Ansett Holdings Ltd

(Subject to Deed of Company Arrangement)

ACN 065 117 535

Special Purpose Report to Creditors in Relation to Pooling

17 August 2006

KordaMentha

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1 Introduction

This is a special purpose report to creditors in relation to the proposed "pooling" of Ansett Holdings Limited (ACN 065 117 535) (subject to Deed of Company Arrangement) ("**AHL**" or "**the Company**") into Ansett Australia Limited (ACN 004 209 410) (subject to Deed of Company Arrangement) ("**AAL**"). This report has been prepared pursuant to clause 18.4 of the AHL Deed of Company Arrangement ("**DOCA**").

We have convened a meeting of AHL creditors to enable creditors to consider resolutions:

- to "pool" the assets of, and claims against, AHL into AAL ("**Pooling**"); or,
- to continue AHL's administration in accordance with the DOCA in its current form; or,
- to end AHL's administration by terminating its DOCA and winding up AHL ("**No Pooling**").

AHL has 251 creditors. 12 creditors are third party creditors with direct claims against AHL. Six creditors are Ansett Group intercompany creditors with direct claims against AHL. The rest are creditors of Skywest Airlines Pty Ltd (formerly subject to Deed of Company Arrangement) ("**Skywest**") who are able to make claims against AHL because of a deed of cross-guarantee to which both AHL and Skywest are parties ("**Cross-Guarantee**").

1.1 Pooling

Pooling is a shorthand way of describing the legal process which enables the assets and liabilities of some or all of the companies in an insolvent group of related companies to be merged into one of those companies, thereby simplifying the administration of the insolvent group of related companies.

For the Ansett Group, pooling would involve the assets of some or all of the various Ansett Group companies and trusts ("**Ansett Group**", as listed in **Appendix One**), and creditors' claims against those Ansett Group companies and trusts, being merged into one Ansett Group company (namely, AAL), thereby allowing a "pooled" group of Ansett Group creditors to make claims against a "pooled" group of Ansett Group assets.

1.2 AHL Creditor Meeting

We have convened a meeting of AHL creditors to be held at the Mercure Hotel Melbourne (Flinders Room), 13 Spring Street, Melbourne, Victoria on **31 August 2006 at 10am** ("**AHL Creditor Meeting**").

A copy of the notice of the AHL Creditors' Meeting is included in Appendix Two to this report.

1.3 Other Ansett Group creditor meetings

We have convened meetings of all other Ansett Group companies to be held at the same time and place as the AHL Creditor Meeting.

Like AHL creditors, the creditors of the other Ansett Group companies will consider whether or not to pool the company of which they are a creditor. We have prepared reports to the creditors of the other Ansett Group companies for them to consider.

We have recommended to all Ansett Group creditors that they vote in favour of pooling, except where our duties and obligations as administrators prevent it.

1.4 Ansett Group today

The Ansett Group comprises 41 companies and trusts. We are the administrators of the companies and control the trusts.

The value of the assets of the Ansett Group available to pay claims is estimated to be not less than $640 million.

The value of claims against the Ansett Group at the commencement of the administrations is estimated to be more than $5.2 billion. This consists of amounts owed to former Ansett Group employees ("**Employees**") of approximately $760 million and amounts owed to other creditors ("**Other Creditors**") of more than $4.5 billion.

The amount still owing to Employees is approximately $156.4 million. In addition, the Commonwealth of Australia is owed approximately $100.0 million for interim payments made to Employees during the course of the administrations ("**Commonwealth**").

The Employees and the Commonwealth are entitled to be paid their claims before Other Creditors.

1.5 Estimated impact of pooling

If the Ansett Group as a whole is pooled, we estimate:

- The amount of cash which will become immediately available to pay Employees and the Commonwealth is $75 million.
- AHL creditors will receive no payments from AHL's administration or from the Ansett Group's administration overall.

1.6 Estimated impact of not pooling

If the Ansett Group as a whole is not pooled, we estimate:

- The amount of cash which will become immediately available to pay Employees and the Commonwealth is $ nil.
- AHL creditors will receive no payments from AHL's administration or from the Ansett Group's administration overall.
- We will continue to separately administer each of the Ansett Group companies and trusts. We estimate that the total additional costs which will be incurred across the Ansett Group to

separately administer the Ansett Group companies and trusts ("**Additional Administration Costs**") will be between $14.5 million and $26.5 million.

- The Additional Administration Costs will be paid (to us, as administrators, our lawyers and continuing Ansett Group employees, etc) over the next few years, ultimately to the detriment of the vast majority of Employees and the Commonwealth.

1.7 Our recommendations

We estimate AHL creditors will receive no payments whether or not AHL is Pooled.

Pooling the Ansett Group as a whole will result in substantial cost savings which is to the benefit of the vast majority of Employees and the Commonwealth.

We estimate that AHL creditors will receive no payments if AHL is wound up.

Accordingly, we recommend AHL creditors vote in favour of Pooling.

Our recommendations are based on certain assumptions which are explained in more detail throughout this report.

This introduction is a summary only. We recommend that you read this report carefully and obtain advice about it as you see fit.

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2 Report about AHL's business, property, affairs and financial circumstances

2.1 Assets

AHL is the ultimate holding company of the Ansett Group of Companies.

AHL had no business or Employees of its own.

We estimate that AHL has no net assets available for payment to creditors.

In estimating AHL's net asset position we have assumed that AAL is entitled to all of the fund of $150 million paid to the Ansett Group by the New Zealand Government in October 2001 ("**MOU Monies**"). It follows from that assumption that AHL is not entitled to a share of the MOU Monies.

2.1.1 MOU Monies

Within the first month of the Ansett Group administrations we entered into a Memorandum of Understanding with Air New Zealand and others dated 3 October 2001 ("**MOU**").

Air New Zealand entered into the MOU in order to disentangle itself immediately from the Ansett Group, failing which Air New Zealand may have entered statutory management immediately (akin to voluntary administration).

Relevant terms of the MOU were:

- Air New Zealand and its directors agreed to procure the Air New Zealand Government (on behalf of Air New Zealand) to immediately pay A$150 million (net of all New Zealand taxes) to the Ansett Group, and also agreed that Air New Zealand would not seek repayment from Ansett Group companies of trade debts or funds previously advanced.
- We agreed to take all reasonable steps to propose and recommend that each Ansett Group company enter into a DOCA which acknowledged and incorporated the terms of the MOU and which sought to pool all of the assets and liabilities of the Ansett Group so that, for the purposes of the various Ansett Group DOCAs, all Ansett Group companies would be treated as one company.
- We agreed to use our best endeavours to ensure the Employees are paid their entitlements in full.
- We and others released Air New Zealand from all actions, claims and demands arising out of a letter of comfort dated 8 August 2001 ("**Letter of Comfort**") issued by Air New Zealand to three Ansett Group companies: AAL, AHL and Ansett International Limited (subject to Deed of Company Arrangement ("**AIL**"), and we released the Air New Zealand directors from certain claims which might be made against them.

In preparing this and other reports to Ansett Group creditors in relation to the proposed pooling of the Ansett Group of companies and trusts, we have undertaken extensive investigations into, and carefully

considered the issues of which Ansett Group companies and trusts may be entitled to an allocation of MOU Monies.

We anticipate that if the allocation of the MOU Monies between the Ansett Group Companies and trusts were to be litigated, it would take several years and would consume millions of dollars in administration, legal, accounting and expert costs and fees.

Separate "special purpose" administrators may need to be appointed to various Ansett Group companies or trusts for the purpose of conducting such litigation as there is a conflict because we are administrators of AAL and all the Ansett Group companies and trusts.

If the Ansett Group as a whole is pooled then any allocation litigation will be avoided.

At present, the best we can do as AHL administrators is to disclose that we have assumed that AAL is entitled to all of the MOU Monies, and that there is presently no way of better determining whether any Ansett Group companies or trusts other than AAL are entitled to any share of the MOU Monies other than by court proceedings.

See Part 3.4 of this report for further information on the MOU Monies.

2.2 Liabilities

2.2.1 Employee claims

There are no Employee claims against AHL.

2.2.2 Other Creditor claims

AHL creditor claims totalling approximately $731 million, are comprised of:

a. debts due to other Ansett Group companies and trusts, of approximately $50 million;

b. debts due to third party Other Creditors, of approximately $660 million;

c. liabilities to Other Creditors of Skywest, which liabilities are guaranteed by AHL by the Cross-Guarantee, of approximately $21 million.

Our estimate of Other Creditor claims of approximately $731 million is based on the books and records of the Ansett Group as a whole and AHL and informal proofs of debt lodged against AHL, largely in the early days of its administration.

2.3 Estimated potential payments to AHL creditors

We estimate AHL creditors will receive no payments from either AHL's administration or from the Ansett Group's administration overall.

2.4 Winding Up

If creditors do not vote in favour of Pooling we recommend that creditors vote in favour of continuing AHL's administration in accordance with the DOCA in its current form and vote against terminating the DOCA and winding up AHL. We estimate that it would not be in the interests of creditors to wind up AHL because winding up AHL is likely to be more costly than continuing AHL's administration.

2.5 Previous Reports to Creditors of the Ansett Group

We have provided the following reports and information to Ansett Group creditors during the course of the Ansett Group administrations.

- First Report to Creditors (16 January 2002)
- Second Report to Creditors (15 March 2002)
- Third Report to Creditors (16 September 2002)
- Fourth Report to Creditors (31 March 2004)
- Fifth Report to Creditors (31 March 2005)
- Sixth Report to Creditors (31 March 2006)
- 81 updates to the Ansett Committees of Creditors
- 46 updates to Employees

Regular meetings have been held with key stakeholders, including the Ansett Committees of Creditors, and Employee and Commonwealth representatives.

Detailed additional reports have been provided to Employee representatives and the Commonwealth about matters particularly relevant to those creditors.

3 The Pooling Application and our estimates, opinions and recommendations about pooling the entire Ansett Group

3.1 Pooling Application

In June 2005 we made an application to the Federal Court of Australia ("**Court**") in connection with the proposed pooling of the Ansett Group as a whole ("Pooling Application");

In previous reports to creditors we advised that, in due course, Ansett Group creditors would be asked to vote at meetings of creditors about whether to place the Ansett Group companies into liquidation or to vary the Ansett Group DOCAs to effect pooling.

In the Pooling Application we presented evidence to the Court as to why, in our opinion, the Ansett Group as a whole should be pooled and, to that end, told the Court that we would recommend pooling to Ansett Group creditors. Among other things, we sought the Court's permission to vote in favour of certain pooling resolutions, on behalf of Ansett Group companies or trusts which are creditors of other Ansett Group companies, at meetings of Ansett Group creditors to be convened to consider pooling resolutions ("**Voting Directions**").

The Pooling Application was heard on 24 October 2005. On 22 March 2006 the Court published written reasons for judgment in the Pooling Application. In summary, the Court:

a. stated, based on the evidence we presented to the Court, that our pooling proposal for the Ansett Group as a whole "*is sensible and advantageous to most of the* [Ansett Group] *creditors from a practical point of view*";

b. despite that, declined to give us the Voting Directions, pending our presenting further evidence to the Court about the potential disadvantages of pooling to a small minority of Ansett Group creditors, following which the Court would be likely to reconsider our request for the Voting Directions; and

c. approved a deed of compromise between us and some of the creditors ("**Bank Creditors**") of Ansett Aviation Equipment Pty Ltd (subject to Deed of Company Arrangement) ("**AAE**"), which compromise facilitated the pooling of AAE's assets into AAL. The Court also directed that we, as administrators of the Ansett Group companies which are parties to that deed, may properly perform and give effect to that deed ("**AAE Pooling Compromise Deed**").

Copies of the documents filed with the Court in the Pooling Application (except confidential documents) are available via the internet, at the Ansett websites, which are:

a. www.ansett.com.au

b. www.kordamentha.com

c. www.abl.com.au (go to the "Ansett" page)

Appendix Three to this report is a list of those documents.

Various non-Ansett Group parties participated in the Pooling Application, including the Commonwealth, the Australian Securities and Investments Commission ("**ASIC**"), the Australian Council of Trade Unions ("**ACTU**") and affiliated unions, and each of the Bank Creditors.

To ensure that Ansett Group creditors' interests were fully considered by the Court in the Pooling Application, we identified an Ansett Group creditor whose interests may be adversely affected by pooling to act as a "contradictor" to the Pooling Application and to represent the interests of all other creditors who may be adversely affected by pooling. WTH Pty Ltd, trading as "Avis Australia", a creditor of several Ansett Group companies, agreed to act as contradictor ("**Contradictor**").

As is usual in these sorts of applications, the Ansett Group indemnified the Contradictor for its legal costs to oppose the Pooling Application, and agreed to indemnify all of the other parties to the Pooling Application for their legal costs in relation to the Pooling Application.

Each of the parties made submissions to the Court. In summary, the parties' submissions at the hearing of the Pooling Application were as follows:

The Commonwealth

The Commonwealth supported the making of the orders and directions we sought ("**Orders**"). The Commonwealth submitted that pooling the Ansett Group companies into AAL would be commercially appropriate, would mean that the vast majority of Ansett Group creditors would be better off, and would be likely to lead to substantial savings in administration and legal costs.

ASIC

ASIC declined to make submissions on the merits of the Pooling Application but submitted that the Orders as sought were appropriate, if the Court decided that pooling was appropriate.

ACTU and affiliated unions

The ACTU and affiliated unions supported the making of the Orders because, for the vast majority of Employees (over 99% of them, on our estimation), pooling will produce a better result for those Employees than not pooling.

Contradictor

The Contradictor was specifically asked to oppose the Pooling Application, which it did. It submitted to the Court that our decision to exercise Ansett Group intercompany votes, and casting votes, in favour of pooling resolutions at creditors' meetings of those Ansett Group companies and trusts whose creditors are likely to be worse off as a result of pooling would be contrary to the interests of those creditors and should not be approved or sanctioned by the Court. The Court agreed with the Contradictor's submission and, as noted above, invited us to present further evidence on this point before it would further consider giving us the Voting Directions.

Bank Creditors

Each of the Bank Creditors supported the making of the Orders.

Following the 22 March 2006 judgment, we obtained orders from the Court permitting us to present further evidence to the Court as to why it should give us the Voting Directions.

In May 2006 we presented further evidence to the Court about the potential disadvantage to a small minority of Ansett Group creditors if the Ansett Group as a whole is pooled.

At the end of May 2006 the Court granted us the Voting Directions in relation to the Non-Asset Holding Companies. The Voting Directions will allow us, as administrators of those 32 companies, to vote in favour of Pooling at the Non-Asset Holding Company Creditor Meetings. Further, we indicated to the Court that, at this stage, we would not prepare and present further detailed evidence to the Court (at significant cost, and potential delay) about the potential disadvantages of pooling to a small minority of Ansett Group creditors. Instead, we would shortly convene meetings of the Ansett Group creditors and present further detailed information directly to those creditors so that they could vote on pooling, sooner rather than later.

3.2 Reasons why we recommend that the Ansett Group as a whole be pooled

Our reasons for seeking the orders and Voting Directions are set out in the affidavits of Mark Korda sworn 12 September, 30 September and 13 October 2005 and 15 May 2006, in the Pooling Application (all of which are available on the Ansett websites).

