

Deeds of Company Arrangement

ION LIMITED (ADMINISTRATORS APPOINTED) ACN 009 106 272

And

CASTALLOY LIMITED (ADMINISTRATORS APPOINTED) ACN 007 528 583

And

**CASTALLOY MANUFACTURING PTY LTD (ADMINISTRATORS APPOINTED)
ACN 007 838 986**

And

CASTALLOY WHEELS PTY LTD (ADMINISTRATORS APPOINTED) ACN 007 894 984

And

**ION AUTOMOTIVE GROUP LIMITED (ADMINISTRATORS APPOINTED) ACN 104 279
156**

And

**ION LIGHT METAL CASTINGS PTY LTD (ADMINISTRATORS APPOINTED) ACN 104
930 181**

And

CORE CAST LTD (ADMINISTRATORS APPOINTED) ACN 097 447 660

And

**ION AUTOMOTIVE SYSTEMS PTY LTD (ADMINISTRATORS APPOINTED) ACN 104
930 109**

And

ION TRANSMISSIONS PTY LTD (ADMINISTRATORS APPOINTED) ACN 099 982 180

And

**XLS PTY LTD (ADMINISTRATORS APPOINTED) (formerly known as LIQUIP SALES
PTY LTD) ACN 001 595 222**

And

**XLSE PTY LTD (ADMINISTRATORS APPOINTED) (formerly known as LIQUIP
SERVICE PTY LTD) ACN 082 859 989**

And

**XLC PTY LTD (ADMINISTRATORS APPOINTED) (formerly known as LIQUIP CORP
PTY LTD) ACN 082 859 970**

And

**XLO PTY LTD (ADMINISTRATORS APPOINTED) (formerly known as LIQUIP
OVERSEAS PTY LTD) ACN 094 440 589**

And

**XLSV PTY LTD (ADMINISTRATORS APPOINTED) (formerly known as LIQUIP SALES
(VICT.) PTY LTD) ACN 005 691 761**

Deeds of Company Arrangement

Alens Arthur Robinson



And

**XST PTY LTD (ADMINISTRATORS APPOINTED)
(formerly known as STEVENSON TRANSPORT PTY
LTD) ACN 006 271 352**

And

**XCTS PTY LTD (ADMINISTRATORS APPOINTED)
(formerly known as COOTES TANKER SERVICE PTY
LTD) ACN 004 495 765**

And

**XCTA PTY LTD (ADMINISTRATORS APPOINTED)
(formerly known as COOTES TRANSPORT PTY LTD)
ACN 010 383 016**

And

**XIRC PTY LTD (ADMINISTRATORS APPOINTED)
(formerly known as I.R. COOTES PTY LTD) ACN 004 801
076**

And

ION AUTOMOTIVE (NEW ZEALAND) LIMITED

And

**COLIN McINTOSH NICOL, PETER McKENZIE
ANDERSON, ROBYN BEVERLEY McKERN, MURRAY
CAMPBELL SMITH, MICHAEL JOHN HILL, SAMUEL
CHARLES DAVIES**

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Deeds of Company Arrangement

Allens Arthur Robinson



Date 27 May 2005

Parties

1. **ION Limited (Administrators Appointed) ACN 009 106 272**
Castalloy Limited (Administrators Appointed) ACN 007 528 583
Castalloy Manufacturing Pty Ltd (Administrators Appointed) ACN 007838 986
Castalloy Wheels Pty Ltd (Administrators Appointed) ACN 007 894 984
ION Automotive Group Limited (Administrators Appointed) ACN 104 279 156
ION Light Metal Castings Pty Ltd (Administrators Appointed) ACN 104 930 181
Core Cast Ltd (Administrators Appointed) ACN 097 447 660
ION Automotive Systems Pty Ltd (Administrators Appointed) ACN 104 930 109
ION Transmissions Pty Ltd (Administrators Appointed) ACN 099 982 180
XLS Pty Ltd (Administrators Appointed) (formerly known as Liquip Sales Pty Ltd) ACN 001 595 222
XLSE Pty Ltd (Administrators Appointed) (formerly known as Liquip Service Pty Ltd) ACN 082 859 989
XLC Pty Ltd (Administrators Appointed) (formerly known as Liquip Corp Pty Ltd) ACN 082 859 970
XLO Pty Ltd (Administrators Appointed) (formerly known as Liquip Overseas Pty Ltd) ACN 094 440 589
XLSV Pty Ltd (Administrators Appointed) (formerly known as Liquip Sales (Vict.) Pty Ltd) ACN 005 691 761
XST Pty Ltd (Administrators Appointed) (formerly known as Stevenson Transport Pty Ltd) ACN 006 271 352
XCTS Pty Ltd (Administrators Appointed) (formerly known as Cootes Tanker Service Pty Ltd) ACN 004 495 765
XCTA Pty Ltd (Administrators Appointed) (formerly known as Cootes Transport Pty Ltd) ACN 010 383 016
XIRC Pty Ltd (Administrators Appointed) (formerly known as I.R. Cootes Pty Ltd) ACN 004 801 076
all C/- Level 1, 161 Collins Street, Melbourne.
2. **Colin McIntosh Nicol and Peter McKenzie Anderson of Level 1, 161 Collins Street, Melbourne, Victoria in their respective capacities as Voluntary Administrators and Deed Administrators of the ION Pooled Entities.**



