

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 this 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.

This 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 this Plan, except as otherwise provided in this 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 this 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 upon the occurrence of the Effective Date, 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 this 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 LATAM Parent for two (2) years following the Effective Date. The proposed foregoing amendments shall be included in the Plan Supplement and are subject to (i) approval by Holders of LATAM Parent's Equity Interests at a shareholders' meeting and (ii) the occurrence of the Effective Date.



(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 that the Reorganized LATAM Parent Board will comprise, both initially and in the filling of any vacancies thereon, 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; and (ii) four (4) directors, including the chair of the Reorganized LATAM Parent Board (who shall be a Chilean national), nominated by the Backstop Shareholders¹⁷ (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 Back-Up Shares delivered in exchange for the New Convertible Notes Class B to the extent the conversion option thereunder is exercised, shall be subordinated to any right of recovery for any New Convertible Notes Back-Up Shares delivered or to be delivered upon conversion of the New Convertible Notes Class A or New Convertible Notes Class C, in each case held by the Commitment Creditors on the Effective Date. A list of the directors comprising the Effective Date Board shall be filed as Exhibit B to the Plan Supplement. The Shareholders’ Agreement shall be included as Exhibit L in the Plan Supplement and 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 (each as amended as provided in this Section 5.13 and the Shareholders’ Agreement) 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

Except as otherwise set forth herein, in the Plan Supplement or in the Confirmation Order, as of the Effective Date, or, with respect to any Secured Claim, the date of the satisfaction of the Allowed portion of such Secured Claim in accordance with this 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 garantía, 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

¹⁷ With respect to the four (4) directors to be nominated by the Backstop Shareholders, one (1) will be nominated by Delta, one (1) will be nominated by Qatar, and the remaining two (2) will be nominated by CVA.



by various banks and other financial institutions to the Debtors on an unsecured or secured basis 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, that any indenture or agreement that governs the rights of the Holder of a Claim, including the indentures pursuant to which the LATAM 2024 Bonds, LATAM 2026 Bonds, and the Local Bonds were issued shall continue in effect solely for purposes of (i) allowing such beneficial holders to receive distributions under this Plan, and (ii) allowing and preserving all rights of the Local Bond Trustee and LATAM 2024/LATAM 2026 Bond Trustees.

Notwithstanding anything to the contrary herein, (i) any provision of any Prepetition Secured Credit Document that by its terms survives payoff and termination shall survive in accordance with its terms, (ii) the provisions of the Prepetition Secured Credit Documents shall survive to the extent necessary to preserve any rights (including any charging liens) of the RCF Agents and the Spare Engine Facility Agent against any money or property distributable to any Holder of any Allowed Class 1 Claim or Allowed Class 2 Claim, respectively, and to appear and be heard in the Chapter 11 Cases or any related proceeding, (iii) to the extent not previously paid by the Debtors during the course of the Chapter 11 Cases, on the Effective Date and thereafter as invoiced, the Debtors or the Reorganized Debtors, as applicable, shall pay in full in Cash all Prepetition Secured Agent Expenses, (iv) all accrued but unpaid Prepetition Secured Agent Expenses shall constitute Allowed Administrative Expense Claims, and (v) the Prepetition Secured Parties and their respective representatives and professionals shall not be required to file applications or proofs of claims, comply with any guidelines of the U.S. Trustee, or otherwise seek or obtain approval of the Bankruptcy Court as a condition to payment of any Prepetition Secured Agent Expenses.

5.15 Exemption from Registration

All Plan Securities shall be registered with the CMF and listed on the Santiago Stock Exchange; provided that, notwithstanding any provisions to the contrary in any Restructuring Document (including any supplements, schedules, or exhibits thereto), the New Convertible Notes will not be listed on the Santiago Stock Exchange unless required by applicable law. The Plan Securities shall be freely transferrable in Chile to affiliates and non-affiliates, as of the Effective Date in respect of the New Plan Notes and ERO New Common Stock, and upon conversion with respect to the New Convertible Notes Back-Up Shares underlying the New Convertible Notes. Under Rule 144 of the Securities Act (as defined below), the New Plan Notes and the ERO New Common Stock held by non-affiliates will become freely tradeable in the United States six months after the Effective Date, provided that, in the event a New Convertible Note is converted into its underlying New Convertible Notes Back-Up Shares within the six-month restriction period, the New Convertible Notes Back-Up Shares will be subject to the same trading restriction for the remainder of such period (after which they will become freely tradeable in the United States). Notwithstanding the foregoing, the New Convertible Notes Back-Up Shares underlying the New Convertible Notes Class B, shall be subject to a lock-up on the terms and conditions set forth in the Restructuring Support Agreement.