In summary:

a. Historically, the Ansett Group was in many respects operated as a single business, not as separate entities, as evidenced by:

   i. provision of cash by some Ansett Group companies to other Ansett Group companies without the taking of security or funds being repaid;

   ii. sharing of employees between various Ansett Group companies in circumstances where no charges were raised by the employer (or apparent employer) company against the recipient company and no formal or documented arrangements existed to govern such sharing;

   iii. sharing of numerous Ansett Group assets, in circumstances where the “asset owning” (or apparently “asset owning”) companies either did not levy charges, or did not levy charges at commercial rates, to the recipient companies for the use of those assets, such assets including the Ansett Flight Simulator Centre, Ansett Group brands, trademarks and other intellectual property, information technology software applications and programs, Ansett Group headquarters located at 501 Swanston Street at the northern end of the Melbourne CBD (“**Head Office**”) and adjoining properties located at 465-475 and 489 Swanston Street and 20-32 Franklin Street (“**Other Ansett CBD Properties**”);

   iv. complex cross-Ansett Group leasing and financing arrangements in relation to the use and operation of numerous Ansett Group aircraft;

v. treatment of the Ansett Group as a whole for the purposes of taxation, in circumstances where Ansett Group income tax returns were prepared and tax losses transferred between Ansett Group companies without adjustment of inter-company loan balances.

b. Because the Ansett Group was in many respects operated as a single business, the Group as a whole would need to spend very significant time and costs to calculate “charge-backs” as between various Ansett Group companies. “Charge-backs” may need to be raised for the pre-administration use by some Ansett Group companies of particular assets and/or tax benefits belonging to, and of personnel employed by, other Ansett Group companies. There is no guarantee of accurate, or even fair and equitable results from the "charge-backs" process. This issue is directly linked to the Ansett Group’s intercompany loans position and problems. To the extent pre-administration “charge-backs” were actually raised within the Ansett Group, those “charge-backs” were normally reflected in Ansett Group company intercompany loan accounts. The Ansett Group has intercompany loan transactions to a total value of approximately $3.3 billion. It follows that any “charge-backs” which might now need to be raised would affect the current intercompany loan balances.

c. In our opinion it is impracticable and, in some cases, impossible for us determine which Ansett Group companies owned the following Ansett Group assets, or parts of them:

i. certain aircraft and engines; and

ii. information technology systems and software.

d. The operation of certain deeds of cross-guarantee affect many Ansett Group companies.

e. If pooling does not occur, significant time and costs will be required to raise “charge-backs” as between Ansett Group companies for the post-administration use by some Ansett Group companies of particular assets and/or tax benefits belonging (or apparently belonging) to, and personnel employed by other Ansett Group companies.

f. If pooling does not occur we will need to undertake an apportionment of certain costs incurred in the administrations, those costs having so far been funded out of AAL.

g. If pooling does not occur the time and costs which would be required to resolve (if possible) various Ansett Group tax issues would be enormous, without guarantee of accurate, or even fair and equitable results.

h. If pooling does not occur very significant time and costs will be incurred in conducting a proof of debt process for particular Ansett Group companies.

i. In our opinion it is impracticable, if not impossible, for us to apportion between the Ansett Group companies and trusts the monies received by the Ansett Group under the Air New Zealand memorandum of understanding entered into in October 2001 (“**MOU Monies**”) without seeking the Court’s directions and orders or putting the issue to the relevant Ansett Group creditors for consideration. In any event, we apprehend that were we to purport to allocate the MOU Monies without first putting the issue to the relevant Ansett Group creditors,

those creditors who thought themselves adversely affected by our apportionment decisions may commence legal proceedings in relation to our allocations. If past experience is any guide, such litigation would be extremely expensive and time consuming.

j. The provisions of the MOU require us to facilitate pooling and to ensure payment in full of all Employee entitlements.

k. The provisions of the deed governing the SEESA scheme (being the scheme by which the Commonwealth facilitated interim payments to Employees) require us to seek pooling so as to maximise repayment of monies loaned by the Commonwealth to us, as administrators, under the SEESA scheme.

l. The provisions of the Ansett Group DOCAs expressly contemplate pooling.

m. To the best of our knowledge, no Ansett Group creditor objected to or opposed the proposed "pooling" provisions of any of the MOU, the SEESA scheme or the Ansett Group DOCAs.

3.3 Our assumptions

We have made the following assumptions about the Ansett Group's affairs for the purposes of the Pooling Application and in preparing our estimates, opinions and recommendations as set out in this report.

a. We have used the Ansett Group's 2000 audited accounts and 2001 unaudited accounts as a starting point in determining Ansett Group asset and liability positions, particularly in relation to intercompany loan balances.

b. Estimated final net asset realisations assume that the Ansett Group as a whole is pooled and that the AAE Pooling Compromise Deed is given effect. (Note, the AAE Pooling Compromise Deed has now come into effect.)

c. AAL is assumed to be the owner of the proceeds of sale (and accrued interest) of the Head Office and the Other Ansett CBD Properties.

d. The creditors of each Ansett Group company which is a party to a deed of cross-guarantee referred to in paragraph (d) in Part 3.2 of this report are assumed to have claims in the administrations of each of the other Ansett Group companies which are party to the particular deed of cross-guarantee to which the first-named Ansett Group company is a party. (The practical effect of this assumption is that some Ansett Group creditors are entitled to lodge proofs of debt for the same claim against more than one Ansett Group company.)

e. In relation to (d) above, and based on the relevant terms of the cross-guarantees, creditors who are priority creditors of one Ansett Group company (such as the Employees and the Commonwealth in respect of AAL) do not have the same priority when proving as creditors of another Ansett Group company which is a party to a cross-guarantee to which the first-named Ansett Group company is also a party. (To give a practical example, while the Employees and

the Commonwealth are priority creditors for the purposes of their claims against AAL, they are non-priority creditors in respect of those claims as made against AAHL.)

f. The books and records of the Ansett Group as a whole, as supplemented by informal proofs of debt lodged by Ansett Group creditors during the course of the administrations, accurately reflect the formal proofs of debt likely to be lodged by the relevant Ansett Group creditors, were formal proofs of debt to be called.

g. Post-administration "charge-backs" are not taken into account, except in respect of AAE.

h. Post-administration costs and expenses have not been apportioned among individual Ansett Group companies and trusts, except in respect of AAE.

i. The MOU Monies have not been apportioned between individual Ansett Group companies and trusts. In other words, they are treated as belonging to AAL.

j. All outstanding matters between the Ansett Group and the Commonwealth are assumed to be settled.

k. The Commonwealth (in whatever capacity) agrees to vote in favour of the pooling of each and every Ansett Group company of which it is a creditor (or, at least, agrees not to oppose the pooling of those companies).

l. The "round robin" effect of repeated hypothetical payments as a result of intercompany debts, and through intercompany loan accounts, is factored in. To explain, when initial payments are received by an Ansett Group company (for example, AAHL), those payments are, in turn, paid to various related company creditors to satisfy intercompany debts. Some of those initial payments will eventually return to AAHL (or AAL) from related company debtors by virtue of payments resulting from further intercompany debts.

The assumptions are more fully detailed in Mark Korda's 12 September 2005 affidavit in the Pooling Application.

3.4 MOU Monies

Further to the information set out in Part 2.1, we provide the following information about the MOU Monies.

In a Federal Court application for approval of the MOU, the Court noted that the MOU does not deal with allocation of the MOU Monies between the various companies in the Ansett Group. Further, the Court noted that "*the manner in which the administrators use the payment of $150 million is a matter for the administrators to determine and it is no part of the function of the Court to give any indication or direction as to how that amount might, or should be, applied. They have said that they intend to use the settlement proceeds to maximise the chances of the Ansett business remaining in existence and that if that is not possible, they intend to use the proceeds to maximise the return to creditors. They need to say no more at the present time.*"

In a subsequent Federal Court application ("**Allocation Application**") between the administrator of the Hazelton Group of companies and us, as administrators of the Ansett Group, in which the Hazelton administrator claimed an allocation of MOU Monies on behalf of the Hazelton Group, the Court held that the appropriate method of determining which Ansett Group companies or trusts (if any) are entitled to an allocation of MOU Monies is to determine what was bargained away or given up by each of those companies and trusts in exchange for the receipt of the MOU Monies. Further, the Court indicated that the strengths or weaknesses of the claims released by the Ansett Group under MOU were relevant considerations in determining entitlement (if any) to the MOU Monies. The Court invited the parties to present evidence and submissions to the Court on the issue of the extent, assessment and valuation of the claims which were given up in exchange for an interest in the MOU Monies.

We made submissions to the Court that because we compromised any potential claims against Air New Zealand and its directors on an undifferentiated "group" basis, obtaining from Air New Zealand the best "disentanglement" price that was then (or ever likely to be) available, the appropriate method of determining entitlement to an allocation of MOU Monies was based on our promises to pursue pooling of the Ansett Group as a whole and to give priority to Employee claims. The Court rejected those submissions.

In the alternative (we submitted), and attempting to apply the Court's preferred allocation method, the only Ansett Group companies which had arguable claims at law against Air New Zealand or its directors which were released pursuant to the MOU were the three companies to which the Letter of Comfort was issued (namely AHL, AIL and AAL) ("**Letter of Comfort Claims**"). We submitted that those claims (if any) are based on the promise contained in the Letter of Comfort, that Air New Zealand would make available to AHL, AIL and AAL advances up to a maximum of A$400 million, from time to time "*for the sole purpose of enabling* [the three companies] *to pay working capital liabilities incurred by* [those companies] *in respect of property or services purchased or sold in the ordinary course of* [those companies'] *business*"; otherwise, any claims which the rest of the Ansett Group companies and trusts might have (if any) could not, on the evidence, be assessed as having any substantial value.

The Allocation Application was settled on commercial terms agreed by us, as Ansett Group administrators, and the Hazelton Group administrator, without judicial determination of the allocation issues. In approving the settlement of the Allocation Application, the Federal Court (Justice Goldberg) noted that the "*issues which faced the parties as a result of the* [MOU]*, and the issues brought before the Court to determine the appropriate apportionment of the $150 million were complex and were not necessarily covered by existing principles and precedents, although there was significant guidance to be gained for the Court and the parties from a number of analogous decisions."*

Since the Allocation Application, and in preparing this and other reports to Ansett Group creditors in relation to the proposed pooling of the Ansett Group of companies and trusts, we have undertaken further investigations and given further consideration to the issues of which Ansett Group companies and trusts (if any) may be entitled to an allocation of MOU Monies. We believe that a Court would find that only AAL is entitled to the MOU Monies, for the following reasons:

- The Court has indicated that the appropriate method for determining entitlement to the MOU Monies is to determine what was bargained away or given up in consideration for receipt of the MOU Monies.
- If anything of value or substance was bargained away or given up in consideration for receipt of the MOU Monies, it was a set of legal claims against Air New Zealand and its directors.
- In our opinion the only arguable claims released under the MOU were the Letter of Comfort Claims. (We note that ASIC has not brought any proceedings against Air New Zealand or its directors in relation to the Ansett Group collapse.)
- The Letter of Comfort Claims arise directly from Air New Zealand's promise to make funds available for the sole purpose of enabling AHL, AIL and AAL to pay their working capital liabilities. However, because the Ansett Group was in many respects operated as a single business (see, for example, Part 3.2(b)), any "working capital deficiency" analysis on a "company by company" basis is irrelevant, if not misleading.
- If the Letter of Comfort Claims were not the things bargained away or given up in exchange for receipt of the MOU Monies, then it is difficult to identify any particular things (including claims) bargained away or given up, other than the (then) general commercial threat to Air New Zealand as a direct result of the Ansett Group's collapse, at a time when Air New Zealand was extremely distressed financially. At the time, Air New Zealand's position was that unless it could immediately disentangle itself from the Ansett Group it may have placed itself into statutory management (akin to voluntary administration) without delay, in which case the Ansett Group would most likely recover nothing from Air New Zealand. Further, Air New Zealand asserted that the most it could afford to "pay" the Ansett Group in those circumstances was the A$150 million paid and debt forgiveness allowed under the MOU.
- It is clear that, historically, AAL was the heart of the Ansett Group, operationally and financially. AAL was the main trading company (as opposed to AHL, the ultimate Ansett Group holding company, and AIL, the Ansett Group's international "face"). AAL was the Ansett Group company with the greatest working capital needs (deficiency aside), it owned the bulk of the assets, it had the vast majority of the employees and it has the largest liabilities of all of the Ansett Group companies and trusts.
- Air New Zealand's agreement to pay the MOU Monies (and to not seek repayment of funds previously advanced, including an amount of over A$30 million on account of Employee entitlements) was premised on the Ansett Group's promises to Air New Zealand to pursue pooling across the entire Ansett Group, and to give priority to Employee claims.

Even if AHL were entitled to an allocation of MOU Monies, AHL Other Creditors would only receive approximately 0.62 cents/dollar if AHL is entitled to an allocation of $5 million. The payment to AHL creditors is diluted because of the effect of existing Ansett Group intercompany loans, which would direct the balance of the allocation through to AAL and AAHL, ultimately for the benefit of Employees and the Commonwealth.

4 AHL Creditor Meeting

4.1 Details of the AHL Creditor Meeting

The AHL Creditor Meeting will be held at the Mercure Hotel Melbourne (Flinders Room), 13 Spring Street, Melbourne, Victoria on **31 August 2006 at 10am.** Registration for all creditors will open at 9.30am. The meeting will commence at 10am sharp. For the purposes of the meeting, please find attached the following:

- Notice of Meeting – Form 509C (Appendix Two)
- Appointment of Proxy Form – Form 532 (Appendix Four)
- Formal Proof of Debt of Claim – Form 535 (Appendix Five)

Creditors are required to lodge **proofs of debt no later than 4pm on 30 August 2006**, failing which they may be excluded from voting at the meeting pursuant to Regulation 5.6.23 of the Corporations Regulations. Proofs of debt may be sent to KordaMentha at GPO Box 2985, Melbourne Vic 3001 or faxed to +61 3 8600 8484.

Creditors who have already lodged any proof of debt (formal or informal) are not required to lodge a further proof of debt (unless they wish to amend their claim).

If you intend to appoint another person to act on your behalf at the AHL Creditor Meeting, or if you are a corporate creditor, you are required to complete the proxy form appointing your representative and return it to KordaMentha at GPO Box 2985, Melbourne Vic 3001 or faxed to +61 3 8600 8484 **no later than 4pm on 30 August 2006**.

If you are representing a corporate creditor, please ensure that your proxy form is properly executed pursuant to Section 127 of the Corporations Act or that you have properly been appointed pursuant to Section 250A of the Corporations Act, failing which you will not be entitled to vote at the AHL Creditor Meeting.

Please note that any proxies lodged in respect of prior meetings of creditors held on various dates are not valid for this meeting.

4.2 Resolutions

“1 That the creditors are in favour of the pooling of the Company's assets (if any) into Ansett Australia Limited (ACN 004 209 410) (subject to Deed of Company Arrangement) (“AAL”) and allowing the Company’s creditors to make claims against AAL instead of the Company”

“2 That the Deed of Company Arrangement be varied in the manner set out in the document titled “Proposed Amendments to Deed of Company Arrangement” available at each of www.ansett.com.au, www.kordamentha.com and www.abl.com.au, so as to effect the pooling of the Company’s assets (if any) into AAL and to allow the Company’s creditors to make claims against AAL instead of the Company” (Appendix Six)

“3 Alternatively to resolutions 1 and 2, that the Deed of Company Arrangement continue to operate”

“4 Alternatively to resolutions 1, 2 and 3, that the Deed of Company Arrangement is hereby terminated and the Company be wound up”

4.3 Voting byAnsett Group companies or trusts

At the AHL Creditor Meeting we will not vote the debts of the Ansett Group companies or trusts in favour of Pooling, due to potential conflicts of interests and duties.

4.4 Casting vote

For the reason outlined in Part 4.3 above, we will not exercise a casting vote, as chairman of the AHL Creditor Meeting.

4.5 Example DOCA

We have prepared and posted on the Ansett websites a copy of the AHL DOCA, in the form the DOCA will appear if AHL is Pooled (Appendix Six).

5 Our opinions

Our opinions about each of the resolutions to be put to the AHL Creditor Meeting are set out below under each resolution.

"1 That the creditors are in favour of the pooling of the Company's assets (if any) into Ansett Australia Limited (ACN 004 209 410) (subject to Deed of Company Arrangement) ("AAL") and allowing the Company's creditors to make claims against AAL instead of the Company"

Opinion - For the reasons set out in this report, we recommend that AHL creditors **vote in favour** of resolution 1.

