ERO Preemptive Rights Offering Period will follow customary procedures under applicable Chilean corporate law. Any ERO New Common Stock not acquired during the ERO Preemptive Rights Offering Period shall be offered at a price equal to the Subscription Price on a pro rata basis to all Eligible Equity Holders that participated in the ERO Rights Offering during the ERO Preemptive Rights Offering Period (including, without limitation, the Backstop Shareholders (up to the Backstop Shareholders Cap) and participating Non-Backstop Shareholders). For the avoidance of doubt, the Backstop Shareholders shall participate at a minimum up to their Backstop Shareholders ERO New Common Stock Backstop Commitment Amount (subject to the Backstop Shareholders Cap). *ERO New Common Stock Allocation* Any ERO New Common Stock not acquired during the ERO Preemptive Rights Offering Period shall be subscribed and purchased at a price equal to the Subscription Price on the Effective Date by the ERO New Common Stock Backstop Parties (up to the Commitment Creditors ERO New Common Stock Backstop Commitment Amount).
Subscription Price	A price representing a 13.73% discount to LATAM Parent's Plan Equity Value; *provided, however,* that to the extent the Plan Equity Value is amended or otherwise changed, the Subscription Price with respect to the Equity Rights Offering will be correspondingly amended to maintain the same proportion of common stock of Reorganized LATAM Parent as the foregoing Subscription Price.
Clearing	DCV Registros S.A.
Securities Law Matters:	The ERO Rights Offering will take place in Chilean capital markets only and in accordance with Chilean law. The rights to preemptively subscribe the ERO New Common Stock during the ERO Rights Offering will be exempt from registration with the U.S. Securities and Exchange Commission (the "SEC") under applicable law. The allocation of ERO New Common Stock pursuant to the ERO New Common Stock Allocation will be exempt from registration with the SEC under applicable law. Participation in the ERO New Common Stock Allocation will be limited to certain qualified investors in the United States, and to investors outside the United States. The ERO New Common Stock issued in reliance on the exemptions provided by Section 4(a)(2) and Regulation S of the Securities Act of 1933 (the "Securities Act") will become eligible for resale within the time periods set forth in Rule 144 and Regulation S of the Securities Act, respectively or pursuant to other valid exemptions from the Securities Act. Therefore, participation in the ERO Rights Offering will be limited to (i) "qualified institutional buyers" within the meaning of Rule 144A(a)(1) under the Securities Act, or (ii) non-U.S. persons located outside of the United States and who do not hold General Unsecured Claims for the account or benefit

	of a U.S. person, within the meaning of Regulation S under the Securities Act, in each case which have an account capable of holding Chilean securities. The ERO New Common Stock will be entitled to Registration Rights as provided in the Restructuring Term Sheet.
Governance Rights	The ERO New Common Stock shall have identical governance rights to the existing common stock of the Issuer.
Additional Information	The ERO New Common Stock will be registered with the CMF and listed on stock exchanges in Chile as required under applicable Chilean law.