3. **Robyn Beverley McKern** of Level 1, 161 Collins Street, Melbourne, Victoria in her capacity as Voluntary Administrator and Deed Administrator of XST Pty Ltd (Administrators Appointed) (formerly Stevenson Transport Pty Ltd), XCTS Pty Ltd (Administrators Appointed) (formerly Cootes Tanker Service Pty Ltd), XCTA Pty Ltd (Administrators Appointed) (formerly Cootes Transport Pty Ltd), XIRC Pty Ltd (Administrators Appointed) (formerly I.R. Cootes Pty Ltd), XLS Pty Ltd (Administrators Appointed) (formerly Liquip Sales Pty Ltd), XLSE Pty Ltd (Administrators Appointed) (formerly Liquip Service Pty Ltd), XLC Pty Ltd (Administrators Appointed) (formerly Liquip Corp Pty Ltd), XLO Pty Ltd (Administrators Appointed) (formerly Liquip Overseas Pty Ltd) and XLSV Pty Ltd (Administrators Appointed) (formerly Liquip Sales (Vict.) Pty Ltd)
4. **Murray Campbell Smith** of Level 1, 161 Collins Street, Melbourne, Victoria in his capacity as Voluntary Administrator of XST Pty Ltd (Administrators Appointed) (formerly Stevenson Transport Pty Ltd), XCTS Pty Ltd (Administrators Appointed) (formerly Cootes Tanker Service Pty Ltd), XCTA Pty Ltd (Administrators Appointed) (formerly Cootes Transport Pty Ltd), XIRC Pty Ltd (Administrators Appointed) (formerly I.R. Cootes Pty Ltd), XLS Pty Ltd (Administrators Appointed) (formerly Liquip Sales Pty Ltd), XLSE Pty Ltd (Administrators Appointed) (formerly Liquip Service Pty Ltd), XLC Pty Ltd (Administrators Appointed) (formerly Liquip Corp Pty Ltd), XLO Pty Ltd (Administrators Appointed) (formerly Liquip Overseas Pty Ltd) and XLSV Pty Ltd (Administrators Appointed) (formerly Liquip Sales (Vict.) Pty Ltd)
5. **Michael John Hill** of Level 1, 161 Collins Street, Melbourne, Victoria in his capacity as Voluntary Administrator and Deed Administrator of ION Automotive Systems Pty Ltd (Administrators Appointed) and ION Transmissions Pty Ltd (Administrators Appointed)
6. **Samuel Charles Davies** of Level 1, 161 Collins Street, Melbourne, Victoria in his capacity as Voluntary Administrator and Deed Administrator of Castalloy Limited (Administrators Appointed), Castalloy Manufacturing Pty Ltd (Administrators Appointed) and Castalloy Wheels Pty Ltd (Administrators Appointed)
7. **ION Automotive (New Zealand) Limited (AK 1141 404)** of 100 Plunket Avenue, Manukau City, Auckland, New Zealand

Recitals

- A On the Appointment Date, the Voluntary Administrators were appointed pursuant to section 436A of the Act to be administrators of some or all of the ION Pooled Entities for the purposes of Part 5.3A of the Act.
- B ION NZ is not in any form of external insolvency administration and has agreed to make certain contributions to form part of the Fund.
- C The ION Pooled Entities and ION NZ are parties to the Cross Guarantee.
- D The creditors voting at the Meetings on 6 May 2005 resolved that each of the ION Pooled Entities execute a deed of company arrangement substantially in the terms of the "Proposal for Deeds of Company Arrangement" attached as Appendix Y to the Voluntary Administrators' section 439A Report to creditors dated 15 April 2005.
- E The Deed Administrators consent to their respective appointments as Deed Administrators of this Deed.
- F This instrument records the terms of the deed of company arrangement of each ION Pooled Entity and each Share Sale Entity for the purposes of Part 5.3A of the Act and constitutes a deed of company arrangement for each ION Pooled Entity and each Share Sale Entity.

It is agreed as follows.

1. Definitions and interpretation

1.1 Definitions

The following definitions apply unless the context requires otherwise.

Act means the *Corporations Act 2001* (Cth).

Admitted Claim means, subject to Clause 12.10 of this Deed, a Deed Claim that is included in the Admitted List including any Deed Claim by an Employee which is not part of his or her Employee Entitlements.

Admitted Creditor means any person who has an Admitted Claim.



Admitted List means the list of Admitted Claims prepared by the Deed Administrators in accordance with Clause 12.