Código de Verificación: 012-202228589



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 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.

In addition, the Registration Rights Agreement shall include, among other things, (i) customary registration rights that will include an agreement to re-sale shelf registration rights, demand registration rights and piggy back registration rights, (ii) an agreement regarding the American Depositary Share program in the U.S. and (iii) matters, including listing, related to the structure by which the ERO New Common Stock and New Convertible Notes Back-Up Shares may be held as American Depositary Shares through a sponsored American Depositary Shares program.

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 the 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 (other than as expressly required by such applicable agreement, the Restructuring Documents, 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 that provided in connection with this Plan, the Restructuring Support Agreement, Backstop Shareholders Backstop Agreements, and other applicable 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. (now known as Qatar Airways Group Q.C.S.C.) and Delta Air Lines, Inc. (and each of their respective Related Persons) under sections 544, 548 and 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, on and after the Effective Date, 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.

5.19 Modified Existing RCF

On the Effective Date, the Reorganized Debtors shall enter into and perform, execute, and deliver the Revised RCF Documents to which such Reorganized Debtor is contemplated to be a party on the Effective Date. The Reorganized Debtors shall be authorized to borrow under the Modified Existing RCF and use the proceeds of such borrowings in accordance with the Revised RCF Documents and shall pay, as and when due, all fees, expenses, indemnities, and other payments provided for under the Revised RCF Documents.

Confirmation of this Plan shall be deemed approval of the Modified Existing RCF, the Revised RCF Documents, and all transactions contemplated thereby, including all actions to be taken, undertakings to be made, and obligations to be incurred by the Reorganized Debtors in connection therewith, including the payment of all fees, expenses, indemnities, and other payments provided for therein and authorization of the Reorganized Debtors to enter into and execute the Revised RCF Documents. On the Effective Date, and without the need for further corporate action or other action, all of the Liens and security interests to be granted in accordance with the Revised RCF Documents, (a) shall be deemed to be granted, (b) shall be legal, binding, and enforceable Liens on, and security interests in, the collateral granted thereunder in accordance with the terms of the Revised RCF Documents, (c) shall be deemed automatically perfected on the Effective Date, subject only to such Liens and security interests as may be permitted under the Revised RCF Documents, (d) shall be deemed to have been the result of good faith, arm's-length negotiations between, without limitation, the Debtors and the arranger, administrative agent, collateral agent, lenders, and other secured parties under the Revised RCF Documents, and (e) shall not be subject to avoidance, recharacterization, or subordination (including equitable subordination) for any purposes whatsoever, shall not be rendered unenforceable or invalid as a result of any hardening period under applicable laws, and shall not constitute preferential transfers, fraudulent conveyances, or other voidable transfers under the Bankruptcy Code or any applicable non-bankruptcy law (or any equivalent concept under other applicable laws). The Reorganized Debtors and the Persons and Entities granted such Liens and security interests shall be authorized to make all filings and recordings, and to



obtain all governmental approvals and consents necessary, customary, or advisable to establish and perfect such Liens and security interests under the provisions of the applicable state, federal, or other law (whether domestic or foreign) that would be applicable in the absence of this Plan and the Confirmation Order (it being understood that perfection shall occur automatically by virtue of the entry of the Confirmation Order and any such filings, recordings, approvals, and consents shall not be required), and will thereafter cooperate to make all other filings and recordings that otherwise would be necessary, customary, or advisable under applicable law to give notice of such Liens and security interests to third parties.

ARTICLE VI ERO RIGHTS OFFERING AND NEW PLAN NOTES OFFERING

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, (A) (x) \$390,488,015.75 of which shall be backstopped by the Commitment Creditors and (y) \$9,511,984.25 of which shall be backstopped by the Backstop Local Bondholders, each 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 (B) the remaining \$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 shares of Reorganized LATAM Parent Stock issued to Backstop Shareholders shall not exceed the Backstop Shareholders Cap.

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 round of subscription and purchase in which Eligible Equity Holders (including 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 the New Convertible Notes Class B but exclusive of the Existing Equity Interests) 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 Commitment Creditors, in their capacity as ERO New Common

Código de Verificación: 012-202228589



Stock Backstop Parties, shall subscribe and purchase any remaining unsubscribed ERO New Common Stock.