"2 That the Deed of Company Arrangement be varied in the manner set out in the document titled "Proposed Amendments to Deed of Company Arrangement" available at each of www.ansett.com.au, www.kordamentha.com and www.abl.com.au, so as to effect the pooling of the Company's assets (if any) into AAL and to allow the Company's creditors to make claims against AAL instead of the Company"

Opinion - For the reasons set out in this report, we recommend that AHL creditors **vote in favour** of resolution 2.

"3 Alternatively to resolutions 1 and 2, that the Deed of Company Arrangement continue to operate"

Opinion - For the reasons set out in this report, if resolutions 1 and 2 are not passed, we recommend that AHL creditors **vote in favour** of resolution 3.

"4 Alternatively to resolutions 1, 2 and 3, that the Deed of Company Arrangement is hereby terminated and the Company be wound up"

Opinion - For the reasons set out in this report, if resolutions 1, 2 and 3 are not passed, we recommend that AHL creditors **vote against** resolution 4.

We recommend that you read this report carefully and obtain advice about the report as you see fit.

6 Basis of our estimates, opinions and recommendations

The estimates, opinions and recommendations set out in this report are based on our extensive investigations into the Ansett Group's affairs. Details of our investigations are set out in affidavits which we relied on in the Pooling Application.

As noted in the affidavits (in particular, those of Mark Korda sworn 12 September 2005 and 15 May 2006), we made certain assumptions about the Ansett Group's affairs (including as to the ownership of certain substantial assets) in order to reach the estimates, opinions and conclusions set out in the affidavits.

We have adopted and relied upon the assumptions set out in this report in order to reach estimates, opinions and recommendations set out in this report about:

a. the financial position of the Ansett Group as a whole;

b. the financial position of AHL in particular; and

c. potential or possible payments to creditors in various scenarios.

Amounts set out in this report are approximate amounts, unless otherwise stated.

The estimates, opinions and recommendations given in this report are given in good faith and in the belief that such statements are not false or misleading. The estimates are based on currently available information. Events or changes in conditions may materially impact the assumptions used in this report.

Where assumptions or amounts set out in this report differ from equivalent assumptions or amounts set out in the affidavits, that is due either to revision of previous estimates or necessary adjustments due to the passage of time since the affidavits were prepared.

This report is a summary only. Further information can be obtained in the affidavits in the Pooling Application, which are over a thousand pages, and which are located on the Ansett websites.

KordaMentha

7 Queries

If you have any queries in relation to the above, please contact the Hotline on 1800 151 604, or email employeehotline@ansett.com.au.

MARK KORDA
Joint Deed Administrator

MARK MENTHA
Joint Deed Administrator

KordaMentha

Appendix 1 - Ansett Group of Companies

501 Swanston Street Pty Ltd
(ACN 005 477 618)
Aeropelican Air Services Pty Ltd
(ACN 000 653 083)
Airport Terminals Pty Ltd
(ACN 053 976 444)
Aldong Services Pty Ltd
(ACN 000 258 113)
Ansett Aircraft Finance Limited
(ACN 008 643 276)
Ansett Aviation Equipment Pty Ltd
(ACN 008 559 733)
Ansett Australia Limited
(ACN 004 209 410)
Ansett Australia and Air New Zealand Engineering Services Limited
(ACN 089 520 696)
Ansett Australia Holdings Limited
(ACN 004 216 291)
Ansett Carts Pty Ltd
(ACN 055 181 215)
Ansett Equipment Finance Limited
(ACN 006 827 989)
Ansett Finance Limited
(ACN 006 555 166)
Ansett Holdings Limited
(ACN 065 117 535)
Ansett International Limited
(ACN 060 622 460)
Bodas Pty Ltd (including in its capacity as trustee of the Westsky Trust and the Pelican Trust)
(ACN 002 158 741)
Brazson Pty Ltd
(ACN 055 259 008)
Eastwest Airlines (Operations) Limited
(ACN 000 259 469)
Eastwest Airlines Limited
(ACN 000 063 972)
ANST Lednek Airlines (Aust) Pty Ltd (Formerly Kendell Airlines (Aust) Pty Ltd)
(ACN 000 579 680)
Morael Pty Ltd
(ACN 003 286 440)
Northern Airlines Limited
(ACN 009 607 069)
Northern Territory Aerial Work Pty Ltd
(ACN 009 611 321)
Rock-It-Cargo (Aust) Pty Ltd
(ACN 003 004 126)
ANST Show Pty Ltd
(Formerly Show Group Pty Ltd)
(ACN 002 968 989)
South Centre Maintenance Pty Ltd
(ACN 007 286 660)
Spaca Pty Ltd
(ACN 006 773 593)
Skywest Airlines Pty Ltd
(ACN 008 997 662)
ANST Travel Pty Ltd
(Formerly Traveland Pty Ltd)
(ACN 000 240 746)
ANST Travel International Pty Ltd
(Formerly Traveland International Pty Ltd)
(ACN 000 598 452)
Traveland International (Aust) Pty Ltd
(ACN 000 275 936)
Traveland New Staff Pty Ltd
(ACN 080 739 037)
Walgali Pty Ltd
(ACN 055 258 921)
Westintech Limited
(ACN 009 084 039)
Westintech Nominees Pty Ltd
(ACN 009 302 158)
Whitsunday Affairs Pty Ltd
(ACN 009 694 553)
Whitsunday Harbour Pty Ltd
(ACN 010 375 470)
Wridgways (Vic) Pty Ltd
(ACN 004 153 413)
Wridgways Holdings Limited
(ACN 004 449 085)
ANST Westsky Aviation Pty Ltd (Formerly Skywest Aviation Pty Ltd)
(ACN 004 444 866)
ANST Westsky Jet Charter Pty Ltd (Formerly Skywest Jet Charter Pty Ltd)
(ACN 008 800 155)
ANST Westsky Holdings Pty Ltd (Formerly Skywest Holdings Pty Ltd)
(ACN 008 905 646)

Note: All subject to Deed Company Arrangement, except Aeropelican Air Services Pty Ltd and Skywest Airlines Pty Ltd

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Appendix 2 - Formal Notice of Meeting – Form 509C

Form 509C

Corporations Act 2001

NOTICE OF MEETING OF CREDITORS TO VARY OR TERMINATE DEED OF COMPANY ARRANGEMENT

Ansett Holdings Limited (ACN 065 117 535) (subject to Deed of Company Arrangement) ("the Company")

1. Notice is given that a meeting of the creditors of the Company will be held at the Mercure Hotel Melbourne (Flinders Room), 13 Spring Street, Melbourne, Victoria on **31 August 2006 at 10am.** Registration for all creditors will open at 9.30am.

2. The purpose of the meeting is to consider and vote on the following resolutions:

"1 That the creditors are in favour of the pooling of the Company's assets (if any) into Ansett Australia Limited (ACN 004 209 410) (subject to Deed of Company Arrangement ("AAL") and allowing the Company's creditors to make claims against AAL instead of the Company"

"2 That the Deed of Company Arrangement be varied in the manner set out in the document titled "Proposed Amendments to Deed of Company Arrangement" available at each of www.ansett.com.au, www.kordamentha.com and www.abl.com.au, so as to effect the pooling of the Company's assets (if any) into AAL and to allow the Company's creditors to make claims against AAL instead of the Company"

"3 Alternatively to resolutions 1 and 2, that the Deed of Company Arrangement continue to operate"

"4 Alternatively to resolutions 1, 2 and 3, that the Deed of Company Arrangement is hereby terminated and the Company be wound up"

Dated this 17th day of August 2006

Mark Korda
Joint Deed Administrator
KordaMentha
Level 24
333 Collins Street
MELBOURNE VIC 3000

KordaMentha

Appendix 3 - Documents available on the Ansett websites

Applications	Federal Court of Australia: Victorian District Registry: VID621 of 2005, 21 June 2005
Orders	Orders - 30 August 2005 Orders - 26 September 2005 Orders - 10 October 2005 Notice of Listing - 11 October 2005 Orders - 22 March 2006 Orders - 26 May 2006
First Korda Affidavit	First Affidavit of Mark Anthony Korda, sworn 21 June 2005
Exhibits to First Korda Affidavit	Exhibit MAK 1 - Historical Company Extracts of Plaintiff Companies (pages 1-617)15MB Exhibit MAK 2 - Copy Deed of Company Arrangement executed by Ansett Australia Holdings Ltd ("AAHL"), dated 2 May 2002 Exhibit MAK 3 - Copy MOU, dated 3 October 2001 Exhibit MAK 4 - Copy SEESA Deed, dated 14 December 2001
Second Korda Affidavit	Second Affidavit of Mark Anthony Korda, sworn 12 September 2005
Exhibits to Second Korda Affidavit	Exhibit MAK 5 - AAE Pooling Deed of Compromise Exhibit MAK 6 - Court's final orders, Justice Goldberg's reasons for judgment and corrigenda in the MOU Application Exhibit MAK 7 - Court's final orders, and Justice Goldberg's reasons for judgment in the SEESA Application Exhibit MAK 8 - Second Meeting resolutions and results of poll Exhibit MAK 9 - First Report to Creditors Exhibit MAK 10 - Second Report to Creditors Exhibit MAK 11 - Third Report to Creditors Exhibit MAK 12 - Fourth Report to Creditors Exhibit MAK 13 - Fifth Report to Creditors Exhibit MAK 14 - The Ansett Group Entities Exhibit MAK 15 - Intranet memorandum dated 10 August 2000 Exhibit MAK 16 - Extract of Kendell loan account with AAL for January 2001 to July 2001 Exhibit MAK 17 - Extract from May 2000 edition of "Panorama" Exhibit MAK 18 - AAL trade-marks Exhibit MAK 19 - Extract of July-August 2000 edition of "Flight Safety Australia" Exhibit MAK 20 - Except from AAL Asset Register Exhibit MAK 21 - Numbered bundle of documents relating to Head Office, 501 Swanston Street and Other Ansett Melbourne CBD Properties matters Exhibit MAK 22 - Schedule of inter-company loan balances Exhibit MAK 23 - Numbered bundle of documents relating to Head Office Proceeds Exhibit MAK 24 - Class A Cross-Guarantee and Revocation Deeds Exhibit MAK 25 - Class B Cross-Guarantee, Revocation Deeds and Assumption Deed

Exhibits to Second Korda Affidavit (cont)	Exhibit MAK 26 - Class C Cross-Guarantee Exhibit MAK 27 - Affidavit of Mark Francis Xavier Mentha sworn 8 October 2001 (excluding exhibits) Exhibit MAK 28 - Affidavit of Mark Francis Xavier Mentha sworn 10 October 2001 (excluding exhibits) Exhibit MAK 29 - Affidavit of the Hazelton Group Administrator sworn 22 October 2001 (excluding exhibits) Exhibit MAK 30 - Affidavit of Mark Anthony Korda sworn 1 November 2001 (excluding exhibits) Exhibit MAK 31 - Affidavit of Leon Zwier sworn 20 September 2002 (excluding exhibits) Exhibit MAK 32 - Affidavit of Mark Anthony Korda sworn 26 September 2002 (excluding exhibits) Exhibit MAK 33 - Affidavit of Bradley Fowler sworn 13 March 2003 (excluding exhibits) Exhibit MAK 34 - Hazelton Deed of Settlement Exhibit MAK 35 - Ansett written contentions dated 5 May 2003 in the Allocation Applications Exhibit MAK 36 - Further Hazelton Terms of Settlement Exhibit MAK 37 - Court's orders in the Hazelton Allocation Application Exhibit MAK 38 - Affidavit of Mark Anthony Korda sworn 3 December 2001(excluding exhibits) Exhibit MAK 39 - Loan Deed Exhibit MAK 40 - AAL DOCA Variation Application terms of settlement Exhibit MAK 41 - AAL DOCA Variation Orders and Justice Goldberg's reasons for judgment Exhibit MAK 42 - Skywest/Aeropelican reports to creditors dated 15 January 2002 Exhibit MAK 43 - Skywest/Aeropelican DOCAs Exhibit MAK 44 - Skywest Sale Agreement Exhibit MAK 45 - Aeropelican Sale Agreement and Variation Documents Exhibit MAK 46 - Skywest Transfer Agreement and the Westsky Trust Deed Exhibit MAK 47 - Aeropelican Transfer Agreement and the Pelican Trust Deed Exhibit MAK 48 - Abbreviated Notice Application Exhibit MAK 49 - Affidavit Of Leon Zwier sworn 27 December 2001 Exhibit MAK 50 - Affidavit Of Leon Zwier sworn 3 January 2002 Exhibit MAK 51 - Final orders of the Court and Justice Goldberg's reasons for judgment in the Abbreviated Notice Application
First King Affidavit	First Affidavit of Alexander William King, affirmed 23 September 2005
Exhibits to First King Affidavit	Exhibit AWK-1 - Letter dated 2 September 2005 regarding proposed affidavit of Mark Anthony Korda Exhibit AWK-2 - Email dated 7 September 2005 regarding proposed affidavit of Mark Anthony Korda Exhibit AWK-3 - Email dated 8 September 2005 enclosing unsworn affidavit of Mark Anthony Korda, without exhibits Exhibit AWK-4 - Letter dated 8 September 2005 enclosing exhibit "MAK-14" to unsworn affidavit of Mark Anthony Korda Exhibit AWK-5 - Email dated 8 September 2005 enclosing exhibit "MAK-14" to unsworn affidavit of Mark Anthony Korda

Exhibits to First King Affidavit (cont)	Exhibit AWK-6 - Letter dated 8 September 2005 enclosing proposed exhibits to unsworn affidavit of Mark Anthony Korda Exhibit AWK-7 - Letter dated 9 September 2005 enclosing proposed exhibits to unsworn affidavit of Mark Anthony Korda Exhibit AWK-8 - Extracts from Websites Exhibit AWK-9 - Form of letter dated 15 September 2005 sent to certain Ansett Group creditors Exhibit AWK-10 - Form of letter dated 15 September 2005 sent to certain Skywest creditors Exhibit AWK-11 - Form of letter dated 15 September 2005 sent to certain Aeropelican creditors Exhibit AWK-12 - List of letter recipients (of 15 September 2005 letter) Exhibit AWK-13 - Copy notice to Ansett Group creditors published in "The Australian" on 21 September 2005 Exhibit AWK-14 - Email dated 19 September 2005 to Ansett Committees of Creditors Exhibit AWK-15 - Letter dated 19 September 2005 from ASIC to ABL
Third Korda Affidavit	Third Affidavit of Mark Anthony Korda, sworn 30 September 2005
Exhibit to Third Korda Affidavit	Exhibit MAK-52 - ASIC request dated 19 September 2005
Fourth Korda Affidavit	Fourth Affidavit of Mark Anthony Korda, sworn 13 October 2005
Exhibits to Fourth Korda Affidavit	Exhibit MAK-53: Letter from Contradictor dated 29 September 2005 Exhibit MAK-54: Letter from ASIC dated 7 October 2005 Exhibit MAK-55: Email from Rockwell Collins dated 20 September 2005 Exhibit MAK-56: Email from Skippers Aviation dated 22 September 2005 Exhibit MAK-57: Minutes of 23 September 2005 meeting between Mark Korda and union representatives (and others) Exhibit MAK-58: Written presentation from 23 September 2005 meeting between Mark Korda and union representatives (and others) Exhibit MAK-59: Email from KordaMentha to ACTU dated 23 September 2005 Exhibit MAK-60: Email from AGS to ABL dated 26 September 2005 Exhibit MAK-61: Email from ABL to AGS dated 28 September 2005 Exhibit MAK-62: Email from AGS to ABL dated 28 September 2005 Exhibit MAK-63: Email from Steven Parbery to Mark Korda dated 28 September 2005 Exhibit MAK-64: Letter from ABL to various parties dated 29 September 2005 Exhibit MAK-65: Email from ABL to ASIC dated 29 September 2005 Exhibit MAK-66: Email from ABL to various parties dated 30 September 2005 Exhibit MAK-67: Letter from AGS to ABL dated 3 October 2005 Exhibit MAK-68: Letter from AGS to ABL dated 5 October 2005 Exhibit MAK-69: Letter from Mark Korda to Steven Parbery and Ross McClure (for the Commonwealth) dated 5 October 2005
Second King Affidavit	Second Affidavit of Alexander William King, affirmed 18 October 2005
Third King Affidavit	Third Affidavit of Alexander William King, affirmed 31 March 2006
Exhibit to Third King Affidavit	Exhibit AWK-17: AAE Pooling Compromise Deed (as amended)
Fifth Korda Affidavit	Fifth Affidavit of Mark Anthony Korda, sworn 15 May 2006