Appointment Date means 7 December 2004.

ASIC means the Australian Securities and Investments Commission.

Asserted Claim means a debt or a claim asserted by a person to be a Deed Claim and notified to the Deed Administrators in accordance with Clause 12.

Assumed Claim means a Claim assumed by ION Limited pursuant to Clause 22.1.

Assumed Employee Entitlements means ION Pool Employee Entitlements assumed by ION Limited pursuant to Clause 22.1.

Assumed ROT Claim means a ROT Pooled Entity Claim assumed by ION Limited pursuant to Clause 22.

Authorised Investment means:

- (a) deposits with any bank (as defined in the *Banking Act 1959* (Cth));
- (b) loans to any bank (as defined in the *Banking Act 1959* (Cth), or to any company in the ION Group;
- (c) debentures, unsecured notes, loan stock, bonds, promissory notes, certificates of deposit, interest bearing deposits, certificates of indebtedness and any other evidence of indebtedness issued by any body corporate, or by any governmental organisation, body or instrumentality, whether federal, state or territory;
- (d) the discount or purchase of bills of exchange, promissory notes or other negotiable instruments accepted, drawn or endorsed by any body corporate, or by any governmental organisation, body or instrumentality, whether federal, state or territory;
- (e) any investment of money on the security (whether by way of mortgage, sub-mortgage, charge, assignment or otherwise) of any Authorised Investment;
- (f) investments in which trustees are for the time being and from time to time authorised by the law of any state or territory of the Commonwealth of Australia to invest trust funds.

Bank means Commonwealth Bank of Australia, Westpac Banking Corporation, National Australia Bank Limited, BNP Paribas, Mizuho Corporate Bank, Ltd or Altona V6 Pty Limited.



Business Day means any day on which banks (as defined in the *Banking Act 1959* (Cth)) are open for normal banking business in Melbourne, excluding Saturdays and Sundays.

Claim means a debt owing by, or a claim subsisting against, an ION Pooled Entity (whether present or future, certain or contingent, ascertained or sounding only in damages), irrespective of whether the debt or claim arose by virtue of contract, at law (including by statute), in equity or otherwise, being a debt or claim which arose on or before 6 December 2004 and which would be admissible to proof against the ION Pooled Entity had that entity been wound up pursuant to Part 5.6 of the Act.

Commencing Date means the date of this Deed, being the date on which the last of the Parties to it has executed this Deed.

Committee means a committee of creditors formed in relation to an ION Pooled Entity at the Meeting of that entity.

Contribution Date means each 30 June occurring in the Deed Period.

Court means any court having jurisdiction to hear and determine matters under the Act.

Cross Guarantee means the Deed of Cross Guarantee dated 28 June 2001 entered into by certain of the ION Pooled Entities and approved by ASIC on 29 June 2001 and the Deeds of Assumption dated 27 June 2003 and 18 June 2004 pursuant to which the remainder of the ION Pooled Entities and ION NZ became parties to the Deed of Cross Guarantee.

Creditor means a person who has a Deed Claim (whether asserted or not).

Deed means the deed of company arrangement of the relevant ION Pooled Entity recorded in this instrument.

Deed Administrators means:

- (a) in respect of the deeds of company arrangement of ION Limited (Administrators Appointed), ION Automotive Group Limited (Administrators Appointed), ION Light Metal Castings Pty Ltd (Administrators Appointed) and Core Cast Ltd (Administrators Appointed) recorded in this instrument, Colin McIntosh Nicol and Peter McKenzie Anderson (or either of them), in their respective capacities as administrators of those deeds of company arrangement and any successor to that office appointed pursuant to the Act;



- (b) in respect of the deeds of company arrangement of XST Pty Ltd (Administrators Appointed) (formerly Stevenson Transport Pty Ltd), XCTS Pty Ltd (Administrators Appointed) (formerly Cootes Tanker Service Pty Ltd), XCTA Pty Ltd (Administrators Appointed) (formerly Cootes Transport Pty Ltd), XIRC Pty Ltd (Administrators Appointed) (formerly I.R. Cootes Pty Ltd), XLS Pty Ltd (Administrators Appointed) (formerly Liquip Sales Pty Ltd), XLSE Pty Ltd (Administrators Appointed) (formerly Liquip Service Pty Ltd), XLC Pty Ltd (Administrators Appointed) (formerly Liquip Corp Pty Ltd), XLO Pty Ltd (Administrators Appointed) (formerly Liquip Overseas Pty Ltd) and XLSV Pty Ltd (Administrators Appointed) (formerly Liquip Sales (Vict.) Pty Ltd) recorded in this instrument, Colin McIntosh Nicol, Peter McKenzie Anderson and Robyn Beverley McKern (or any of them), in their respective capacities as administrators of those deeds of company arrangement and any successor to that office appointed pursuant to the Act;
- (c) in respect of the deeds of company arrangement of ION Automotive Systems Pty Ltd (Administrators Appointed) and ION Transmissions Pty Ltd (Administrators Appointed) recorded in this instrument, Colin McIntosh Nicol, Peter McKenzie Anderson and Michael John Hill (or any of them), in their respective capacities as administrators of those deeds of company arrangement and any successor to that office appointed pursuant to the Act; and
- (d) in respect of the deeds of company arrangement of Castalloy Limited (Administrators Appointed), Castalloy Manufacturing Pty Ltd (Administrators Appointed) and Castalloy Wheels Pty Ltd (Administrators Appointed) recorded in this instrument, Colin McIntosh Nicol, Peter McKenzie Anderson and Samuel Charles Davies, in their respective capacities as administrators of those deeds of company arrangement and any successor to that office appointed pursuant to the Act.