6.2 New Plan Notes

a) *Authorization.* Subject to the following paragraph, Reorganized LATAM Parent shall be authorized to issue and distribute the New Plan Notes as set forth (as applicable) in Article III of this Plan, the Restructuring Support Agreement, and the New Plan Notes Offering Procedures.

b) *Compliance with Non-Bankruptcy Laws.* As more fully set forth in the Restructuring Support Agreement and as contemplated by the New Plan Notes Offering Procedures, LATAM Parent shall conduct the New Plan 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, (ii) on account of General Unsecured Claims against LATAM Parent held by Ineligible Holders, and (iii) on account of General Unsecured Claims against LATAM Parent to the extent the Holder of such Claims has elected to receive Class 5c Treatment. To the extent not all of the New Convertible Notes Class B are subscribed and purchased by the Eligible Equity Holders during the New Convertible Notes Preemptive Rights Offering Period, the New Convertible Notes Class B Backstop Parties shall subscribe and purchase any remaining unsubscribed New Convertible Notes Class B. 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. For the avoidance of doubt, the New Local Notes shall not be offered in a preemptive rights offering.

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 (excluding any Ineligible Holders) will be eligible to subscribe to their Pro Rata share of \$6.902 billion¹⁸ 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 to the New Convertible Notes Class C in full satisfaction, settlement, discharge and release of their Claims by providing consideration of \$0.899774 of new money for each \$1 of Allowed General Unsecured Claims held against

¹⁸ 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 in each case consistent with the Restructuring Support Agreement and Commitment Creditors Backstop Agreement.



LATAM Parent.¹⁹ In addition, the Direct Allocation Amount shall be reserved for distribution to the New Convertible Notes Class C Backstop Parties. To the extent any Participating Holder of General Unsecured Claims that elected to receive Class 5b Treatment does not receive a full allocation in settlement of its Allowed Class 5 Claim, the remaining amount of such Allowed Class 5 Claim shall receive (x) (A) its Pro Rata share of the 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, (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, (C) its Pro Rata share of the Total Allocation Amount and (D) such Holder's Pro Rata share of the Total Allocation Amount Unused Allowed Class 5b Claim Gross Up (if any), in each case to the extent of any of its Unused Allowed 5b Claims or (y) such other less favorable treatment as to which the Debtors and the Holder of such Allowed Class 5 Claim shall have agreed upon in writing as provided in Section 3.2(e)(ii) of this Plan. Further, subject to Section 7.3(b)(iv) hereof, any Holder of an Allowed Class 5 Claim who is a Non-Complying Holder shall be treated as having not elected into the Class 5b Treatment, and shall be eligible to subscribe to New Convertible Notes Class A in full satisfaction, settlement, discharge and release of their Allowed Claim and shall not have any right to subscribe to an allocation of New Convertible Notes Class C.

d) *Class 5c Treatment Opt-In:* The Holders of Allowed General Unsecured Claims against LATAM Parent (and, in the case of the Local Bonds, only Holders of Eligible Local Bonds) shall have the opportunity to elect and agree to be New Local Notes Unsecured Creditors pursuant to the following New Local Notes Offering Procedures:

The Debtors, through their claims and noticing agent, shall serve a copy of the New Local Notes election notice on all Holders of General Unsecured Claims against LATAM Parent no later than June 15, 2022 (the "Class 5c Election Launch Date"), which notice shall identify any applicable record date and establish procedures for making such an election. Holders of General Unsecured Claims against LATAM Parent will have two weeks following the Class 5c Election Launch Date to elect to opt-in for Class 5c Treatment of their Claims. For the avoidance of doubt, no Backstop Parties shall be eligible to make the election to become New Local Notes Unsecured Creditors in respect of their BCA Claims.

To affirmatively make the New Local Notes election, Holders of General Unsecured Claims against LATAM Parent (other than the Backstop Parties in respect of their BCA Claims) (i) must return a notice to the Debtors indicating their decision to elect to participate in Class 5c Treatment, (ii) must identify the amount of General Unsecured Claims against LATAM Parent that they elect to participate in Class 5c Treatment, (iii) must return an executed Joinder Agreement to the Restructuring Support Agreement, in each case prior to the deadline set forth above and (iv) if such Holders are Holders of Local Bonds, such Local Bonds must be Eligible Local Bonds. For the avoidance of doubt, in order to make the New Local Notes election, a Holder must timely execute and return the applicable Joinder Agreement to the Restructuring Support Agreement.