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Exhibits to Fifth Korda Affidavit	Exhibit MAK-70: Notice as published in "The Australian" Exhibit MAK-71: Special purpose report, proposed form of amended DOCA and notice of meeting Exhibit MAK-72: Update 79 to the members of the Ansett Committees of Creditors dated 27 April 2006
First Hams Affidavit	First Affidavit of Sebastian David Hams sworn 24 May 2006
Second Hams Affidavit	Second Affidavit of Sebastian David Hams sworn 24 July 2006
Submissions	Plaintiffs' Outline of Submissions dated 20 October 2005 Submissions of Commonwealth of Australia dated 20 October 2005 Outline of Submissions to be made on behalf of WTH Pty Ltd in its capacity as Contradictor dated 21 October 2005
Transcripts of Proceedings	Transcript - 23 June 2005 Transcript - 19 July 2005 Transcript - 16 August 2005 Transcript - 30 August 2005 Transcript - 26 September 2005 Transcript - 24 October 2005 Transcript – 22 March 2006 Transcript – 31 March 2006 Transcript - 26 May 2006
Judgment	Judgment - 22 March 2006

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Appendix 4 - Appointment of Proxy Form – Form 532

APPOINTMENT OF PROXY	Form 532 Regulation 5.6.29 Corporations Act 2001
Ansett Holdings Limited (ACN 065 117 535) (subject to Deed of Company Arrangement) ("the Company")	

A. Insert Full Name and Contact Details (please print)

____
Given Name

____
Surname

____
Company Name

____
Telephone Number

____
Address

B. Appointment of a Proxy (please complete)

I/We, a creditor of the Company appoint:

____ of
____

as my/our proxy, or in his/her absence __________________________, to vote at a meeting of creditors to be held at the Mercure Hotel Melbourne (Flinders Room), 13 Spring Street, Melbourne, Victoria on 31 August 2006 at 10am or at any adjournment of that meeting.

C. Voting by Your Proxy

Option 1: If appointed as a general proxy, as he/she determines on my/our behalf. ☐

AND/OR

Option 2: If appointed as a special proxy for some or all resolutions, specifically in the manner set out below (**please tick**). ☐

	Resolution ***(please specify the particular resolution)***	**For**	**Against**	**Abstain**
(1)	That the creditors are in favour of the pooling of the Company's assets (if any) into Ansett Australia Limited (ACN 004 209 410) (subject to Deed of Company Arrangement) ("AAL") and allowing the Company's creditors to make claims against AAL, instead of the Company	☐	☐	☐
(2)	That the Deed of Company Arrangement be varied in the manner set out in the document titled "Proposed Amendments to Deed of Company Arrangement" available at each of www.ansett.com.au, www.kordamentha.com and www.abl.com.au, so as to effect the pooling of the Company's assets (if any) into AAL and to allow the Company's creditors to make claims against AAL instead of the Company	☐	☐	☐
(3)	Alternatively to resolutions 1 and 2, that the Deed of Company Arrangement continue to operate	☐	☐	☐
(4)	Alternatively to resolutions 1, 2 and 3, that the Deed of Company Arrangement is hereby terminated and the Company be wound up	☐	☐	☐

D. Signature Section (in accordance with Sections 82A, 127 or 250D of the Corporations Act 2001)

Signature of individual or person authorised by corporate resolution to represent corporation	The common seal was affixed hereto in the presence of:
Print Name:	**Director**
	Director/Company Secretary

Dated this _______ day of _______________ .

CERTIFICATE OF WITNESS

Please Note: This certificate is to be completed only where the person giving the proxy is blind or incapable of writing. The signature of the creditor is not to be attested by the person nominated as proxy. I, ______________________________________ of ____ certify that the above instrument appointing a proxy was completed by me in the presence of and at the request of the person appointing the proxy and read to him before he attached his signature or mark to the instrument.

Signature of witness: ____________________________

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Appendix 5 - Formal Proof of Debt Claim – Form 535

Subregulation 5.6.49(2)

Form 535
Corporations Act 2001
Ansett Holdings Limited (ACN 065 117 535)
(subject to Deed of Company Arrangement)
("the Company")

FORMAL PROOF OF DEBT OR CLAIM (GENERAL FORM)

To: The Deed Administrators of Ansett Holdings Limited (ACN 065 117 535) (subject to Deed of Company Arrangement)

1. This is to state that the company was on 12 September 2001 and still is, justly and truly indebted:

TO: ....
(name of creditor)
OF: ....
(address of creditor)
FOR: ....
(amount owed to creditor)
AND .... cents.

Particulars of the debt are:

Date (insert date when debt arose)	**Consideration** (state how the debt arose & **attach supporting invoices & statements of account)**	**Amount ($)**	**Remarks** (include details of voucher substantiating payment)

2. To my knowledge or belief the creditor has not, nor has any person by the creditor's order, had or received any satisfaction or security for the sum or any part of it except for the following: (insert particulars of all securities held. If the securities are on the property of the company, assess the value of those securities. If any bills or other negotiable securities are held, show them in a schedule in the following form).

Date	Drawer	Acceptor	Amount ($...c)	Due Date

*3. I am employed by the creditor and authorised in writing by the creditor to make this statement. I know that the debt was incurred for the consideration stated and that the debt, to the best of my knowledge and belief, remains unpaid and unsatisfied.

*3. I am the creditor's agent authorised in writing to make this statement in writing. I know that the debt was incurred for the consideration stated and that the debt, to the best of my knowledge and belief, remains unpaid and unsatisfied.

Dated this _____ day of _____________ 2006.

Signature...
Name ....
Address ....
....

* Delete if not applicable.

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Appendix 6 - AHL Deed of Company Arrangement (with pooling variations)

THIS DEED OF COMPANY ARRANGEMENT is made the 2nd day of May 2002 and varied the 31st day of August 2006 pursuant to the provisions of Part 5.3A of the Corporations Act.

BETWEEN:

[EACH ANSETT GROUP COMPANY (EACH SUBJECT TO A DEED OF COMPANY ARRANGEMENT) OTHER THAN ANSETT AUSTRALIA LIMITED (ACN 004 209 410) (SUBJECT TO DEED OF COMPANY ARRANGEMENT)] ("**Company**")

EACH ACKNOWLEDGING ANSETT GROUP COMPANY

MARK FRANCIS XAVIER MENTHA and **MARK ANTHONY KORDA** in their capacity as Voluntary Administrators of the Company

AND

MARK FRANCIS XAVIER MENTHA and MARK ANTHONY KORDA in their capacity as Deed Administrators of the Company

RECITALS:

A Mark Anthony Korda and Mark Francis Xavier Mentha were appointed administrators of the Ansett Group Companies pursuant to an order of the Court on either 17 September or 3 October 2001, as the case may be~~, which appointment subsists today~~. This appointment followed the resignation of Messrs. Hall, Hedge and Watson as administrators of the Ansett Group Companies.

B A meeting of creditors of the Company was convened pursuant to Section 439A of the Act and held on 29 January 2002 ("**Meeting**"). At the Meeting, the creditors of the Company resolved inter alia to adjourn the Meeting to a later date on which they would consider whether it would be in the creditors' interests for the Company to execute a deed of company arrangement, for the administration to end or for the Company to be wound up.

abl

C The adjourned Meeting was held on 27 March 2002 ("**Reconvened Meeting**"). The creditors of the Company voting at the Reconvened Meeting resolved ("**Section 439C Resolution**") that the Company execute a deed of company arrangement in accordance with the outline contained in the statement pursuant to Section 439A(4)(c) of the Act subject to certain amendments.

D On 17 April 2002, in Federal Court proceeding no. V3062 of 2002, the Court ordered that the time by which the Voluntary Administrators must execute the deed of company arrangement pursuant to Section 444B(2)(b) be extended to 24 April 2002. (A copy of this order is Exhibit 5).

E On 24 April 2002, in Federal Court proceeding no. V3065 of 2002, the Court reserved its judgment on an application for a further extension of the time by which the Voluntary Administrators must execute the deed of company arrangement pursuant to Sections 444B(2)(b) and 447A of the Act. As a result of the orders made by the Court on 24 and 29 April 2002 (copies of which are Exhibit 6), the deed of company arrangement ~~must~~ had to be executed by midnight on 2 May 2002.

F A primary objective of the deed of company arrangement as outlined to creditors in the Section 439A(4)(c) statement dated 15 March 2002 and approved by the Company's creditors at the Reconvened Meeting is to provide for a better return for the Company's creditors than would result from a winding up of the Company.

G On 2 May 2002 this deed of company arrangement was entered into, as a result of which the Voluntary Administrators became the Deed Administrators.

H At meetings of the creditors of each Ansett Group Company, Aeropelican Air Services Pty Ltd and Skywest Airlines Pty Ltd ("**Pooling Meetings**") the creditors of those companies voted on and carried resolutions ("**Pooling Resolutions**"), thereby amending this Deed and all other Ansett Group Company DOCAs so as to effect the "pooling" into Ansett Australia Limited (subject to deed of company arrangement) ("**AAL**") of the assets of, and creditor/beneficiary claims against:

(a) the Ansett Group Companies other than AAL;

(b) the Pelican Trust; and

(c) the Westsky Trust,

in the manner set out in this Deed, the other Ansett Group Company DOCAs, the Pelican Trust Deed and the Westsky Trust Deed, each as varied ("**Pooling**").

I The Deed Administrators will do all such acts and things to effect Pooling.

abl

GJ Subject to the rights of any Secured Creditor, Owner or Lessor, this Deed binds all creditors of the Company in accordance with Section 444D of the Act and also binds the Company, its Officers and Members in accordance with Section 444G of the Act.

NOW THIS DEED PROVIDES AS FOLLOWS:

1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Deed unless the subject or context otherwise requires:

"**AAL**" has the meaning given in Recital H;

"**Acknowledging Ansett Group Company**" means each of the companies named in Part 1 of Schedule 1 other than the Company;

"**Act**" means the *Corporations Act* 2001 (Cth);

"**Administrators' Website**" means collectively the websites maintained at the following URLs:

(a) http://www.ansett.com.au/administrator/; and

(b) http://www.abl.com.au/administrator/;

"**Air New Zealand Director**" means each person who is, or was at any time since Air New Zealand Limited acquired full ownership of the Ansett Group a director or secretary of any company in the Air New Zealand Group or the Ansett Group, as set out in a schedule to the Air New Zealand MOU;

"**Air New Zealand Group**" means Air New Zealand Limited and its subsidiaries, other than the Ansett Group, as set out in a schedule to the Air New Zealand MOU;

"**Air New Zealand MOU**" means the Memorandum of Understanding dated 3 October 2001 between, amongst others, the Ansett Group, the Voluntary Administrators, the Air New Zealand Group and directors of both the Air New Zealand Group and the Ansett Group, approved by an order of the Court in proceeding no. V3045 of 2001 (a copy of both the Air New Zealand MOU and the relevant order are attached as Exhibit 4);

"**Aircraft Lessor**" means any person other than the Company who is the legal or beneficial owner of an aircraft that is used or occupied by or in the possession of the Company or in relation to which the Company is liable as at the Appointment Date;

"**Ansett Group Company**" means each of the companies named in Parts 1 and 2 of Schedule 1;

"**Ansett Group**" means collectively the Company and each other Ansett Group Company;

"**Appointment Date**" means, in respect of:

(a) Ansett Australia and Air New Zealand Engineering Services Limited, the date Messrs. Mentha and Korda were appointed its administrators, being 3 October 2001; and

(b) each other Ansett Group Company, the date that Messrs. Hall, Hedge and Watson were appointed as administrators of that company, being either 12 or 14 September 2001, as the case may be;

"**ASIC**" means the Australian Securities and Investments Commission;

"**Asset**" includes a mere cause of action or chose in action;

"**Business Day**" means any day other than a Saturday, Sunday or public holiday in Melbourne;

"**Claim**" means a debt payable by, and all claims against, the Company (present or future, certain or contingent, ascertained or sounding only in damages), being debts or claims the circumstances giving rise to which occurred on or before the Appointment Date;

"**Committee**" means a committee of Deed Creditors formed in accordance with Clause 25 of the Deed;

"**Coupon Creditor**" means a person who on the Appointment Date was the holder of a ticket for air travel to be provided by the Company on or after the Appointment Date and which has not been honoured by the relevant carrier;

"**Court**" means the Federal Court of Australia at its Melbourne Registry;

"**Deed**" means this Deed of Company Arrangement as amended from time to time;

"**Deed Administrators**" means Mark Francis Xavier Mentha and Mark Anthony Korda in their capacity as administrators of the Deed;

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“**Deed Administrators' Remuneration, Costs and Indemnity**” means the amount which the Deed Administrators are entitled to be remunerated, reimbursed and indemnified against under Clause 23.2 of the Deed;

“**Deed Creditor**” means any person who has a Claim, including (to the extent applicable):

(a) Employees;

(b) SEESA Payer;

(c) Suppliers;

(d) Non Cost Effective Dividend Recipients;

(e) Aircraft Lessors;

(f) Domestic Terminal Lessors;

(g) Other Lessors;

(h) Secured Finance Lease Creditors;

(i) Coupon Creditors;

(j) Global Rewards Creditors;

(k) Golden Wing Creditors;

(l) Superannuation Fund trustees;

“**Deed Period**” means the period commencing on the Effective Date and ending on the Termination Date;

“**Distribution Amounts**” means the amounts described in Clause 18.1;

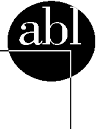
“**DOCA**” means Deed of Company Arrangement (as amended);

“**Domestic Terminal Leases**” means the leases for any of the airport terminals located at the following Australian airports which are used by, occupied or in the possession of the Company or in relation to which the Company is liable as at the Appointment Date, namely:

(a) Melbourne Airport;

(b) Sydney Airport;

(c) Brisbane Airport;



(d) Adelaide Airport;

(e) Perth Airport;

(f) Hobart Airport;

(g) Darwin Airport;

(h) Alice Springs Airport;

(i) Townsville Airport;

(j) Coolangatta Airport; and

(k) Rockhampton Airport;

"**Duplicated Claim**" means any debt payable by, and any claim against any Ansett Group Company (present or future, certain or contingent, ascertained or sounding only in damages), being debts or claims the circumstances giving rise to which occurred on or before the Appointment Date, in respect of which the relevant creditor would have been entitled, immediately prior to the passing of the Pooling Resolutions, to have lodged a proof of debt in relation to the entirety or any part thereof in more than one of the administrations of the Ansett Group Companies or against the Pelican or Westsky Trusts, whether that entitlement arose by way of guarantee, indemnity or otherwise;

"**Domestic Terminal Lessors**" means the lessors under Domestic Terminal Leases;

"**Effective Date**" means the date this Deed is executed by all parties;

"**Employee**" means each past and present employee of the Company who has a Claim;

"**Employee Amounts**" means in relation to an Employee all amounts owing (if any) to that Employee in respect of their employment including (but without limitation) entitlements to payment of wages or salary in lieu of notice, long service leave, annual and sick leave;

"**Enforcement Process**" in relation to property means:

(a) execution against the property; or

(b) any other enforcement process in relation to that property that involves a court or sheriff;

"**Entitlement**" means the amount of a Claim that a Participating Creditor is entitled to be paid as a distribution in accordance with the provisions of the Deed;

"**Equipment**" means aircraft, motor vehicles, plant and equipment and fixtures and fittings of whatever description but for the avoidance of doubt does not include Real Property;

"**Excluded Creditors**" means any Deed Creditor to the extent they have been paid during or after the Voluntary Administration Period or the Deed Period;

"**Finance Lease**" means a lease constituting, or accounted for in a similar way to, a finance lease or capitalised lease under Australian Accounting Standards;

"**Finance Lease Creditors**" means Participating Creditors whose Claim arises under a valid Finance Lease for Equipment;

"**Fixed Charge Assets**" means the assets, property and undertaking of the Company over which a Secured Creditor has a fixed charge as at the Appointment Date under the terms of a Security granted by the Company to the Secured Creditor;

"**Floating Charge Assets**" means the assets, property and undertaking of the Company over which a Secured Creditor has a floating charge as at the Appointment Date under the terms of a Security granted by the Company to the Secured Creditor;

"**Goods**" means any trading stock, packaging or other goods or materials supplied to the Company on or before the Appointment Date;

"**Global Reward Creditor**" means a person who is a member of the frequent flyer scheme operated by the Company known as Global Rewards as at the Appointment Date;

"**Golden Wing Creditor**" means a person who was a member of the Golden Wing Club or would be a member of the Golden Wing Club but for the administration of the Company;

"**Lease**" means any lease, licence or other agreement to which a Lessor is a party, including (without limitation) the Domestic Terminal Leases;

"**Legal Personal Representative**" means a trustee or executor appointed to the Voluntary Administrators or Deed Administrators upon death, incapacity, insanity or any combination of them.