Deed Claim means a Claim or an Assumed Claim.

Deed Liabilities means the amounts referred to in Clause 18.2 in respect of which the Deed Administrators are entitled to be reimbursed and remunerated.

Deed Period means the period commencing on the Commencing Date and ending on the Termination Date.

Director means a director, as defined by section 9 of the Act, of any ION Pooled Entity.

Employee means a person who is or was an employee of an ION Pooled Entity or a Share Sale Entity and who has a Deed Claim.

Employee Entitlements means ION Pool Employee Entitlements and Assumed Employee Entitlements.

Enforcement Process in relation to Property means execution against the Property or any other enforcement process in relation to that Property which involves a court or sheriff.

Entitlement means, to the extent of available funds, the right of an Admitted Creditor (after payment of Voluntary Administration Liabilities, Deed Liabilities and Employee Entitlements) to share on a proportionate basis with each other Admitted Creditor in the proceeds of the Fund.

Excluded Creditor means each of the ION Pooled Entities and any Share Sale Entity.

Fund means the fund established in accordance with Clause 11.

Fund Income means the income accrued as a result of investing the proceeds of the Fund pursuant to Clause 11.5.

Funding Orders means the orders made by His Honour Justice Finklestein in Federal Court proceeding number VID22 of 2005 on 12 January 2005 (as varied by further order made 15 February 2005) and on 15 February 2005.

Goods means goods in the possession or under the control of the relevant ION Pooled Entity at the Appointment Date.

GST has the meaning given in section 195-1 of the *A New Tax System (Goods and Services Tax) Act 1999* (Cth).

ION Group means, collectively, all of the ION Pooled Entities and all of the companies named in Part 2 of Schedule 1.

ION Limited means ION Limited (Administrators Appointed) ACN 009 106 272.

ION NZ means, ION Automotive (New Zealand) Limited company number AK 1141 404.

ION NZ Contribution means the amounts paid to the Deed Administrators by ION NZ pursuant to Clause 5.

ION Pool Employee Entitlements means any right or entitlement of any Employee which that Employee would be entitled to prove in priority as a debt or claim against an ION Pooled Entity pursuant to section 556 had that entity been wound up pursuant to Part 5.6 of the Act.

ION Pooled Entities means, collectively, all the companies named in Part 1 of Schedule 1 but if any such entity becomes a Share Sale Entity, then, **ION Pooled Entities** means, collectively, all the companies in Part 1 of Schedule 1 other than a Share Sale Entity.

ION Pooled Entity means any of the ION Pooled Entities.

Lessor means any person who is the legal or beneficial owner of Property at the Appointment Date.

Meeting means the meeting of creditors of each of the ION Pooled Entities convened pursuant to section 439A of the Act and held on 6 May 2005.

Net Income means the Fund Income accrued over the period to each respective Contribution Date in the Deed Period, less a reasonable estimate of tax that has or will be payable by ION Limited as a consequence of deriving the Fund Income in that period.

Net Realisable Value means, in respect of an asset, the amount for which that asset may be sold or otherwise realised or got in, for the best price available at that time, less the costs, if any, of selling, realising or getting in that asset.

NZ Cash means, at any time, cash held by ION NZ at that time, including amounts held on deposit with a bank or other financial institution.

NZ Cash Requirement means, at any time, the amount of NZ Cash which ION NZ considers (acting reasonably) that it requires as at that time to ensure that ION NZ is able to meet the NZ Liabilities (other than the NZ Residual Debt) as and when they fall due.

NZ Liabilities means debts or liabilities of ION NZ of any kind, including those which are prospective or contingent and those the amount of which is not ascertained.

NZ Residual Debt means all NZ Liabilities:

- (a) to the Banks;
- (b) to any other member of the ION Group (other than an ION Pooled Entity) where the NZ Liability arose on or before 6 December 2004;
- (c) any amount owed by ION NZ pursuant to Clause 5.3 of this Deed; and
- (d) any amount owed by ION NZ as a guarantor under the Cross Guarantee.