¹⁹ Numbers subject to change based on the Debtors' ongoing claims reconciliation process. Final numbers are subject to mutual agreement between the Debtors and the Requisite Backstop Parties (as defined in the Commitment Creditors Backstop Agreement).



Any Holder of a General Unsecured Claims (other than the Backstop Parties in respect of their BCA Claims) against LATAM Parent that has submitted a New Local Notes election pursuant to the instructions so as to be actually received by the Debtors' claims and noticing agent before the end of the solicitation period shall be bound to receive Class 5c Treatment for any General Unsecured Claims against LATAM Parent (or portions thereof) so elected. Any Holder of a General Unsecured Claims against LATAM Parent that has not submitted a New Local Notes election pursuant to the instructions so as to be actually received by the Debtors' claims and noticing agent before the end of the solicitation period shall be forever barred from receiving Class 5c Treatment. To the extent any Participating Holder of General Unsecured Claims that elected to receive Class 5c Treatment does not receive a full allocation in settlement of its Allowed Class 5 Claims for which it has elected Class 5c Treatment, the remaining amount of such Allowed Class 5 Claim shall receive (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, (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, (C) its Pro Rata share of the Total Allocation Amount, and (D) its Pro Rata share of the Total Allocation Amount Gross Up (if any); or (y) such other less favorable treatment as to which the Debtors and the Holder of such Allowed Class 5 Claim shall have agreed upon in writing as provided in Section 3.2(e)(ii) of this Plan) in each case, with respect to such amount (as an Unused Allowed 5c Claim).

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

(c) Any distribution to be made pursuant to this Plan shall be deemed to have been made (i) on the Effective Date or (ii) solely with respect to the Allowed Class 1 and Class 2 Claims, upon the receipt of distributions by the RCF Administrative Agent and the Spare Engine Facility Agent, as applicable, in accordance with this Plan. 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 this Plan or otherwise in connection with the Chapter 11 Cases (including 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 unless and until such Disputed Claim becomes an Allowed Claim.

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

(iv) Physical certificates representing the New Plan Notes will not be issued pursuant to this 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 Plan Notes will be registered with the CMF.

(v) Notwithstanding anything to the contrary herein, without limiting the exculpation and release provisions of this Plan, the RCF Agents and the Spare Engine Facility Agent shall not have any liability to any Person with respect to any distributions made or directed to be made by the RCF Agents or the Spare Engine Facility Agent.

(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 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 (6) 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 applicable New Plan 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 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. For the avoidance

Código de Verificación: 012-202228589



of doubt, distributions on account of the LATAM 2024 Bond Claims and the LATAM 2026 Bond Claims shall be made to the LATAM 2024/2026 Bond Trustees and distributions on account of the Local Bonds shall be made to the Local Bond Trustee. Notwithstanding the foregoing, if a Claim is transferred less than five (5) 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 this 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 (90) days. Any Cash distributions required under this 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 Administrative Agent, Spare Engine Facility Agent, or Local Bond Trustee (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 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 revert in the Reorganized Debtors, in accordance with the provisions of this Plan and the Bankruptcy Code. Further, to the extent that an Allowed Claim arises in whole or in part 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 Plan Notes Offering.

7.7 Withholding and Reporting Requirements

In connection with this Plan and all distributions hereunder, subject to the provisions of this Section 7.7, the Reorganized Debtors shall comply with all withholding and reporting requirements imposed by any Chilean and/or other applicable taxing authority or statute with respect to any distributions hereunder. If it is determined by the Reorganized Debtors in their reasonable discretion that the Reorganized Debtors are required under applicable