"**Lessor**" means any person other than the Company who is the legal or beneficial owner of Real Property or other property that is occupied or used or in the possession of the Company or in relation to which the Company is liable as at the Appointment Date, comprising any or all of the Property Lessors, Aircraft Lessors and Other Lessors;

"**Mediation Agreement**" means an agreement reached between the Deed Administrators and a ROT Creditor in respect of a ROT Claim during or after the process of mediation under Clause 15 of the Deed;

"**Mediator**" means a mediator agreed by the Deed Administrators and a ROT Creditor to mediate any dispute in relation to that ROT Creditor's ROT Claim pursuant to Clause 15;

"**Members**" means shareholders of the Company;

"**Non Cost Effective Claim**" means the Claim of a Deed Creditor whose Claim in the bona fide assessment of the Deed Administrators would receive a dividend for an amount less than $AUD25 after an accurate estimation of the dividend is made ~~in accordance with Clause 18.4~~;

"**Non Cost Effective Dividend Recipients**" means a person with a Claim which is a Non Cost Effective Claim;

"**Officer**" has the meaning given in paragraphs (a) and (b) of that term as defined in Section 9 of the Act;

"**Other Lessor**" means any person other than the Company who is the legal or beneficial owner of an asset (other than Real Property or an aircraft) that is used or occupied by or in the possession of the Company or in relation to which the Company is liable as at the Appointment Date;

"**Owner**" means any person other than the Company who is the legal or beneficial owner of property used or occupied by or on behalf of or in the possession of the Company at the Appointment Date;

"**Participating Creditors**" means Deed Creditors other than Non Cost Effective Dividend Recipients and Excluded Creditors;

"**Pelican Trust**" means the trust established for the benefit of creditors of Aeropelican Air Services Pty Ltd pursuant to the Pelican Trust Deed, declared 11 June 2002;

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"**Pooling**", "**Pooling Meetings**", "**Pooling Orders**" and "**Pooling Resolutions**" have the meanings given in Recital H.

"**Premises**" means any Real Property used, occupied by or in the possession of the Company or in relation to which the Company is liable as at the Appointment Date and which is not owned by the Company;

"**Priority Creditors**" means:

(a) the Voluntary Administrators and the Deed Administrators in relation to any amounts due and payable to the Voluntary Administrators or the Deed Administrators pursuant to the Act or the terms of the Deed;

(b) Secured Creditors in relation to the amounts they are entitled to be paid in priority to Participating Creditors who are not Priority Creditors pursuant to the terms of their Security;

(c) Priority ROT Creditors to the extent of their Priority ROT Amount;

(d) Employees who would have priority pursuant to Section 556 of the Act to the extent of their Employee Amounts and the SEESA Payer in relation to SEESA Payments;

(e) trustees of Superannuation Funds to the extent of their Priority Creditor Amounts,

but does not include Top Up Retrenchment Benefit Creditors;

"**Priority Creditor Amounts**" means:

(a) in the case of Priority ROT Creditors, their respective Priority ROT Amounts;

(b) in the case of Employees, the amount to which they would be afforded priority under Section 556 of the Act if the Company were wound up;

(c) in the case of the Voluntary Administrators or the Deed Administrators, the Voluntary Administrators Remuneration Costs and Indemnity and the Deed Administrators Remuneration Costs and Indemnity respectively;

(d) in the case of a trustee of a Superannuation Fund, the amount of any unpaid employer superannuation contributions and/or any unpaid member

superannuation contributions, relating to the relevant Superannuation Fund, but not including the amount of any Top Up Retrenchment Benefit Claim; and

(e) in the case of Secured Creditors, the amount which they are entitled to be paid in priority to Participating Creditors who are not Priority Creditors pursuant to the terms of the Security granted in favour of that Secured Creditor by the Company;

"**Priority ROT Creditor**" means a ROT Creditor in relation to its respective Priority ROT Amount;

"**Priority ROT Amount**" means that part of a ROT Claim that is determined to be valid:

(a) by the Deed Administrators (whose determination is not disputed by the ROT Creditor pursuant to Clause 15.6);

(b) pursuant to a Mediation Agreement; or

(c) as required by the Court;

"**Property Lessor**" means any person other than the Company who is the legal or beneficial owner of Real Property that is used or occupied by or in the possession of the Company or in relation to which the Company is liable as at the Appointment Date, including (without limitation) the Domestic Terminal Lessors;

"**Real Property**" means a legal or equitable estate or interest in real property of any description;

"**Regulations**" means the *Corporations Regulations*;

"**Reconvened Meeting**" has the meaning given in Recital C;

"**Related Body Corporate**" has the meaning given in the Act and "**Related**" bears a corresponding meaning;

"**Resolution**" means a resolution passed at a meeting of Deed Creditors convened in accordance with this Deed;

"**ROT Claim**" means a claim by a Supplier that pursuant to the terms of trade by which the Supplier traded with the Company, the Supplier retained an interest in or ownership of Goods and in respect of which there is no provision or act undertaken by that Supplier inconsistent with those retention of ownership or interest provisions and, in respect of which such Goods remained in the possession of the Voluntary Administrators as at the Appointment

Date and for which payment of such Goods have not previously been made by the Company;

"**ROT Claim Amount**" means in the case of each ROT Creditor the monetary extent of a ROT Claim asserted by that ROT Creditor which have not been sold and were in the possession of the Company on the Appointment Date;

"**ROT Creditor**" means a person who has a ROT Claim;

"**Secured Creditor**" means any Deed Creditor who had the benefit of a Security which was valid at the Appointment Date or which is validated within 14 Business Days of the execution of the Deed, over all or any assets of the Company securing all or any part of its Claim but only to the extent of that Security at the Appointment Date;

"**Secured Finance Lease Creditor**" means any Secured Creditor who has entered into a Finance Lease with the Company and holds, as security for the payment of any debt or liability or the performance of any obligation under that Finance Lease, a Security over an aircraft that is used or occupied by or in the possession of the Company or in relation to which the Company is liable as at the Appointment Date but only to the extent of that Security as at the Appointment Date;

"**Security**" means any mortgage, chattel mortgage, pledge, charge, agreement, encumbrance, lien, any right of set-off (arising otherwise than by operation of law or as a result of a banker's right to combine accounts), assignment which provides for and secures the payment of any debt or monetary liability or the performance of any obligation;

"**SEESA Deed**" means the deed between the Commonwealth of Australia, Ansett Holdings Ltd (Administrators Appointed) (ACN 065 117 535), various other Ansett companies and the Voluntary Administrators dated 14 December 2001 and attached as Exhibit 1;

"**SEESA Payer**" means SEES Pty Ltd ABN 35 098 586 308;

"**SEESA Payments**" means payments made by the SEESA Payer pursuant to the Special Employee Entitlement Scheme for Ansett Group employees established under the *Air Passenger Ticket Levy (Collection) Act* 2001 and paid to the Voluntary Administrators or the Deed Administrators in accordance with the SEESA Deed and the SEESA Payments Deed, and in accordance with the order of the Court in proceeding no. V3083 of 2001 (a copy of which is Exhibit 7) and a determination made by the Minister for Employment and Workplace Relations under that Act;

"**SEESA Payments Deed**" means the Deed dated 18 December 2001 between the SEESA Payer, the Ansett Group and the Voluntary Administrators setting out the terms on which SEESA Payments are to be paid to the Voluntary Administrators or the Deed Administrators and the priority in which such payments shall be repaid, a copy of which is attached as Exhibit 2;

"**Superannuation Funds**" means the Ansett Australia Ground Staff Superannuation Plan *(trustee - Ansett Australia Ground Staff Superannuation Plan Pty Ltd);* the Ansett Transport Industries Limited Pilots/Management Superannuation Plan *(trustee - Ansett Australia Pilots/Management Superannuation Plan Pty Ltd);* the Ansett Transport Industries Limited Flight Engineers' Superannuation Plan *(trustee - Ansett Australia Flight Engineers' Superannuation Plan Pty Ltd);* the Ansett Transport Industries Limited Flight Attendants Superannuation Plan *(trustee - Ansett Australia Flight Attendants Superannuation Plan Pty Ltd);* and Ansett Accumulation Plan *(trustee - Ansett Australia Pilots Accumulation Plan Pty Ltd)*;

"**Supplier**" means a Deed Creditor whose Claim arises from, or in consequence of, the supply of Goods;

"**Termination Date**" means the date upon which the Deed is terminated pursuant to Clause 21 of the Deed.

"**Top Up Retrenchment Benefit Claim**" means the amount of any claim for payment or contribution to a Superannuation Fund in respect of any shortfall in the Superannuation Fund in meeting or paying retrenchment benefits, being a claim of the type raised in Victorian Supreme Court proceeding no. 2115/01 (a copy of the statement of claim in that proceeding is attached as Exhibit 3), as so determined in that proceeding (if any);

"**Top Up Retrenchment Benefit Creditor**" means a person that is or was a trustee of a Superannuation Fund or a Superannuation Fund with a Top Up Retrenchment Benefit Claim;

"**Voluntary Administration Period**" means the period of time commencing on the Appointment Date and concluding on the Effective Date;

"**Voluntary Administrators**" means Mark Francis Xavier Mentha and Mark Anthony Korda in their capacity as administrators of the Company; ~~and~~

"**Voluntary Administrators' Remuneration, Costs and Indemnity**" means the amount which the Voluntary Administrators

are entitled to be remunerated, reimbursed and indemnified against under Clause 23.1 of the Deed.; and

"**Westsky Trust**" means the trust established for the benefit of creditors of Skywest Airlines Pty Ltd pursuant to the Westsky Trust Deed, declared 7 March 2002.

1.2 Interpretation

In the Deed, unless the subject or context otherwise requires:

1.2.1 words importing the singular include the plural and vice versa;

1.2.2 words importing any one gender include the other gender and vice versa;

1.2.3 words importing natural persons include corporations, firms, unincorporated associations, partnerships, trusts and any other entities recognised by law and vice versa;

1.2.4 words "written " and "in writing" include any means of visible reproduction of words in a tangible and permanently viable form;

1.2.5 if a word or phrase is defined, other parts of speech and grammatical forms of that word or phrase have corresponding meanings;

1.2.6 reference to Clauses and Schedules are references to clauses and schedules of the Deed;

1.2.7 references in the Deed to any statutory enactment or law shall be construed as references to that enactment or law as amended or modified or re-enacted from time to time and to the corresponding provisions of any similar enactment or law of any other relevant jurisdiction; and

1.2.8 references in the Deed to Sections shall be construed as references to Sections of the Act;

1.2.9 references to (or to any specified provision of) the Deed or to any other agreement or document shall be construed as references to (that provision of) the Deed or that other agreement or document as amended, substituted, novated, supplemented, varied or replaced with the agreement of the relevant parties and in force at any relevant time;

1.2.10 unless otherwise provided in the Deed, the provisions of Schedule 8A of the Regulations shall not apply to or be incorporated in this Deed;

1.2.11 a construction that would promote the purpose or object underlying the Deed (whether or not stated in this Deed) is to be preferred to a construction that would not promote that purpose or object;

1.2.12 headings in the Deed are for the purpose of more convenient reference only and do not form part of the Deed or affect its construction or interpretation;

1.2.13 a reference to "a Form" means a reference to the applicable form as set out in Schedule One of the Regulations, with such modification as the Voluntary Administrators or the Deed Administrators (as the case may be) considers appropriate to adapt the Form to the circumstances for which the Form is to be used under the Deed;

1.2.14 a term or expression not otherwise defined in this Deed shall have the same meaning, if any, as provided for in the Act provided that meaning is not inconsistent with the purpose or object of the Deed; and

1.2.15 no rule of construction applies to the disadvantage of a party because that party was responsible for the preparation of the Deed or any part of it.

1.3 Inconsistency with Act or Regulations

If there is any inconsistency between the provisions of the Deed and the Act or Regulations, the Deed shall prevail to the extent permitted by law.

1.4 Other Inconsistencies

1.4.1 If there is any inconsistency between the provisions of the Deed and the Constitution of the Company or any other obligation binding on the Company other than the SEESA Deed and the SEESA Payments Deed, the provisions of the Deed shall prevail to the extent of the inconsistency, and all persons bound by this Deed agree to sign all documents and do all things necessary to remove such inconsistency, the costs of which shall be borne by the Company.

1.4.2 For the avoidance of doubt, all of the parties bound by the Deed acknowledge that the Top Up Retrenchment Benefit Claims are not intended to rank in priority above ordinary unsecured claims in a winding up of the Company, even if a court should so determine and notwithstanding the provisions of the SEESA Deed, the SEESA Payments Deed and the terms of the Court's order in proceeding no. V3083 of 2001 (a copy of which is Exhibit 7).

1.5 Business Days

Except where otherwise expressly provided, if the day on or by which any act, matter or thing is to be done as required by this Deed is a day other than a Business Day, such act, matter or thing shall be done on the immediately succeeding Business Day.

1.6 Successors and Assigns

The obligations and liabilities imposed and rights and benefits conferred on the parties under the Deed shall be binding upon and enure in favour of the respective parties and each of their respective successors in title, legal personal representatives and permitted assigns.

2 COMMENCEMENT OF THIS DEED

2.1 Operative Date

Subject to Clause 2.2, this Deed shall take effect on the Effective Date.

2.2 Interim Effect

Insofar as a person would be bound by the Deed if it had already been executed, the person must not, at any time on or after the Section 439C Resolution, but before the Deed is executed:

2.2.1 do anything inconsistent with the Deed except with the leave of the Court; or

2.2.2 do any of the following:

2.2.2.1 make an application for an order to wind up the Company;

2.2.2.2 proceed with such an application made before the Deed became binding on the person;

2.2.2.3 begin or proceed with a proceeding against the Company or in relation to any of its property except with the leave of the Court and in accordance with such terms (if any) as the Court imposes; or

2.2.2.4 begin or proceed with enforcement process in relation to property of the Company except with the leave of the Court and in accordance with such terms (if any) as the Court imposes.