NZ Subordination Deeds means:

- (a) the Deed entitled 'Subordination Deed No. 1' to be entered into between the Banks, ION Holdings (NZ) Ltd, ION Holdings Pty Ltd (In liquidation), the Deed Administrators and ION NZ;
- (b) the Deed entitled 'Subordination Deed No. 2' to be entered into between the Deed Administrators and ION NZ; and
- (c) the Deed entitled 'Subordination Deed No. 3' to be entered into between the ION Pooled Entities and ION NZ.

Officer means an officer as defined by section 9 and includes present and former officers.

Owner means any person who is the legal or beneficial owner of Property at the Appointment Date.

Property means any legal or equitable estate or interest (whether present or future and whether vested or contingent) in real or personal property of any description, including intellectual property and a chose or thing in action, and any real or personal property owned, used or occupied by or in the possession of an ION Pooled Entity.

Regulations means the Corporations Regulations 2001.

Resolution means a resolution passed at a meeting of creditors of an ION Pooled Entity convened in accordance with this Deed or in accordance with the Act.

ROT Claim means a ROT Pooled Entity Claim or an Assumed ROT Claim.

ROT Closing Date means the date not more than 14 days after the date of the advertisement referred to in Clause 8.1.

ROT Creditor means a person who asserts a ROT Claim to the Voluntary Administrators or the Deed Administrators.

ROT Pooled Entity Claim means an unresolved and continuing claim by a person that, pursuant to the terms of trade by which the person traded with an ION Pooled Entity and supplied Goods to it:

- (a) the person retained an interest in, or ownership of, the Goods (or some of them);
- (b) in respect of those Goods, the person has not acted inconsistently with the retention of title provisions contained in the terms of trade; and

- (c) at the Commencing Date, the Goods have not been returned to the person.

Section 439C Resolution means in relation to each ION Pooled Entity, the resolution of creditors passed at the relevant Meeting that the ION Pooled Entity execute a deed of company arrangement substantially in the terms of the "Proposal for Deeds of Company Arrangement" attached as Appendix Y to the Voluntary Administrators' section 439A Report to creditors dated 15 April 2005.

Secured Creditor means any person with the benefit of a Security at the Commencing Date over all or any Property of an ION Pooled Entity securing all or any part of its Claim.

Security means any mortgage, pledge, charge, lien or hypothecation which secures the payment of any debt or monetary liability or the performance of any obligation.

Share Sale Entity means any ION Pooled Entity all the issued shares in which have been transferred after the Commencing Date to a person other than another ION Pooled Entity.

Taxable Supply has the meaning given in section 195-1 of the *A New Tax System (Goods and Services Tax) Act 1999* (Cth).

Termination Date means the date by which the deeds of company arrangement of all ION Pooled Entities recorded in this instrument terminate.

Voluntary Administration Liabilities includes:

- (a) expenses properly incurred by the Voluntary Administrators in preserving, realising or getting in Property or in carrying on the business of an ION Pooled Entity or a Share Sale Entity and any other expenses properly incurred by the Voluntary Administrators in relation to the administration of an ION Pooled Entity or a Share Sale Entity, including deferred expenses (as defined in section 556(2) of the Act);
- (b) debts payable 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 an ION Pooled Entity or a Share Sale Entity, being debts or claims the circumstances giving rise to which occurred during the Voluntary Administration Period; and
- (c) otherwise, any debts or remuneration to which the statutory indemnity under section 443D applies (as that section applies to each ION Pooled Entity and each Share Sale Entity by reason of the Funding Orders) or in

respect of which the Voluntary Administrators would be entitled to exercise a lien over the Property.

Voluntary Administration Period means the period commencing on the Appointment Date and ending on the Commencing Date.

Voluntary Administrators means:

- (a) Colin McIntosh Nicol and Peter McKenzie Anderson (or either of them) in their respective capacities as voluntary administrators of each of the ION Pooled Entities;
- (b) Robyn Beverley McKern and Murray Campbell Smith (or either of them) in their respective capacities as voluntary administrators of XST Pty Ltd (Administrators Appointed) (formerly Stevenson Transport Pty Ltd), XCTS Pty Ltd (Administrators Appointed) (formerly Cootes Tanker Service Pty Ltd), XCTA Pty Ltd (Administrators Appointed) (formerly Cootes Transport Pty Ltd), XIRC Pty Ltd (Administrators Appointed) (formerly I.R. Cootes Pty Ltd), XLS Pty Ltd (Administrators Appointed) (formerly Liquip Sales Pty Ltd), XLSE Pty Ltd (Administrators Appointed) (formerly Liquip Service Pty Ltd), XLC Pty Ltd (Administrators Appointed) (formerly Liquip Corp Pty Ltd), XLO Pty Ltd (Administrators Appointed) (formerly Liquip Overseas Pty Ltd) and XLSV Pty Ltd (Administrators Appointed) (formerly Liquip Sales (Vict.) Pty Ltd);
- (c) Michael John Hill in his capacity as voluntary administrator of ION Automotive Systems Pty Ltd (Administrators Appointed) and ION Transmissions Pty Ltd (Administrators Appointed); and
- (d) Samuel Charles Davies in his capacity as voluntary administrator of Castalloy Limited (Administrators Appointed), Castalloy Manufacturing Pty Ltd (Administrators Appointed) and Castalloy Wheels Pty Ltd (Administrators Appointed);

or any one or more of them.

