

Virgin America Inc.  
Form 4  
May 18, 2015

**FORM 4**

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

OMB APPROVAL

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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

(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)  
**05/14/2015**

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 Ownership (Instr. 4)
			Code	V Amount (D) Price			
Common Stock	05/14/2015		A <sup>(1)(2)</sup>	5,328 A \$ 0	10,514,536	I	See Footnote (3) (4)

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

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



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: /s/ Stephen C. Freidheim, Title: Sole Member/Manager

05/18/2015

\_\_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 May 14, 2015, the Board of Directors (the "Board") of Virgin America Inc. (the "Issuer") granted restricted stock units of the Issuer to Cyrus Capital Partners, L.P. ("Cyrus Capital Partners"), the managing member of Cyrus Aviation Holdings, LLC ("Cyrus Holdings"), as director fees in respect of Stephen C. Freidheim's and John Rapaport's service on the Board. Each restricted stock unit represents a contingent right to receive one share of the Issuer's common stock. Pursuant to the grant, the Issuer issued 2,664 restricted stock units to Cyrus Capital Partners as director fees in respect of Mr. Freidheim's Board service, and 2,664 restricted stock units in respect of Mr. Rapaport's Board service. The restricted stock units were valued at \$28.15 per unit upon issuance. The restricted stock units granted in respect of Mr. Freidheim's and Mr. Rapaport's Board service vest in full one year after issuance. If either Mr. Freidheim or Mr. Rapaport leaves the Board during the

(2) (Continued from Footnote 1) one-year vesting period, the restricted stock units will vest pro rata based on date of departure from the Board. Because Mr. Freidheim and Mr. Rapaport serve on the Board as representatives of Cyrus Holdings and its affiliates, each of Mr. Freidheim and Mr. Rapaport do not have a right to any economic interest in securities of the Issuer issued to them as director fees. Cyrus Capital Partners holds the restricted stock units for the benefit of Cyrus Holdings, and Cyrus Holdings is entitled to receive all of the economic interest in director fees payable by the Issuer in respect of Mr. Freidheim's and Mr. Rapaport's Board positions. Mr. Freidheim and Mr. Rapaport each disclaim any direct beneficial ownership of the Issuer's securities to which this report relates and at no time has Mr. Freidheim or Mr. Rapaport had any pecuniary interest in such securities except such indirect pecuniary interest through Cyrus Holdings and its affiliates.

(3) Mr. Freidheim may be deemed to indirectly beneficially own a portion of 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. Cyrus Capital GP is the general partner of Cyrus Capital Partners and Cyrus Capital Partners is the managing member of Cyrus Holdings. 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.

(4) (Continued from footnote 3) Each of Mr. Freidheim, Cyrus Capital GP, Cyrus Capital Partners and Cyrus Holdings 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 or Cyrus Holdings is the beneficial owner of such securities for purposes of Section 16 or any other purpose.

### Remarks:

Stephen C. Freidheim and another representative of the reporting persons serve on the Board of Directors of Virgin America Inc.

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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