

Virgin America Inc.
Form 4
November 21, 2014

FORM 4

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

Check this box
if no longer
subject to
Section 16.
Form 4 or
Form 5
obligations
may continue.
See Instruction
1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF
SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,
Section 17(a) of the Public Utility Holding Company Act of 1935 or Section
30(h) of the Investment Company Act of 1940

OMB APPROVAL

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(Print or Type Responses)

1. Name and Address of Reporting Person *
FREIDHEIM STEPHEN C

(Last) (First) (Middle)

**C/O CYRUS CAPITAL
PARTNERS, L.P., 399 PARK
AVENUE, 39TH FLOOR**

(Street)

NEW YORK, NY 10022

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading
Symbol
Virgin America Inc. [VA]

3. Date of Earliest Transaction
(Month/Day/Year)
11/19/2014

4. If Amendment, Date Original
Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

☒ Director ☒ 10% Owner
☐ Officer (give title below) ☐ Other (specify below)

6. Individual or Joint/Group Filing(Check
Applicable Line)
☐ Form filed by One Reporting Person
☒ Form filed by More than One Reporting
Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D) Price			
Class G Common Stock	11/19/2014		D ⁽¹⁾⁽²⁾⁽³⁾		7,948	D <u>(1)</u> <u>(2)</u> <u>(3)</u>	0	I	See Footnotes <u>(1)</u> <u>(2)</u> <u>(3)</u> <u>(7)</u>
Common Stock	11/19/2014		A ⁽¹⁾⁽²⁾⁽³⁾		7,948	A <u>(1)</u> <u>(2)</u> <u>(3)</u>	12,588,356 <u>(1)</u> <u>(2)</u> <u>(3)</u>	I	See Footnotes <u>(1)</u> <u>(2)</u> <u>(3)</u> <u>(7)</u>
Common Stock	11/19/2014		S ⁽⁴⁾		1,132,246	D \$ 22.08	11,456,110	I	See Footnotes <u>(4)</u> <u>(7)</u>
Common	11/19/2014		M ⁽⁵⁾		1,132,246	A <u>(5)</u>	12,588,356	I	See

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Stock			<u>(5)</u>					Footnotes <u>(5)</u> <u>(7)</u>
Common Stock	11/19/2014		D <u>(5)</u>	1,132,246 <u>(5)</u>	D	<u>(5)</u>	11,456,110	I See Footnotes <u>(5)</u> <u>(7)</u>
Common Stock	11/19/2014		S <u>(6)</u>	946,902	D	\$ 21.5625	10,509,208	I See Footnotes <u>(6)</u> <u>(7)</u>

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	Amount or Number of Shares
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title
Stock Appreciation Right	<u>(5)</u>	11/19/2014		A <u>(5)</u>	1	11/19/2014	11/19/2014	Common Stock <u>(5)</u>
Stock Appreciation Right	<u>(5)</u>	11/19/2014		M <u>(5)</u>	1	11/19/2014	11/19/2014	Common Stock <u>(5)</u>

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
FREIDHEIM STEPHEN C C/O CYRUS CAPITAL PARTNERS, L.P. 399 PARK AVENUE, 39TH FLOOR NEW YORK, NY 10022	X	X		

CYRUS CAPITAL PARTNERS GP, LLC
C/O CYRUS CAPITAL PARTNERS, L.P. X X
399 PARK AVENUE, 39TH FLOOR
NEW YORK, NY 10022

CYRUS CAPITAL PARTNERS, L.P.
C/O CYRUS CAPITAL PARTNERS, L.P. X X
399 PARK AVENUE, 39TH FLOOR
NEW YORK, NY 10022

Cyrus Aviation Holdings, LLC
C/O CYRUS CAPITAL PARTNERS, L.P. X X
399 PARK AVENUE, 39TH FLOOR
NEW YORK, NY 10022

Signatures

STEPHEN C. FREIDHEIM, Name: Stephen C. Freidheim /s/ Stephen C. Freidheim 11/21/2014
 **Signature of Reporting Person Date

CYRUS CAPITAL PARTNERS GP, L.L.C., Name: Stephen C. Freidheim, Title: Sole Member/Manager /s/ Stephen C. Freidheim 11/21/2014
 **Signature of Reporting Person Date

CYRUS CAPITAL PARTNERS, L.P., By: Cyrus Capital Partners GP, L.L.C., its general partner, Name: Stephen C. Freidheim, Title: Sole Member/Manager /s/ Stephen C. Freidheim 11/21/2014
 **Signature of Reporting Person Date