1.2 Interpretation

In this Deed:

- (a) a reference to an entity is a reference to that entity in its own right and in its capacity as trustee of any trust;
- (b) words importing the singular will (where appropriate) include the plural and vice versa;

- (c) words importing any one gender will (where appropriate) include the other gender and vice versa;
- (d) if a word or phrase is defined, its other grammatical forms have a corresponding meaning;
- (e) words importing natural persons will (where appropriate) include corporations, firms, unincorporated associations, partnerships, trusts and any other entities recognised by law and vice versa;
- (f) words "*written*" and "*in writing*" include any means of visible reproduction of words in a tangible and permanently visible form;
- (g) headings are for convenience of reference only and will not affect the meaning or interpretation of this Deed;
- (h) references to any statutory enactment or law will 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;
- (i) references to Parts, Clauses, paragraphs and Schedules will be construed as references to the Parts, Clauses, paragraphs and Schedules of and to this Deed;
- (j) unless otherwise stated, references to sections will be construed as references to sections of the Act and references to Regulations will be construed as references to the Corporations Regulations 2001;
- (k) references to an "*agreement*" include any undertaking, deed, agreement and legally enforceable arrangement, whether or not in writing;
- (l) references to an agreement or document (including a reference to this Deed) are to the agreement or document as amended, substituted, novated, supplemented, varied or replaced;
- (m) references to the rights or obligations of two or more persons under this Deed will be interpreted as entitling or obliging them jointly and severally;
- (n) the meaning of general words is not limited by specific examples introduced by "*including*", "*for example*" or similar expressions;
- (o) a construction that would promote the purpose or object underlying this Deed (whether or not stated in this Deed) is to be preferred to a construction that would not promote that purpose or object;

- (p) no rule of construction applies to the disadvantage of a party to this Deed because that party was responsible for the preparation of this Deed or any part of it; and
- (q) a reference to "\$" is to Australian currency.

1.3 Exclusion of prescribed provisions

Except as expressly included in this Deed, each prescribed provision contained in Schedule 8A to the Regulations is expressly excluded from this Deed.

2. Commencement of this Deed

This Deed will take effect on the Commencing Date.

3. Moratorium created by this Deed

3.1 Deed binds all persons

Subject to the rights of any Secured Creditor referred to in Clause 6 or the rights of any Owner or Lessor referred to in Clause 7, this Deed binds:

- (a) in accordance with section 444D, all Creditors; and
- (b) in accordance with section 444G, the ION Pooled Entities, their Officers and members and the Deed Administrators.

3.2 Restrictions on persons bound by this Deed

During the Deed Period the ION Pooled Entities, the Deed Administrators, a Creditor and any other person bound by this Deed must not (as the case may be):

- (a) make, or concur in the making of, an application for an order to wind up an ION Pooled Entity;
- (b) proceed with, or concur in proceeding with, any such application made before this Deed became binding on the person;
- (c) in the case of a Creditor, exercise any right of set-off or cross-claim to which a Creditor would not have been entitled had the relevant ION Pooled Entity been wound up at the Appointment Date;



- (d) commence or take any further step in any arbitration against an ION Pooled Entity, or to which an ION Pooled Entity is a party;
- (e) begin or continue with any proceeding against an ION Pooled Entity or in relation to any of its Property;
- (f) begin or continue with any Enforcement Process against an ION Pooled Entity in relation to its Property; or
- (g) take any other step whatsoever to recover a Deed Claim;

except, in the case of paragraphs (e) and (f) with leave of the Court and in accordance with such terms (if any) as the Court imposes.

4. Orderly realisation of assets

During the Deed Period, the Deed Administrators will, having regard to any action taken by any Secured Creditor referred to in Clause 6 or by any Owner or Lessor referred to in Clause 7, endeavour to sell or otherwise realise such of the Property of the relevant ION Pooled Entity which, at the Commencing Date, has not already been sold or otherwise realised, on such terms as to price, manner and timing of sale or realisation as the Deed Administrators in their absolute discretion determine is in the interests of Creditors and, in respect of a sale or realisation which is considered by the Deed Administrators (acting reasonably) to be significant, following consultation with the Committee of the relevant ION Pooled Entity.

5. Contribution by ION NZ

5.1 Obligations conditional

The obligations in Clauses 5.2 and 5.3 are conditional upon the execution of the NZ Subordination Deeds by all parties to those deeds.