3 PURPOSE AND OBJECTS

The purposes and objects underlying this Deed are to provide for the business, property and affairs of the Company to be administered in a way that:

3.1 Maximum Return

provides the maximum possible return for the Deed Creditors from the orderly sale and realisation of assets of the Company;

3.2 No Compromise

does not compromise any Deed Creditor's debts;

3.3 No Crystallisation of Domestic Terminal Lessors' Rights

may avoid crystallisation of Domestic Terminal Lessors' rights to terminate Domestic Terminal Leases;

3.4 Moratorium

provides for a moratorium on all Deed Creditors taking action against the Company;

3.5 Variations

provides for subsequent meetings of Deed Creditors to consider variations to the provisions of the Deed;

3.6 Better Return than Winding-up

results in a better return for the Deed Creditors of the Company than would result from an immediate winding-up of the Company;

3.7 Commercial Resolution

facilitates a commercial resolution to the financial difficulties of the Company without unnecessary impediment or legal dispute; and

3.8 Due Regard to Court Orders and Directions

has due regard to any orders or directions made by the Court as to how Part 5.3A of the Act is to operate in relation to the Company, save that the parties bound by the Deed acknowledge that the Top Up Retrenchment Benefit Claims are not intended to rank in priority above ordinary unsecured claims in a winding up of the Company, even if a court should so determine and notwithstanding the provisions of the SEESA Deed, the SEESA Payments Deed and the terms of the Court's order in proceeding no. V3083 of 2001 (a copy of which is Exhibit 7).; and

3.9 Pooling

as a result of the carriage of the Pooling Resolutions, provides for Pooling.

4 MORATORIUM CREATED BY THIS DEED

4.1 This Deed Binds All Persons

Subject to the rights of any Secured Creditor pursuant to Section 444D(2) of the Act or any Owner or Lessor pursuant to Section 444D(3) of the Act, this Deed binds:

4.1.1 in accordance with Section 444D(1) of the Act, all Deed Creditors; and

4.1.2 in accordance with Section 444G of the Act, the Company, its Officers and Members and the Deed Administrators.

4.2 Restrictions on Persons Bound by this Deed

During the Deed Period, without the Deed Administrators' prior written consent, a Deed Creditor shall not in relation to its Claim:

4.2.1 make an application for an order to wind up the Company;

4.2.2 proceed with any such application made before this Deed became binding on the Deed Creditor;

4.2.3 begin or continue any proceeding against the Company or in relation to any of its property except with the leave of the Court and in accordance with such terms (if any) as the Court imposes;

4.2.4 begin or continue with any Enforcement Process in relation to the property of the Company except with leave of the Court and in accordance with such terms (if any) as the Court imposes;

4.2.5 take any action whatsoever to seek to recover any part of its Claim other than pursuant to the Deed; or

4.2.6 commence or take any further step in any arbitration against the Company or to which the Company is a party.

4.3 Deed Administrators Not Liable

The Deed Administrators are not liable to an action or other proceeding for damages in respect of a refusal to give an approval or consent for the purposes of this moratorium.

4.4 No Effect on Rights of Secured Creditors

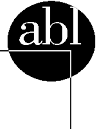
Nothing in the Deed shall affect in any way and at any time the rights of the Secured Creditors in relation to the enforcement of their Securities during the Deed Period or their interests in the assets of the Company over which they have Security.

4.5 No Effect on Rights of Deed Administrators to Limit Secured Creditors

Nothing in the Deed shall affect in any way the Deed Administrators' rights to limit the Secured Creditors in relation to the enforcement of their Securities or their interests in the assets of the Company over which they have Security.

4.6 ~~No Release~~

~~The Deed does not release the Company from any Claims, except to the extent (if any) provided for in any subsequent variation to the Deed which may be approved by Deed Creditors at a meeting of creditors convened under Section 445F of the Act (as contemplated by Clause 18.4)~~.



5 DEED ADMINISTRATORS

5.1 Acceptance of Appointment

The Deed Administrators:

5.1.1 accept the appointment as administrators of the Deed; and

5.1.2 agree to act as administrators of the Deed during the Deed Period or until the Deed Administrators retire or are removed from office in accordance with the Deed or the Act.

5.2 Role of Deed Administrators

The Deed shall be administered by the Deed Administrators who shall have the powers, functions and duties conferred on them by this Deed and the Act. Without limiting the foregoing, during the Deed Period, the Deed Administrators:

5.2.1 have control of the Company's business, property and affairs;

5.2.2 may carry on that business and manage that property and those affairs;

5.2.3 may terminate or dispose of all or part of that business and may dispose of any of that property or any other; and

5.2.4 may perform any function and exercise any power that the Company or any of its Officers could perform or exercise if the Company were not subject to the Deed;

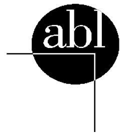
5.2.5 may sell or dispose of shares in the Company; and

5.2.6 may transfer assets or novate liabilities from the Company to another Ansett Group Company (or vice versa) for the purpose of maximising the proceeds of sale of the Company's assets or for maximising the return to Deed Creditors.; and

5.2.7 will effect Pooling.

6 DEED ADMINISTRATORS ACT AS COMPANY'S AGENT

In performing the functions or exercising the powers conferred by the Deed, and carrying out the duties arising under the Deed, the Deed Administrators shall act as agent for and on behalf of the Company.



7 POWERS OF OTHER OFFICERS SUSPENDED

7.1 No Exercise of Power as Officer of Company Without Consent

While the Company is subject to the Deed, a person (other than the Deed Administrators) cannot perform or exercise and must not purport to perform or exercise a function or power as an Officer of the Company except with the Deed Administrators' prior written approval.

7.2 No Resolutions by Company's Directors Without Consent

For the avoidance of doubt, the directors of the Company shall not pass a resolution to place the Company into voluntary administration or take any step to wind it up except with the Deed Administrators' prior written approval.

8 DEED ADMINISTRATORS MAY INVESTIGATE AFFAIRS

The Deed Administrators may investigate the Company's business, property, affairs and financial circumstances and may report the results of their investigations to ASIC and the Deed Creditors.

9 DEED ADMINISTRATORS' RIGHT TO COMPANY'S BOOKS

9.1 Deed Administrators' Rights to Company's Books

A person is not entitled as against the Deed Administrators:

9.1.1 to obtain possession of books of the Company; or

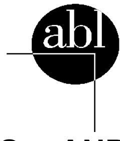
9.1.2 to claim or enforce a lien on such books, but such a lien is not otherwise prejudiced.

9.2 Secured Creditors' and Secured Finance Lease Creditors' Rights to Records

Notwithstanding the effect of Clause 9.1, a Secured Creditor or a Secured Finance Lease Creditor is entitled as against the Deed Administrators to possession of all the technical records for an aircraft, engine or part that is the subject of such Secured Creditor's or Secured Finance Lease Creditor's Security upon enforcement of that Security.

10 TRANSFER OF SHARES

During the Deed Period, a Member shall not transfer any shares owned by it in the Company except with the Deed Administrators' prior written approval.



11 ACKNOWLEDGMENTS AND AGREEMENTS OF OWNERS AND LESSORS

11.1 Acknowledgements

Each Owner and Lessor bound by the Deed acknowledges and agrees that:

11.1.1 the Voluntary Administrators have not, during the Voluntary Administration Period or prior to or as at the Effective Date, adopted, ratified or become liable to the Lessors under any Lease with the Lessors;

11.1.2 the Deed Administrators shall not adopt, ratify or become liable to the Lessors under any Lease with the Lessors; and

11.1.3 it shall use its best endeavours to mitigate any loss and damage suffered by it.

11.2 Voluntary Administrators Not Personally Bound

11.2.1 The Voluntary Administrators have not ratified, adopted or in any other manner become bound under, or become liable to any Lessor under, any Lease by virtue of:

11.2.1.1 any discussions or correspondence they may have had or entered into with any Lessor; or

11.2.1.2 the use, occupation or possession of any Premises or Equipment by the Company,

during the Voluntary Administration Period or prior to or as at the Effective Date.

11.2.2 For the avoidance of doubt, nothing in Clause 11.2.1 is intended to avoid the Voluntary Administrators' liability under Sections 443A or 443B of the Act for the payment of rent or other amounts payable in respect of a Lease.

11.3 Owners and Lessors

The Deed does not affect a possessory right that an Owner or Lessor of Real Property has in relation to that Real Property except so far as:

11.3.1 the Court grants any equitable relief;

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11.3.2 the Deed so provides in relation to that Owner or Lessor who voted in favour of the Section 439C Resolution; or

11.3.3 a Court orders under Section 444F(4) of the Act or otherwise.

11.4 Deed Administrators Rights Not Limited

Nothing in the Deed affects or limits in any way or at any time the rights of the Deed Administrators to:

11.4.1 oppose any attempt by a Secured Creditor, Owner or Lessor to enforce, realise or otherwise deal with its Security, Real Property or property as the case may be, at common law or under the Act; or

11.4.2 to seek relief from the Court pursuant to Section 444F of the Act or otherwise.

12 SALE AND REALISATION OF ASSETS

12.1 Sale at Best Price Reasonably Obtainable

The Deed Administrators shall take reasonable care and endeavour to sell or otherwise realise all property, assets and rights of the Company for the best price that is reasonably obtainable having regard to Section 442C of the Act and the circumstances existing when those assets are sold and having regard to the diminution of the Company's liabilities in general and a reduction of payments to Participating Creditors in particular.

12.2 Further Assurances

The Company and each person bound by the Deed shall do all things and sign all documents required by the Deed Administrators to effect, ratify and perfect any transfer of assets and liabilities of the Company.

12.3 No Disposal of Fixed Charge Assets or Floating Charge Assets Without Prior Consent

The Deed Administrators and the Company shall not sell or dispose of:

12.3.1 Fixed Charge Assets without the prior consent of the Secured Creditor who holds the relevant fixed charge; or

12.3.2 Floating Charge Assets without the prior consent of the Secured Creditor who holds the relevant floating charge other than in the ordinary course of business.

For the purposes of the Deed, the Deed Administrators and the Company acknowledge that a sale of any part of the business of the Company to a third party purchaser is not a sale in the ordinary course of the Company's business.

13 POOLING ~~POSSIBLE POOLING~~

All persons bound by the Deed acknowledge that:

13.1 Obligation to take Reasonable Steps to Pool

The Voluntary Administrators ~~are~~ were required, pursuant to the terms of the Air New Zealand MOU and the SEESA Deed, to take all reasonable steps to propose and recommend that each Ansett Group Company shall seek to pool all of the assets and liabilities of the Ansett Group, so that all Ansett Group Companies are treated as one company; and

13.2 Pooling Meetings ~~of Deed Creditors~~

The Deed Administrators ~~shall convene~~ convened the Pooling Meetings, at which the Pooling Resolutions were carried.~~a further meeting of Deed Creditors to consider a variation to the Deed which shall include a regime for the pooling of all assets and liabilities.~~

13.3 Deed Administrators will effect Pooling

As a result of the carriage of the Pooling Resolutions the Deed Administrators will effect Pooling.

14 ~~PROOFS OF DEBT - ASCERTAINMENT OF CLAIMS~~

~~The rules and mechanisms to be applied to proofs of debt and the ascertainment of Claims shall be similar to the rules and mechanisms for such things prescribed by the Act in the context of the liquidation of a company, amended or adjusted as appropriate to make the process as cost effective as possible.~~

15 RETENTION OF TITLE CLAIMS

15.1 Provisions of this Clause to Apply

15.1.1 The provisions of this Clause apply to the determination of ROT Claims and ROT Claim Amounts.

15.1.2 Notwithstanding any other provisions in this Clause 15, the Deed Administrators may in their sole and absolute discretions resolve any ROT Claims as they see fit provided that it is in the commercial interest of the Company for the Deed Administrators to do so.

15.1.3 Nothing in the Deed affects or limits in anyway the right or rights of the Deed Administrators to oppose any attempt by a ROT Creditor to enforce, realise or otherwise deal with its property at common law or under the Act or to seek relief from the Court pursuant to Section 444F of the Act.

15.2 Advertisement

15.2.1 After the Effective Date the Deed Administrators may, if they deem it necessary to do so, advertise once in newspapers circulating generally in each State and Territory of Australia and on the Administrators' Website requiring each person claiming to have a ROT Claim to deliver to the Deed Administrators within seven days of the date of the advertisement a notice in writing of that person's ROT Claim (the "ROT Notice"). The ROT Notice shall contain particulars of the ROT Claim and the estimated ROT Claim Amount, including a statement of account and shall specify the documents by which that statement can be substantiated, and the person shall bear all costs and expenses incurred by it in relation to the ROT Notice.

15.2.2 If a person does not deliver to the Deed Administrators a ROT Notice prior to the expiration of the period specified in the advertisement referred to in Clause 15.2.1, that person shall forever be barred from asserting a ROT Claim, but without prejudice to the right of that person to have a Claim;

15.2.3 Each person bound by this Deed acknowledges and agrees that the Deed Administrators may in their sole and absolute discretion determine that:

15.2.3.1 the terms and conditions of a ROT Creditor's terms of trade are inconsistent with retention of ownership or an interest in Goods by that ROT Creditor;

15.2.3.2 the terms and conditions of a ROT Creditor's terms of trade do not retain ownership or an interest in Goods by that ROT Creditor; or

15.2.3.3 a ROT Creditor has in its dealings with the Company acted inconsistently with retention of ownership or an interest by that ROT Creditor.

15.3 Evidence

Each ROT Creditor shall provide the Deed Administrators with such evidence or information in support of its ROT Claim and its ROT Claim Amount as the Deed Administrators may reasonably require, and each ROT Creditor shall be responsible for obtaining all such evidence and information and shall bear all costs and expenses incurred by it in doing so. The Deed Administrators may provide each ROT Creditor with such information as the ROT Creditor may reasonably require in relation to its ROT Claim and ROT Claim Amount, provided such information is readily available to the Deed Administrators.

15.4 Opinion on Validity

The Deed Administrators shall form an opinion on the admissibility and validity of the ROT Claim and the extent of the Priority ROT Amount of each ROT Creditor to the extent they are able to do so, and in seeking to form that opinion the Deed Administrators shall have regard to the appropriate principles of law.

15.5 Notification of ROT Claim Amount

The Deed Administrators shall (without prejudice to the Voluntary Administrators' and Deed Administrators' rights) notify each ROT Creditor in writing of the Deed Administrators' opinion on the ROT Claim and the Priority ROT Amount. The Deed Administrators' opinion on the validity of a ROT Claim and a Priority ROT Amount pursuant to this Clause is without prejudice to any rights of the Voluntary Administrators and Deed Administrators.

15.6 Dispute and Mediation

If a ROT Creditor disputes the Deed Administrators' opinion on the Priority ROT Amount, the ROT Creditor may, within fourteen days of being advised of the Deed Administrators' opinion on the Priority ROT Amount, give a notice in writing of dispute ("a ROT Dispute Notice") to the Deed Administrators, in which case the Deed Administrators and the ROT Creditor shall have the ROT Claim and

the Priority ROT Amount referred to mediation by a mediator agreed by the Deed Administrators and the ROT Creditor in an endeavour to resolve the dispute.

15.7 Mediation Conduct Agreement

Each ROT Creditor giving a ROT Dispute Notice ("a Disputing ROT Creditor") shall execute an agreement governing the conduct of the mediation process in the form provided by the Deed Administrators, and each Disputing ROT Creditor shall perform all obligations under and be bound by the provisions of that agreement. The Deed Administrators shall also execute an agreement in the form provided to Disputing ROT Creditors by the Deed Administrators in respect of each Disputing ROT Creditor and shall perform all obligations under and be bound by the provisions of those agreements.

15.8 Professional privilege

The principles of legal professional privilege shall apply to any mediation and be preserved for the benefit of the parties to the mediation, and no act or other conduct on the part of a party in the course of the mediation shall be taken as, or be asserted or relied upon by the other party to the mediation as being, a waiver of any legal professional privilege that would otherwise be available to the first party.

15.9 Mediation on without prejudice basis

All discussion and negotiation during the mediation shall be on a "without prejudice" basis unless such privilege is waived by the parties by agreement, either generally or in relation to any aspect, or agreement is reached. Neither of the parties to the mediation may refer in any subsequent proceedings to any such privileged discussions and negotiations or require the mediator to do so and no party may have access to any of the Mediator's notes or call the Mediator as a witness in any proceedings.