Código de Verificación: 012-202228589



law to withhold or deduct any tax with respect to distributions hereunder, (A) the Reorganized Debtors shall provide a written notice to the Holders of Claims as soon as reasonably practicable after such determination was made (setting forth in reasonable detail the potential basis for such determination) and the parties shall explore in good faith commercially reasonable measures, including the provision of information reasonably requested that would eliminate or reduce such withholding or deduction of tax (provided that the failure to execute any instrument by, provide or disclose any information pertaining to or engage in other action or participation by or pertaining to, the beneficial owners of the Holders of Claims shall not be deemed to be a failure to explore in good faith such commercially reasonable measures) to eliminate or reduce such withholding or deduction of such tax, (B) to the extent that such commercially reasonable measures do not result in the elimination of such tax, the Reorganized Debtors shall withhold and/or deduct such tax, and shall timely pay the full amount of tax deducted or withheld to the relevant Governmental Unit in accordance with applicable law and deliver evidence in a reasonably satisfactory form for the payment thereof to the applicable Holders of Claims. Any amount of tax deducted or withheld in compliance with provisions of this Section 7.7 from any distribution to a Holder of Claim by the Reorganized Debtors and timely remitted to the appropriate Governmental Unit, shall be treated as if distributed to such Holder of Claim in connection with this Plan. At the reasonable discretion of the Reorganized Debtors, no distribution shall be made to or on behalf of such Holder of Claim pursuant to this Plan unless and until such Holder of Claim has made arrangements satisfactory to the Reorganized Debtors for the payment and satisfaction of such tax obligations, and any Cash, New Securities and Documents and/or other consideration or property to be distributed pursuant to this Plan shall, pending the implementation of arrangements pursuant to the previous clause, be treated as an unclaimed distribution pursuant to Section 7.3(b) of this Plan. For the avoidance of doubt, (x) each Holder of an Allowed Claim shall be liable for any tax obligations imposed on such Holder by any Governmental Unit on account of any distribution hereunder to such Holder, other than Transaction Taxes (as defined in the Backstop Agreements) which shall be borne by the Reorganized Debtors, (y) notwithstanding clause (x), the Reorganized Debtors shall indemnify Holders for Chilean taxes (other than Excluded Taxes (as defined in the Backstop Agreements)), if any, to the extent as described in the Backstop Agreements.

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, to the extent that such Claim against such Holder has not otherwise been compromised or settled on or prior to the Effective Date in a manner that limits setoff rights (whether pursuant to this Plan or otherwise); 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 Allocation of Plan Distributions Between Principal and Interest

To the extent that any Allowed Claim entitled to a distribution under this Plan is based upon any obligations or instrument that is treated for U.S. federal income tax purposes as



indebtedness of any Debtor and other amounts (such as accrued but unpaid interest or deemed interest thereon), such distribution shall be allocated first to the principal amount of the Claim (as determined for U.S. federal income tax purposes) and then, to the extent the consideration exceeds the principal amount of the Claim, to such other amounts; provided, however, that this Section 7.9 shall not apply to distributions made to the IRS.

7.10 No Fractional Plan Securities

There shall be no distribution of fractional Plan Securities. Where a fractional Plan Security would otherwise be called for, the actual allocation shall reflect a rounding down (to the nearest whole dollar) of such fraction.

7.11 Compliance with Hart-Scott-Rodino and Similar Requirements

Any Plan Securities of Reorganized LATAM Parent Stock to be distributed under this 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 revert 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 to this Plan as Assumed Contracts or Exhibit E to this 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 this Plan.

(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 to this 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 this Plan shall be deemed assumed. Notwithstanding anything to the contrary herein, to the extent certain of the Aircraft Leases identified on Exhibit D include finance leases of the Debtors that were amended during the course of these Chapter 11 Cases, the debt associated with such lease shall be provided the treatment agreed between the applicable Debtor(s) and the lease counterparties and lenders 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 to this Plan, 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 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 this 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 other Restructuring Documents, each of the Insurance Contracts of the Debtors, including all D&O Policies, are deemed to be and treated as executory contracts under this Plan. Unless listed on Exhibit C to this Plan, on the



Effective Date, the Debtors shall be deemed to have assumed all Insurance Contracts, including all D&O Policies, pursuant to sections 105 and 365 of the Bankruptcy Code such that the Reorganized Debtors shall become and remain liable in full for all of their and the Debtors' obligations thereunder, regardless of whether such obligations arise before or after the Effective Date and without the need for Insurers to file or serve a Proof of Claim or Administrative Expense Claim, 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.