5.2 Payments while ION NZ conducts a business

- (a) Clause 5.2(b) applies for so long as:
 - (i) ION NZ continues to be a subsidiary of ION Limited;
 - (ii) ION NZ continues to conduct a business;
 - (iii) ION NZ has not received a notice under clause 2.6 of any of the NZ Subordination Deeds; and

- (iv) the event described in paragraph (f) of the definition of Satisfaction Date in the NZ Subordination Deeds has not occurred.
- (b) If at any time ION NZ holds NZ Cash which at that time is surplus to the NZ Cash Requirement as at that time, it will pay the surplus as soon as practicable to the Deed Administrators to form part of the Fund.

5.3 Payments of cash assets

- (a) Clause 5.3(b) applies for so long as:
 - (i) ION NZ continues to be a subsidiary of ION Limited;
 - (ii) ION NZ has not received a notice under clause 2.6 of any of the NZ Subordination Deeds; and
 - (iii) the event described in paragraph (f) of the definition of Satisfaction Date in the NZ Subordination Deeds has not occurred.
- (b) If ION NZ is satisfied (acting reasonably) that all NZ Liabilities at that time, other than the NZ Residual Debt, have been paid in full, then it must as soon as practicable pay to the Deed Administrators to form part of the Fund:
 - (i) an amount equal to NZ Cash held by ION NZ at that time; and
 - (ii) if it holds any other assets, an amount equal to the Net Realisable Value of those other assets after those other assets have been sold or otherwise realised or got in.

6. Secured Creditors

6.1 Rights of Secured Creditors

Nothing in this Deed will in any way restrict the right of a Secured Creditor who did not vote in favour of the Section 439C Resolution to lawfully realise or otherwise deal with its Security.

7. Owners or Lessors

7.1 Rights of Owners or Lessors

Nothing in this Deed will in any way restrict a right that an Owner or Lessor who did not vote in favour of the Section 439C Resolution has in relation to the relevant Property of that Owner or Lessor.

7.2 Owners or Lessors who vote in favour of the Section 439C Resolution

An Owner or Lessor of Property who voted in favour of the Section 439C Resolution:

- (a) waives any event of default or breach by the relevant ION Pooled Entity of any agreement to which that entity and the Owner or Lessor is a party which occurred on or prior to the Commencing Date or which may occur during the Deed Period, insofar as the Owner or Lessor would be entitled to terminate the agreement, take possession of the Property the subject of the agreement or otherwise recover it;
- (b) must permit the relevant ION Pooled Entity and any purchaser of Property of that entity to have continued and uninterrupted use, occupation and possession of the Property the subject of such an agreement unless and until:
 - (i) the assignment of the agreement to a purchaser of Property of that entity (or the purchaser's nominee) on terms agreed to by that entity, the purchaser and the Owner or Lessor;
 - (ii) the surrender of the agreement by that entity to the Owner or Lessor on terms agreed to by that entity and the Owner or Lessor; and
 - (iii) the termination of the agreement in accordance with Clause 7.3, whichever occurs first; and
- (c) will be paid by the Deed Administrators, to the extent the relevant ION Pooled Entity continues to use, occupy or be in possession of Property the subject of the agreement on and after the Commencing Date, for so much of the rent or other amounts payable under the agreement by that entity which is attributable to the period of such use, occupation or possession.

7.3 Termination of agreements with Owners or Lessors

Any agreement between an ION Pooled Entity and an Owner or Lessor, under which that entity has continued its uninterrupted use, occupation and possession of the Property the subject of the agreement during the Deed Period pursuant to Clause 7.2(b), will terminate with effect from the date of a notice of termination served on the Owner or Lessor by the Deed Administrators.

7.4 Administrators not personally liable

Neither the Voluntary Administrators nor the Deed Administrators have, or will be taken to have adopted, ratified or in any other manner become bound personally under any agreement between an ION Pooled Entity or a Share Sale Entity and an Owner or Lessor as a result of:

- (a) any discussions or correspondence with any Owner or Lessor;
- (b) the use, occupation or possession of any Property by that entity during:
 - (i) the Voluntary Administration Period; or
 - (ii) the Deed Period; or
- (c) any other act, matter or thing done or omitted to be done by or on behalf of the Voluntary Administrators or the Deed Administrators.

8. Retention of Title Claims

8.1 Advertising and notice of ROT Claims

As soon as practicable after the Commencing Date, the Deed Administrators may, if in their sole discretion they consider it appropriate to do so, place an advertisement substantially in the form of Schedule 2 once in a newspaper or newspapers circulating generally in each State and Territory of Australia requiring each ROT Creditor asserting a ROT Claim which has not been notified to the Voluntary Administrators to notify the Deed Administrators of that ROT Claim in writing on or before the ROT Closing Date.

8.2 Evidence of Claims

Each ROT Creditor who has notified its ROT Claim to the Voluntary Administrators or who notifies a ROT Claim to the Deed Administrators must provide the Deed Administrators with such further proof, evidence or information in support of its ROT Claim as the Deed Administrators may reasonably require.