15.10 Mediation Resolving Dispute

If mediation results in an agreement being reached between the Deed Administrators and a Disputing ROT Creditor in respect of the ROT Claim and the Priority ROT Amount of the Disputing ROT Creditor, all persons bound by this Deed are bound by that agreement. If the agreement provides that the whole or any part of the ROT Claim is or is deemed to be valid in respect of a ROT Claim Amount, the valid portion shall constitute a Priority ROT Amount to be included as a Priority Creditor Amount. If the agreement provides that the whole or any part of the ROT Claim is

or is deemed to be invalid, the invalid part of the ROT Claim Amount shall rank as an ordinary unsecured Claim.

15.11 Mediation not resolving Dispute

If the Mediator declares that the mediation has not resolved the dispute the Deed Administrator shall be deemed to have not admitted the Disputing ROT Creditor's ROT Claim, and the Disputing ROT Creditor may apply to the Court for relief.

15.12 Distribution where no notice of dispute

If a ROT Creditor does not give a Dispute Notice to the Deed Administrator within the time provided in Clause 15.6, that ROT Creditor shall be bound by the Deed Administrators' opinion on the Priority ROT Amount of that ROT Creditor, and the balance owing to each ROT Creditor in respect of their ROT Claim shall rank as an ordinary unsecured Claim.

16 TOP UP RETRENCHMENT BENEFIT CLAIMS

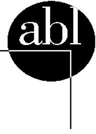
16.1 No Priority

16.1.1 All Top Up Retrenchment Benefit Claims by trustees of the Superannuation Funds shall be treated as ordinary unsecured Claims, and shall not constitute Priority Creditor Amounts for the purposes of this Deed, even if a court determines that all or any of such claims rank to priority in a liquidation of the Company.

16.1.2 For the avoidance of doubt, all persons bound by the Deed acknowledge that the provisions of Clauses 16.1.1 and 18.3 are intended to govern the treatment of Top Up Retrenchment Benefit Claims under the Deed, notwithstanding:

16.1.2.1 the provisions of the SEESA Deed, the SEESA Payments Deed and the terms of the Court's order in proceeding no. V3083 of 2001 (a copy of which is Exhibit 7); and

16.1.2.2 that a court may determine that Top Up Retrenchment Benefit Claims rank to priority in a winding up of the Company as referred to in Clause 16.1.1.



16.2 Deed Administrators' Consent

For the avoidance of doubt, the Deed Administrators consent to the Supreme Court of Victoria determining whether the provisions of Clause 16.1 are oppressive or unfairly prejudicial to, or unfairly discriminatory against, one or more creditors of the Company (in their capacity as Top Up Retrenchment Benefit Creditors) and should be severed from the Deed in accordance with Clause 29 or pursuant to Section 447A of the Act.

17 AIR NEW ZEALAND MOU

17.1 All parties bound by the Deed acknowledge that pursuant to the terms of Clause 18 of the Air New Zealand MOU, the Voluntary Administrators agreed as follows:

"18 The Voluntary Administrators will take all reasonable steps to propose and recommend (as the case may be) that each company in the Ansett Group enters into a Deed of Company Arrangement which will:

18.1 acknowledge and incorporate the terms of the Memorandum of Understanding or if in existence the Proposed Agreement; …"

17.2 All parties bound by the Deed acknowledge that:

17.2.1 the Deed incorporates by reference the releases of Air New Zealand and the Air New Zealand Directors in the same terms as the Air New Zealand MOU; and

17.2.2 in accordance with the Air New Zealand MOU, the Deed Administrators may, after the Deed is entered into, request the Air New Zealand Group to sign and deliver to the Deed Administrators a transfer in blank of all shares held by the Air New Zealand Group in the Ansett Group for nominal value together with the share scrip for those shares.

18 SPECIFIC REALISATIONS FOR THE COMPANY - PAYMENT OF CLAIMS AND POOLING OF THE COMPANY'S ASSETS AND CREDITOR CLAIMS INTO AAL

18.1 Funds for Distribution to Deed Creditors

Until such time as the transfers referred to in Clause 18.1A have been completed, theThe Company shall hold for its own benefit:

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18.1.1 the proceeds from the sale of any assets owned by it;

18.1.2 the refunds of stamp duty received on termination or surrender of any lease held by it; and

18.1.3 the proceeds from the realisation of any of its other Assets, including proceedings,

which shall constitute the **Distribution Amounts**.

18.1A Transfer of Distribution Amounts and all other Company Assets to AAL

The Deed Administrators will cause the Company to transfer all of its assets (including the Distribution Amounts) to AAL.

18.1B Consent to transfer of Assets

Each person bound by this Deed, in particular the Deed Creditors and AAL, consents to and will do all such things and execute all such documents required by the Deed Administrators to effect, ratify or perfect the transfer of assets to AAL referred to in Clause 18.1A.

18.1C Deed Creditors entitled to prove in administration of AAL

Each person bound by this Deed acknowledges the provisions of the AAL DOCA permitting each Deed Creditor (other than Excluded Creditors) to lodge in the administration of AAL a proof of debt in respect of their Claim for the same amount and with the same priority that the Claim would have enjoyed in the administration of the Company immediately prior to the passing of the Pooling Resolutions, subject only to the provisions of the AAL DOCA concerning Duplicated Claims.

18.1D Release and discharge of Claims

Each person bound by this Deed, upon completion of the transfers referred to in Clause 18.1A, irrevocably releases and discharges the Company and the Deed Administrators in their capacities as deed administrators of the Company from any and all liability whatsoever in relation to any Claim, including any liability arising in connection with the Company having provided a guarantee or indemnity or otherwise having become jointly or severally liable in relation to the obligations of any other Ansett Group Company.

18.1E Plea in bar

This Deed may be pleaded by the Company and the Deed Administrators in their capacities as deed administrators of the

Company in absolute bar to any demand, action, suit, claim or proceeding (including set offs, counterclaims, cross-claims and the like) in relation to any Claim.

18.2 Payment of Distribution Amounts

The Distribution Amounts shall be applied in payment of the Voluntary Administrators, the Deed Administrators and the Participating Creditors of the Company as follows:

18.2.1firstly, the Voluntary Administrators and the Deed Administrators in relation to any amounts owing to them and unpaid pursuant to the terms of the Deed, to the extent they would be afforded priority in a winding-up of the Company;

18.2.1secondly, the Secured Creditors of the Company, to the extent that their Security is valid;

18.2.1thirdly, Priority ROT Creditors of the Company in relation to their Priority ROT Amount;

18.2.1fourthly, in the order of priority set out in section 556:

18.2.1.1Employees of the Company;

18.2.1.1the SEESA Payer in accordance with the terms of the SEESA Deed and the SEESA Payments Deed;

18.2.1.1any trustee of a Superannuation Fund that is a Priority Creditor, to the extent of its Priority Creditor Amount (but, for the avoidance of doubt, excluding the amount of any Top Up Retrenchment Benefit Claim that trustee may have); and

18.2.1.1any other Participating Creditors of the Company entitled to a priority under section 556 of the Act as if the Company were to be wound up; and

18.2.1fifthly (but subject to Clause 18.12), other Participating Creditors of the Company (including Top Up Retrenchment Benefit Creditors to the extent of their Top Up Retrenchment Benefit Claims) on a pro rata basis,

in the amounts and on the dates determined by the Deed Administrators in their absolute discretion.

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18.3 Inconsistency with SEESA Deed or SEESA Payments Deed

For the avoidance of doubt, if there is any apparent inconsistency between the Deed and the SEESA Deed or the SEESA Payments Deed concerning the priority of repayment to the SEESA Payer, the terms of the SEESA Deed and the SEESA Payments Deed shall prevail to the extent of the inconsistency, and all persons bound by this Deed agree to sign all documents and do all things necessary to remove such inconsistency, the costs of which shall be borne by the Company, save that the SEESA Deed and the SEESA Payments Deed did not and were not intended to deal with any matter or thing other than the SEESA Payments in general and were not intended to and did not deal with the priority of the Top Up Retrenchment Benefit Claims.

18.4 ~~Meeting of Creditors~~

~~When the Deed Administrators have sold or otherwise realised sufficient assets so that they are able to make an accurate estimation of the amounts to be paid to Participating Creditors in accordance with the priority regime set out in Clause 18 and prior to the distribution of any money to Participating Creditors (other than Priority Creditors) in accordance with Clause 18.2.5, the Deed Administrators shall convene a meeting of creditors under Section 445F of the Act to consider:~~

~~18.4.1any proposed variation to the Deed, including the incorporation in the Deed of provisions for releasing Claims of Deed Creditors less their Entitlements and the pooling of assets and liabilities; or~~

~~18.4.1in the alternative, a resolution to terminate this Deed and wind up the Company.~~

~~For the purposes of such a meeting, the Deed Administrators shall advertise nationally and make available to the Deed Creditors on the Administrators' Website:~~

~~18.4.1particulars of the proposed variation; and~~

~~18.4.1such information which would be sent to Deed Creditors as if the meeting were a Second Meeting of Creditors under Section 439A of the Act.~~

18.5 ~~Further Meetings of Creditors~~

~~18.5.1Without limiting the operation of Clause 18.4, the Deed Administrators shall convene a further meeting of Deed~~

Creditors within six months of the date of the Reconvened Meeting.

18.5.2 At such meeting, and each and any subsequent meetings of creditors convened pursuant to Section 445F, the relevant notice of meeting shall (as an alternative to any other resolutions set out in the notice involving the continuation and/or variation of this Deed) set out a resolution requiring the termination of this Deed and the winding up of the Company.

18.6 Deed Administrators' Discretion

18.6.1 The Entitlement of a Deed Creditor shall be to payment of the portion of that Deed Creditor's Claim as the Deed Administrators in their absolute discretion determine that they are able to pay in accordance with Clauses 18.2.

18.6.2 No Deed Creditor shall be entitled to receive more than its Entitlement. If it does, it must repay any amount paid to it in excess of its Entitlement ("**Excess**") to the Deed Administrators as soon as practicable (but no later than 7 days) after becoming aware that the Excess has been paid to it.

18.7 Certificate Final and Binding

A certificate signed by the Deed Administrators that an amount paid by it to a Deed Creditor constitutes an Entitlement for the purposes of the Deed shall, in the absence of manifest error, be final and conclusive and binding on the Deed Creditor.

18.8 Unclaimed Distributions

The Entitlement of any Deed Creditor which remains unclaimed after a reasonable period of time (to be determined by the Deed Administrators), may be cancelled by the Deed Administrators and remitted to ASIC to be dealt with under Part 9.7 of the Act.

19 MANAGEMENT OF COMPANY

The Deed Administrators shall retain day-to-day management and control of the Company until the Termination Date to the exclusion of the Company's directors.

20 POWERS OF ADMINISTRATORS

20.1 General Powers

The Deed Administrators shall be entitled in their capacity as Deed Administrators or any other capacity to exercise all the rights, powers, privileges, authorities and discretions which are ordinarily exercised by or vest in a trustee of a fixed trust and which are conferred by the Company's constitution or otherwise by law on the Company's directors to the exclusion of the Company's directors, provided that the Deed Administrators shall not be responsible for such statutory obligations as may continue to be imposed on the directors of the Company during the Deed Period.

20.2 Specific Powers

Without limiting Clause 20.1, the Deed Administrators shall have the following powers:

20.2.1 the powers conferred on the Members of the Company to the exclusion of those Members;

20.2.2 the powers conferred on the directors of the Company to the exclusion of the directors of the Company;

20.2.3 all of the powers set out in paragraph 2 of Schedule 8A of the Regulations;

20.2.4 the power to alter share capital;

20.2.5 the power to issue shares;

20.2.6 the power to vary class rights attaching to shares;

20.2.7 the power to change the Company's name;

20.2.8 the power to factor the debts of the Company;

20.2.9 the power to reduce the Company's capital;

20.2.10 the power to alter the Company's constitution;

20.2.11 the power to convene meetings of Members of the Company;

20.2.12 the power to resolve any dispute of any nature commercially;

20.2.13 in relation to the property, assets and rights of the Company, all the powers of a natural person who is the

absolute and beneficial owner of such property, assets and rights, including (without limitation) the power to sell or otherwise realise any such property, assets or rights pursuant to a sale process conducted by the Deed Administrators;

20.2.14 the power to assign and transfer property, assets and rights, and novate liabilities, of the Company to another Ansett Group Company for the purpose of maximising the sale of assets or for maximising the return to Deed Creditors;

20.2.15 the power to accept and take an assignment or transfer of property, assets and rights and to accept novation of liabilities from another Ansett Group Company;

20.2.16 the power to control the Company's business, property and affairs;

20.2.17 the power to carry on that business and manage that property and those affairs;

20.2.18 the power to terminate or dispose of all or part of that business and may dispose of any of that property or any other; and

20.2.19 the power to perform any function and exercise any power that the Company or any of its Officers could perform or exercise if the Company were not subject to the Deed;

20.2.20 the power to sell or dispose of shares in the Company; and

20.2.21 the power to agree to incur and treat a payment obligation arising during the Deed Period in relation to the administration of the Deed, or the Deed Administrators acting as Deed Administrators, including for services rendered, goods bought or property hired, leased, used or occupied by or on behalf of, or in the possession of, the Company, as falling within the indemnity contained in Clause 24.1.

20.3 Power of Sale

In exercising any power of sale, the Deed Administrators must have regard to Section 442C of the Act and take reasonable care and endeavour to sell the relevant asset for the best price that is reasonably obtainable, having regard to the circumstances existing

when the asset is sold and having regard to the diminution of the Company's liabilities in general and any reduction in payments to Participating Creditors in particular.

20.4 Power to Engage Solicitors and Consultants

The Deed Administrators shall have power to engage solicitors and consultants, and the Company or AAL shall pay all costs of any solicitors and consultants engaged by the Deed Administrators.

20.5 Deed Administrators Acting as Company's Agent

During the Deed Period the Deed Administrators are acting as the agents of the Company and accept no personal liability for any acts, matters or omissions relating to things done or not done in that capacity.

21 TERMINATION OF DEED

21.1 Termination of the Deed Period

This Deed shall terminate on the Termination Date.

21.2 Termination of this Deed by Court Order and Creditors' Resolution

This Deed terminates:

21.2.1 upon Deed Creditors passing a resolution at a meeting of Deed Creditors to terminate the Deed;

21.2.2 when a Court makes an order under Section 445D of the Act; or

21.2.3 if the Company has paid all of the Deed Creditors' Entitlements, on the 14th day after the Deed Administrators have advertised notices of that fact once in newspapers circulating generally in each State and Territory of Australia and on the Administrators' Website,

whichever happens first.

21.3 Deed Administrators to call meeting of Deed Creditors

The Deed Administrators shall call a meeting of Deed Creditors (by advertising nationally and by posting on the Administrators' Websites) to consider termination of the Deed if:

21.3.1 the Deed Administrators consider (in their sole discretion) that it is no longer practicable or reasonable to continue to implement the Deed; or

21.3.2 an order is made by a Court requiring the Deed Administrators to call a meeting of Deed Creditors.

21.4 Previous operation of this Deed preserved

In accordance with Section 445H of the Act, the termination or avoidance, in whole or in part, of this Deed does not affect the previous operation of this Deed.

21.5 Deregistration

Each person bound by this Deed acknowledges that following Pooling the Deed Administrators intend to apply to ASIC to deregister the Company.

22 MEMBERS BOUND BY DEED

Members consent to the Deed and appoint the Deed Administrators as their proxies or attorneys to vote and pass resolutions to give effect to the terms of the Deed.

23 ADMINISTRATORS' REMUNERATION AND COSTS

23.1 Voluntary Administrators' Remuneration

The Voluntary Administrators shall be:

23.1.1 remunerated by the Company or AAL in respect of any work done by the Voluntary Administrators, and any partner or employee of the Voluntary Administrators acting on behalf of the Voluntary Administrators, in connection with the performance of their duties, obligations and responsibilities as administrators of the Company at the scale of rates charged from time to time for the provision of services during the period of the Company's administration or as otherwise agreed by the Committee of Creditors and the Voluntary Administrators; and

23.1.2 reimbursed by the Company or AAL in respect of all costs, fees and expenses incurred in connection with the performance of their duties, obligations and responsibilities as administrator of the Company.