Notwithstanding anything to the contrary herein or in the other Restructuring Documents, (a) nothing in this Plan or the other Restructuring Documents alters, modifies or otherwise amends the terms and conditions of the Insurance Contracts, and any rights and obligations thereunder shall be determined under the Insurance Contracts and applicable non-bankruptcy law as if the Chapter 11 Cases had not occurred, (b) nothing (including Sections 8.2(c) and 8.11(b) of this Plan) shall permit or otherwise effect a sale, assignment or any other transfer of any Insurance Contracts and/or any rights, proceeds, benefits, claims, rights to payments, or recoveries under or relating thereto without the prior express written consent of the applicable Insurer, and (c) the injunctions set forth in Article XI hereof, if and to the extent applicable, shall be deemed lifted without further order of this Bankruptcy Court, solely to permit: (i) claimants with valid workers' compensation claims or direct action claims against Insurers under applicable non-bankruptcy law to proceed with their claims; (ii) Insurers to administer, handle, defend, settle, and/or pay, in the ordinary course of business and without further order of this Bankruptcy Court, (A) workers' compensation claims, (B) claims where a claimant asserts a direct claim against Insurers under applicable non-bankruptcy law, or an order has been entered by this Bankruptcy Court granting a claimant relief from the automatic stay or the injunctions set forth in Article XI hereof to proceed with its claim, and (C) all costs in relation to each of the foregoing; and (iii) subject to the terms of the Insurance Contracts and/or applicable non-bankruptcy law, Insurers to (A) cancel any Insurance Contracts, and (B) take other actions relating to the Insurance Contracts (including setting off amounts due by the Debtors or Reorganized Debtors against any amounts due to the Debtors or Reorganized Debtors or against (or otherwise applying) any collateral or security provided by the Debtors or Reorganized Debtors, regardless of when any such amounts arise, become due or when any such collateral or security is provided).

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 D&O 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 Contract, 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.

Código de Verificación: 012-202228589



Notwithstanding anything in this 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 this 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 this 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 this 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 this 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 this 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 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 this 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 this 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.

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 this 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 Intercompany Agreement is listed on Exhibit C to this 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.

8.7 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 or its subsidiaries (excluding any bilateral agreements to which International Air Transport Association and/or its subsidiaries are not a signatory) 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 this 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 this 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 prorated 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 this 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 this 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.

8.8 Preexisting Obligations to the Debtors Under Rejected Contracts

Rejection of any Rejected Contract pursuant to this 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 this 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 this Plan. Except to the extent that this Plan or a Final Order of the Bankruptcy Court provides otherwise, 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 Person 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 amend Exhibit C, Exhibit D and Exhibit E to this 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 an amended Exhibit C, Exhibit D or Exhibit E to this Plan, as applicable, shall file any Treatment Objection no later than seven (7) days from the date such amended Exhibit is filed.

(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) Until a contract or lease has been assumed pursuant to this Plan or a Final Order of the Bankruptcy Court, neither the exclusion nor inclusion of any contract or lease in Exhibit C, Exhibit D or Exhibit E to this Plan, nor anything contained in this 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.

(e) The Debtors agree to consult with the Commitment Parties in taking any actions under this Section 8.10.

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 to this Plan (including by filing a Treatment Objection as set forth below), or in the Plan Supplement, or the Bankruptcy Court orders otherwise, the rejection damages for each Rejected Contract shall be zero. Except to the extent that a Final Order of the Bankruptcy Court provides otherwise, 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 within thirty (30) days from 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 this 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 or ordered by the Bankruptcy Court, 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. To the extent provided by 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, assignment, or the Cure Amount listed in the Assumption Notice or otherwise as set forth in Section 8.12 hereof, (i) such Person is deemed to have consented to such Cure Amounts and the assumption or assignment and assignment of such executory contracts or unexpired leases pursuant to this Plan and (ii) 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 assigned and assigned executory contract or unexpired lease 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 under such contract or lease 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.

Código de Verificación: 012-202228589



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 to this Plan or Section 8.11(a), responses or objections, if any, to the (i) rejection, (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 this 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 **April 29, 2022** (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. Druehl, Esq. and David A. 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., Rachael L. Ringer, Esq., Douglas Buckley, Esq. and Andrew Pollack, Esq.;
- (e) counsel to each of the Backstop Shareholders, CVL 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., 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.;
- (f) any non-Debtor parties to such executory contract or unexpired lease.

Any objection to the proposed Cure Amount shall state with specificity the cure amount 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, 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 under such contract or lease 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 (21) 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 this 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 sixty (60) 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.

Código de Verificación: 012-202228589



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 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 (in consultation with the Commitment Creditors and the Backstop Shareholders) 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, and 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 Reorganized 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 New Convertible Notes Back-Up Shares) 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 this 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, a Claim for rejection damages for which the applicable objection deadline has not passed, 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 Administrative Expense Claims or Claims for rejection damages for which the applicable objection deadline has not passed) filed after the

Código de Verificación: 012-202228589