CYRUS AVIATION HOLDINGS, LLC, By: Cyrus Capital Partners, L.P., its managing member, By: Cyrus Capital Partners GP, L.L.C., its general partner, Name: Stephen C. Freidheim, Title: Sole Member/Manager /s/ Stephen C. Freidheim 11/21/2014
 **Signature of Reporting Person Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) On November 19, 2014, upon the closing of the initial public offering of Virgin America Inc. (the "Issuer"), the shares of Class G common stock of the Issuer held directly by Cyrus Aviation Holdings, LLC ("Cyrus Holdings") were automatically converted into shares of the Issuer's common stock. Stephen C. Freidheim may be deemed to indirectly beneficially own the securities of the Issuer directly held by Cyrus Holdings because Mr. Freidheim may be deemed to have voting and investment power over such securities as the sole member of Cyrus Capital Partners GP, L.L.C. ("Cyrus Capital GP") and the Chief Investment Officer of Cyrus Capital Partners, L.P. ("Cyrus Capital Partners"). Cyrus Capital GP is the general partner of Cyrus Capital Partners and Cyrus Capital Partners is the managing member of Cyrus Holdings.

(2) (Continued From Footnote 1) Mr. Freidheim has a right to a performance-based allocation and therefore has a pecuniary interest in a portion of the securities held by Cyrus Holdings. Pursuant to the Contribution and Exchange Agreement, dated November 13, 2014, by and among Cyrus Holdings, Cyrus Aviation Investor, LLC ("Cyrus Aviation"), Cyrus Capital Partners, CYR Fund, L.P. ("CYR"), CCP Investments I, L.P. ("CCP"), Cyrus Opportunities Master Fund II, Ltd. ("Cyrus Opportunities Master II"), Cyrus Select Opportunities Master Fund, Ltd. ("Cyrus Select Master"), Crescent 1, L.P. ("Crescent 1"),

(3) (Continued From Footnote 2) Cyrus Aviation Partners III, L.P. ("Cyrus Aviation III"), Cyrus Aviation Partners IIIA, L.P. ("Cyrus Aviation IIIA"), and Cyrus Aviation Partners IV, L.P. ("Cyrus Aviation IV", and together with Cyrus Aviation, Cyrus Capital, CYR, CCP, Cyrus Opportunities Master II, Cyrus Select Master, Crescent 1, Cyrus Aviation III, and Cyrus Aviation IIIA, the "Contributing Parties"), the Contributing Parties on November 13, 2014, made in-kind contributions of or transferred all securities of the Issuer held by the Contributing Parties to Cyrus Holdings and received membership interests or warrants to purchase membership interests, as applicable, in Cyrus Holdings. The Contributing Parties have a proportionate pecuniary interest in the securities of the Issuer held

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directly by Cyrus Holdings by virtue of their ownership interests in Cyrus Holdings.

Pursuant to the Securities Purchase Agreement (the "Purchase Agreement"), dated as of November 2, 2014, by and among PAR Investment Partners, L.P. ("PAR"), the Issuer, Cyrus Holdings, and VX Holdings, L.P., on November 19, 2014, Cyrus Holdings sold

(4) 1,132,246 shares of common stock of the Issuer to PAR in a private placement transaction (the "PAR Private Placement") for a price of \$22.08 per share, which represented 96% of the price per share of common stock of the Issuer paid by the public in the Issuer's initial public offering.

Pursuant to the Purchase Agreement and upon the consummation of the PAR Private Placement, the Issuer paid Cyrus Holdings the aggregate discount to the initial public offering price of the shares of the Issuer's common stock purchased by PAR from Cyrus Holdings in the PAR Private Placement. The Issuer's Board of Directors approved the acquisition by Cyrus Holdings of the right to be

(5) paid the aggregate discount to the initial public offering price of the shares of the Issuer's common stock purchased by PAR from Cyrus Holdings in the PAR Private Placement in advance of Cyrus Holdings' acquisition of such right.

In connection with the consummation of the Issuer's initial public offering, on November 19, 2014, the underwriters of the initial public offering exercised in full the overallotment option granted by Cyrus Holdings and purchased 946,902 shares of the Issuer's common stock from Cyrus Holdings.

(6)

Each of Stephen C. Freidheim, Cyrus Capital GP, Cyrus Capital Partners, Cyrus Holdings, Cyrus Aviation, CYR, CCP, Cyrus Opportunities Master II, Cyrus Select Master, Crescent 1, Cyrus Aviation III, Cyrus Aviation IIIA and Cyrus Aviation IV disclaims beneficial ownership of the securities of the Issuer reported herein except to the extent of their pecuniary interest therein, and this report shall not be deemed an admission that any of Mr. Freidheim, Cyrus Capital GP, Cyrus Capital Partners, Cyrus Holdings, Cyrus Aviation, CYR, CCP, Cyrus Opportunities Master II, Cyrus Select Master, Crescent 1, Cyrus Aviation III, Cyrus Aviation IIIA or Cyrus Aviation IV is the beneficial owner of such securities for purposes of Section 16 or any other purpose.

(7)

Remarks:

Stephen C. Freidheim serves on the Board of Directors of Virgin America Inc. (the "Issuer"). For purposes of Section 16 of th

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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