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23.2 Deed Administrators' Remuneration

The Deed Administrators shall be:

23.2.1 remunerated by the Company or AAL in respect of any work done by the Deed Administrators, and any partner or employee of the Deed Administrators acting on behalf of the Deed Administrators, in connection with the performance of their duties, obligations and responsibilities under the Deed at the scale of rates charged from time to time for the provision of services during the period of the Company's administration or such greater sum as agreed by the Committee of Creditors and the Deed Administrators pursuant to Clause 25.2.4; and

23.2.2 reimbursed by the Company or AAL in respect of all costs, fees and expenses incurred in connection with the performance of their duties, obligations and responsibilities under this Deed.

24 VOLUNTARY AND DEED ADMINISTRATORS' INDEMNITY

24.1 Indemnity

The Voluntary Administrators and the Deed Administrators shall be indemnified out of the assets of the Company and AAL for:

24.1.1 all loss and damage suffered by them as a consequence of or arising out of the Company or AAL failing to comply with its obligations under Clauses 23.1 and 23.2;

24.1.2 all debts payable, liabilities incurred by and claims against the Voluntary Administrators (present or future, certain or contingent, ascertained or sounding only in damages) in relation to the administration of the Company, including any amounts payable by the Voluntary Administrators by virtue of Section 443A of the Act or by virtue of them having agreed to treat a payment obligation as if it were a debt arising under Section 443A of the Act; and

24.1.3 all debts payable, liabilities incurred by and claims against the Deed Administrators (present or future, certain or contingent, ascertained or sounding only in damages) in relation to the administration of the Deed or their acting as Deed Administrators, including any amounts held by a court to be or agreed or accepted by

the Deed Administrators as being payable by the Deed Administrators for services rendered, goods bought or property hired, leased, used or occupied by or on behalf of, or in the possession of, the Company; and

24.1.4 all other costs, expenses, losses and liabilities incurred or suffered by them in performing any of their functions, duties or obligations, or exercising any of their powers, under or in accordance the Act, any other applicable law, or the Deed in connection with their administration of the Company.

24.2 Indemnity Not Affected

The indemnity under Clause 24.1 shall not affect or prejudice any rights that the Voluntary Administrators or Deed Administrators may have against the Company, AAL or any other person to be indemnified against the costs, charges, expenses and liabilities incurred by the Voluntary Administrators or the Deed Administrators of or incidental to the exercise or performance of any of the powers or authorities conferred on the Voluntary Administrators or the Deed Administrators at law, by this Deed or otherwise.

24.3 Continuing Indemnity

Each indemnity in this Clause is a continuing indemnity and shall enure for the benefit of the Voluntary Administrators and the Deed Administrators' Legal Personal Representatives notwithstanding:

24.3.1 cessation of the Voluntary Administration Period or the Deed Period;

24.3.2 the termination of this Deed for any reason whatsoever; and

24.3.3 removal of the Deed Administrators and appointment of a new administrator of the Deed,

and shall not be affected or limited in any way by any defect or invalidity in the appointment of either the Voluntary Administrators or the Deed Administrators. The indemnity shall extend to cover all actions, suits, proceedings, accounts, liabilities, claims and demands arising out of any defect in the appointment of the Voluntary Administrators or the Deed Administrators or any defect in the approval or execution of this Deed or otherwise.

For the avoidance of doubt, the Voluntary Administrators and the Deed Administrators acknowledge that this Deed and any drafts of

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it published on the Administrators' Website does not and never did contain any provision indemnifying the solicitors for the Voluntary Administrators or the Deed Administrators.

24.4 Section 451C

All persons bound by this Deed acknowledge and agree that a payment made, transaction entered into or any other act or thing done in good faith by, or with the consent of, the Voluntary Administrators:

24.4.1 is valid and effectual for the purposes of the Act; and

24.4.2 is not liable to be set aside in a winding up of the Company.

25 COMMITTEE OF CREDITORS

25.1 Composition of Committee

25.1.1 There shall be a Committee of Deed Creditors comprising those persons elected to the committee of creditors at the meeting of creditors of the Company convened by the Voluntary Administrators pursuant to Section 436E save for the Air New Zealand and Qantas representatives and any other persons who have resigned or shall resign from the committee.

25.1.2 The representatives shall otherwise be selected from amongst the creditor groups by the Deed Administrators from those presently appointed to the committee of creditors who nominate themselves for such purpose.

25.2 Function

The function of the Committee shall be:

25.2.1 to consult with the Deed Administrators about matters relating to the administration;

25.2.2 to receive and consider reports by the Deed Administrators;

25.2.3 to fix and approve the Voluntary Administrators' remuneration in accordance with the order of the Court in proceeding no. V3065 of 2001 (a copy of which is attached as Exhibit 8); and

25.2.4 to consider and if appropriate agree with the Deed Administrators (as the case may be) to increase the Deed Administrators' remuneration.

25.3 No Directions to Deed Administrators

The Committee cannot give directions to the Deed Administrators.

25.4 Rules

The following rules apply to the Committee:

25.4.1 each member of the Committee must be a Deed Creditor, an attorney of a Deed Creditor or a person otherwise authorised in writing by a Deed Creditor to be a member of the Committee;

25.4.2 a Deed Creditor is not entitled to have more than one representative (including the Deed Creditor himself or herself, if a natural person) on the Committee;

25.4.3 minutes of all resolutions and proceedings of each meeting of the Committee shall be made and entered in books to be provided from time to time for that purpose by the Deed Administrators;

25.4.4 if the minutes of a meeting purport to be signed by the chairperson of the meeting, or by the chairperson of the next meeting of the Committee, the minutes are prima facie evidence of the matter contained in them;

25.4.5 unless the contrary is proved, the meeting is taken to have been properly convened and all proceedings taken at the meeting are taken to have been duly passed and taken; and

25.4.6 a corporation (being otherwise qualified for membership of the Committee) is entitled to be a member and may appoint a person to represent it on the Committee.

25.5 No remuneration for members of the Committee

25.5.1 A member of the Committee may be entitled to be reimbursed for the reasonable out of pocket expenses incurred by him or her in attending meetings of the Committee, as may be approved from time to time by the Committee in its absolute discretion, but shall not otherwise be entitled to claim or receive from the Company, the Deed Administrators or the Deed Creditors (other than, where applicable, the member's

appointer) any remuneration for acting as a member of the Committee and such reimbursement shall form part of the Deed Administrators' costs and expenses.

25.5.2 For the avoidance of doubt, the Deed Administrators acknowledge Clause 25.5.1, is intended to be and is an amplification of the outline of this Deed contained in the Section 439A(4) statement dated 15 March 2002, and expressly authorises the Deed Administrators if requested by the Committee to do so to reimburse to Committee members the cost of telephone calls into the conference facilities to be established in holding meetings of the Committee.

26 MEETINGS OF DEED CREDITORS

26.1 When Meeting may be Convened

The Deed Administrators:

26.1.1 may at any time convene a meeting of the Deed Creditors; and

26.1.2 shall convene a meeting of Deed Creditors if so requested in writing by creditors the value of whose claims against the Company is not less than ten percent (10%) of the value of all creditors' claims against the Company.

26.2 Voting at Meetings

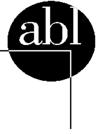
Deed Creditors shall be entitled to vote at these meetings on the same basis as if the meeting were a second meeting of creditors under Section 439A of the Act.

26.3 Concurrent Meetings

The Deed Creditors acknowledge that meetings of the creditors of the Company may be held concurrently with meetings of creditors of other Ansett Group Companies.

26.4 Notice of Meeting

Written notice shall not be sent by post to Deed Creditors of any further meetings. The Notice of Meeting shall be advertised in newspapers nationally and on the Administrators' Website.



26.5 Conduct of Meetings

Regulations 5.6.12 to 5.6.36A of the Regulations apply to meetings of Deed Creditors held under this Deed, as if references to “the Liquidator”, “the Liquidator or Provisional Liquidator”, “the Liquidator, Provisional Liquidator or Chairman” or “a Liquidator, Provisional Liquidator or Trustee for Debenture Holders”, as the case may be, were references to the Deed Administrators, and with such other modifications as are necessary to comply with the provisions of this Deed.

27 FORUM SHOPPING

All persons bound by the Deed agree that any application or proceedings concerning the Deed or a Claim shall only be made to or brought in the Court, unless otherwise agreed in writing by the Deed Administrators or unless the Court does not have jurisdiction to deal with such applications or proceedings.

28 JURISDICTION

This Deed shall be governed by and construed in accordance with the laws for the time being in force in the State of Victoria.

29 SEVERANCE

Any provision of the Deed which:

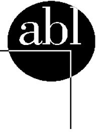
29.1 Court order – unfair prejudice

the Court determines to be oppressive or unfairly prejudicial, or unfairly discriminatory against, one or more creditors of the Company; or

29.2 General

is otherwise prohibited by or unlawful or unenforceable under any applicable law actually applied by any court of competent jurisdiction,

shall, to the extent permitted by the Court or such law, be severed from the Deed and rendered ineffective so far as is possible without modifying the remaining provisions of this Deed. Where, however, the provisions of any such applicable law referred to in Clause 29.2 may be waived, they are hereby waived by persons bound by the Deed to the full extent permitted by such law to enable the Deed to constitute a valid and binding obligation enforceable according to its terms.



30 REPORTING

Except as required by law, the Deed Administrators shall not be required to report to Deed Creditors. However, the Deed Administrators may, in their absolute discretion, report to Deed Creditors during the Deed Period at such times as the Deed Administrators consider appropriate and on matters which the Deed Administrators consider ought to be brought to the attention of Deed Creditors.

31 FURTHER ASSURANCES

All persons bound by this Deed shall exercise all such powers as are available to them do all such acts and things, sign execute and deliver all such documents and instruments and provide assistance and co-operation as may be reasonably required to give full effect to the provisions of the Deed.

32 LIQUIDATION

Where:

32.1 Section 445F Meeting

at a meeting convened under Section 445F of the Act the Deed Creditors pass a resolution terminating the Deed; and

32.2 No Proposed Resolution to Wind-up Required

whether or not the notice of that meeting set out a proposed resolution that the Company be wound up,

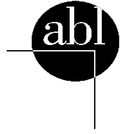
the Deed Creditors may also resolve at the meeting that the Company be wound-up.

33 SECTION 513C DAY

For the avoidance of doubt, if the Deed Creditors resolve to wind-up the Company, the winding up will be deemed to have begun or commenced on the date on which the administration of the Company began.

34 POWER OF ATTORNEY

The Company hereby irrevocably appoints the Deed Administrators its attorney to the exclusion of any Ansett Group Company to exercise or refrain from exercising (in the Deed Administrators' absolute discretion) any and all of the Company's rights or powers in relation to or in connection with its right, title and interest in all the property of the Company and the



Company shall make, do and provide all things and documents reasonably necessary to give proper effect to this Clause.

35 COMPANY NOT TO PROSECUTE

The Company agrees not to make any demand, issue any proceedings or otherwise prosecute any action or cause of action which any way relates directly or indirectly in relation to the property of the Company without the prior consent of the Deed Administrators.

36 APPLICATION TO COURT

36.1 Directions

The Deed Administrators may at any time apply to the Court for directions in relation to any particular matter arising under this Deed or about how Part 5.3A of the Act is to operate in relation to the Company.

36.2 Unforeseen Circumstances

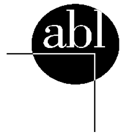
If any circumstances arise for which this Deed does not either expressly or by necessary implication make provision for, the Deed Administrators may in their sole and absolute discretion make such provision as they think fit for the purpose of effectuating this Deed, and they may if they think fit apply to the Court for directions.

37 VARIATION

The provisions of this Deed may be varied by Resolution passed at a meeting of Deed Creditors convened under Section 445F of the Act, but only if the variation is not materially different from a proposed variation set out in the notice of meeting.

38 WAIVER

The waiver by any of the persons bound by the Deed in respect of any breach by another person bound by the Deed of any of the provisions of the Deed shall not be deemed to be a waiver in respect of any other breach or of any subsequent similar breach by a person bound by the Deed and no delay or omission on the part of a person to exercise or avail itself of any rights accruing to it under the Deed shall operate as a waiver in respect of any default by another person under the Deed.



39 NOTICES

All notices, requests, demands, requisitions, approvals, elections, consents or other communications ("notices") required to be given or served to or upon any of the parties pursuant to or in connection with the Deed shall be in writing in the English language and shall be deemed to be duly given or made when delivered (in the case of facsimile provided confirmation of transmission has been received) to the party to which such notice is given or served at the address of such party as follows:

39.1 If to the Voluntary Administrators or the Deed Administrators:

Address: C/- Arnold Bloch Leibler

333 Collins Street, Melbourne, Victoria, Australia

Attention: Mr Leon Zwier

Facsimile: (03) 9229 9603

39.2 If to the Company:

Address: C/- Arnold Bloch Leibler

333 Collins Street, Melbourne, Victoria, Australia

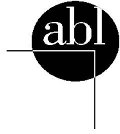
Attention: Mr Leon Zwier

Facsimile: (03) 9229 9603

or at such other address as the relevant party may hereafter specify for such purpose to the other parties by notice in writing. A written notice includes a notice by facsimile. Any notice given by facsimile on a day which is not a business day shall be deemed despatched on the next succeeding Business Day. Any such notice may be given or signed on behalf of the party giving or serving the same by a director, secretary or other duly authorised person thereof.

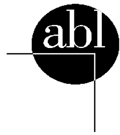
40 COUNTERPARTS

This Deed may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original and such counterparts together shall constitute one and the same instruction.



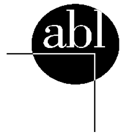
41 ACKNOWLEDGEMENT

Each Acknowledging Ansett Group Company acknowledges and agrees in favour of each other party that it will execute a deed of company arrangement in respect of itself in the same form (mutatis mutandis) as this Deed.



EXECUTED as a Deed.

SIGNED SEALED AND DELIVERED by **MARK FRANCIS XAVIER MENTHA** (Voluntary Administrator) in the presence of:	))))
	Witness Name of Witness (Print)
SIGNED SEALED AND DELIVERED by **MARK ANTHONY KORDA** (Voluntary Administrator) in the presence of:	)))
	Witness Name of Witness (Print)
SIGNED SEALED AND DELIVERED by **MARK FRANCIS XAVIER MENTHA** (Deed Administrator) in the presence of:	)))
	Witness Name of Witness (Print)

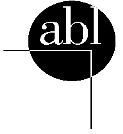


SIGNED SEALED AND DELIVERED by **MARK ANTHONY KORDA** (Deed Administrator) in the presence of:	))))
	Witness
	Name of Witness (Print)

EXECUTED for and on behalf of each company named in Part 1 of Schedule 1 by its administrators **MARK ANTHONY KORDA** and **MARK FRANCIS XAVIER MENTHA** in accordance with the Corporations Act in the presence of:	))…………………………………………..) **Mark Anthony Korda**)))…………………………………………...) **Mark Francis Xavier Mentha**)

Signature of Witness

Print name of Witness



Mark Francis Xavier Mentha
(Voluntary Administrator)

and

Mark Anthony Korda
(Voluntary Administrator)

and

Mark Francis Xavier Mentha
(Deed Administrator)

and

Mark Anthony Korda
(Deed Administrator)

and

Each Acknowledging Ansett Group Company

and

[Each Ansett Group Company
(each subject to a Deed of Company Arrangement)
other than Ansett Australia Limited
(subject to Deed of Company Arrangement)]
(Company)

Deed of Company Arrangement

Arnold Bloch Leibler
Ref: LZ:FEH: 01-1201846
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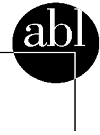

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