

# Airbus row takes off as easyJet founder plans to sue bosses

Sir Stelios, who is also the carrier's biggest investor, makes threat after it wins £600m Treasury loan

By Oliver Gill

THE founder of easyJet has threatened to sue the airline's bosses as a row deepens over a £4.5bn order of Airbus planes.

Sir Stelios Haji-Ioannou issued a blistering broadside against easyJet, warning that the carrier risked running out of cash by August.

His attack came as easyJet secured a £600m loan from the Treasury's coronavirus scheme and borrowed a further £400m from creditors.

The airline burnt through £300m over the last three weeks, more than £170m of which was to fund a dividend.

Sir Stelios said: "I hope none of the £300m went to Airbus otherwise I will sue the directors for breach of the fiduciary duties."

The Greek-Cypriot billionaire, whose family is easyJet's largest shareholder with a 34pc stake, said earlier yesterday that he would attempt to remove Andrew Findlay, the chief financial officer, as well as Andreas Bierwirth, non-executive director, over the company's failure to terminate a £4.5bn order from Airbus.

Last week, the tycoon issued a defence of the airline's decision to pay his family £60m of dividends, and threat-

ened to oust one director from the board every two months over the Airbus deal. The airline grounded its entire fleet last week due to Covid-19.

The billionaire said he had decided to "up the ante" after John Barton, the chairman, refused to hold a shareholder vote to remove Mr Bierwirth.

Sir Stelios said: "Given the delay the directors have caused with this dirty trick and as time is of the essence, I will up the ante and will now call for the re-



Sir Stelios Haji-Ioannou, easyJet founder, has accused its bosses of a 'dirty trick'

moval of two directors ... Let's get on with it and give all shareholders a vote without any further procrastination."

A spokesman for easyJet said: "The board is managing the unprecedented challenges facing the airline and the aviation sector as a whole. We remain absolutely focused on short term liquidity, removing expenditure from the business alongside safeguarding

jobs and ensuring the long-term future of the airline."

"We believe that holding a general meeting would be an unhelpful distraction from tackling the many immediate issues our business faces."

Meanwhile, business leaders ratcheted up the pressure on ministers to save the travel industry, which is struggling to deal with unprecedented claims for refunds.

Trade body Abta claimed a lack of government support will push many businesses into bankruptcy and leave the taxpayer footing the bill for an estimated £4.5bn of refunds owed to customers. Regulations forcing businesses to refund customers should be abandoned, Abta said.

Instead travel firms should be allowed to issue longer-term credit notes - effectively asking customers to plug a hole in the companies' finances.

Mark Tanzer, Abta chief executive, said: "This is about supporting businesses through an entirely unforeseeable and short-term cash flow crunch - customers will not lose their right to a refund, and their money is not at risk."

"The rules around 14-day refunds were never designed for the mass cancellation of holidays, which we're now seeing. It's in nobody's interests for normally healthy, viable businesses to be pushed into bankruptcy."

"Hundreds of thousands of jobs are at risk and the UK taxpayer will have to foot the bill for customer refunds if there is an industry-wide collapse of travel businesses."