8.3 No right to reclaim Goods

Subject to Clause 7, during the Deed Period, each ROT Creditor relinquishes any right it may have or have had to enter an ION Pooled Entity's premises to re-take possession of the Goods the subject of its ROT Claim.

8.4 Costs and expenses

Any costs and expenses incurred by a ROT Creditor in complying with Clauses 8.1 and 8.2 will be borne by the ROT Creditor and will not form part of its ROT Claim or (if applicable) Admitted Claim.

8.5 Determination by Deed Administrators

The Deed Administrators must as soon as reasonably practicable determine whether all or part of a ROT Claim is valid. If the Deed Administrators are satisfied that the ROT Claim (or any part of the ROT Claim) is not valid, then the Deed Administrators must notify the ROT Creditor.

8.6 Late notification of ROT Claims

Notwithstanding that a person has failed to assert a ROT Claim to the Deed Administrators in accordance with Clause 8.1, the Deed Administrators may in their absolute discretion accept a written notification from that person and assess the validity of the ROT Claim.

8.7 Deed Administrators may use and sell Goods

Subject to Clause 7, during the Deed Period, the Deed Administrators (or purchasers of the relevant ION Pooled Entity's business or Property sold by the Voluntary Administrators or the Deed Administrators) may continue to use and sell Goods the subject of ROT Claims.

8.8 Valid ROT Claim where Goods are used or sold

Where a ROT Claim is determined by the Deed Administrators under this Clause to be valid and the Goods the subject of that ROT Claim have been used or sold by the Voluntary Administrators or by the Deed Administrators (or purchasers of the relevant ION Pooled Entity's business or Property sold by the Voluntary Administrators or the Deed Administrators) before, on or after the Commencing Date, the Deed Administrators will pay the ROT Creditor the invoice value of the Goods the subject of the valid ROT Claim or such lesser amount as is agreed with the ROT Creditor. That payment will constitute a Deed Liability.

9. Action by Deed Administrators

The Deed Administrators may take such action as they consider appropriate in their absolute discretion in response to any claim made or action taken by any Secured Creditor, Owner, Lessor or ROT Creditor.

10. Pooling

All persons bound by this Deed acknowledge that for the purposes of Clauses 11 to 14 (both inclusive):

- (a) the ION Pooled Entities will be treated as one entity; and
- (b) each Creditor of an ION Pooled Entity will be treated as a creditor of the ION Pooled Entities as a whole.

11. Fund to pay Admitted Claims

11.1 The Fund

During the Deed Period, the Deed Administrators will establish and administer a fund and will deposit the sums referred to in Clause 11.4 into that fund.

11.2 Declaration of trust

The Deed Administrators will hold the Fund (excluding any Fund Income) on trust for the benefit of Employees in respect of their Employee Entitlements and Admitted Creditors in respect of their Entitlements on the terms and subject to the conditions contained in this Deed, subject to payment of the Voluntary Administration Liabilities and the Deed Liabilities, and will hold the Fund Income on trust for ION Limited.

11.3 Bare trustees

The Deed Administrators will hold the proceeds of the Fund as bare trustees, except to the extent that specific provision is made in this Deed for the Deed Administrators to administer and deal with the proceeds of the Fund.

11.4 Deposits into the Fund

The following sums must be deposited by the Deed Administrators into the Fund as soon as practicable:

- (a) the net proceeds of the sale or realisation of the Property of the ION Pooled Entities which have already been sold or realised or as and when they are sold or otherwise realised;
- (b) the cash assets of the ION Pooled Entities, including cashflow generated from trading during the Deed Period, cash held on deposit by the ION Pooled Entities, recoveries from any claim prosecuted by an ION Pooled Entity, debtors of the ION Pooled Entities as and when they are collected and any cash reserves of the ION Pooled Entities;
- (c) the ION NZ Contribution received by the Deed Administrators pursuant to Clause 5; and
- (d) the Net Income received by the Deed Administrators pursuant to clause 11.6.

11.5 Investment of the Fund

During the Deed Period, the Deed Administrators may invest the proceeds of the Fund in any Authorised Investment and change Authorised Investments as they see fit. Any Fund Income will be held by the Deed Administrators on trust for ION Limited.

11.6 Contribution of Net Income to the Fund

As soon as practicable after each Contribution Date occurring in the Deed Period, ION Limited will contribute the Net Income to the Fund.

11.7 Distribution of the proceeds of the Fund

The proceeds of the Fund will be distributed by the Deed Administrators in payment of Voluntary Administration Liabilities, Deed Liabilities, Employee Entitlements and the Entitlements of Admitted Creditors in accordance with Clause 14.

12. Proof and Admission of Claims

12.1 Application of Clause 12

Clauses 12.3 to 12.7 (both inclusive) do not apply to Deed Claims by Excluded Creditors.

12.2 The Admitted List

The Deed Administrators will prepare and settle a list of Admitted Claims in accordance with this Clause which, subject to the provisions of this Deed, will be binding on all persons bound by this Deed.

12.3 Provable Claims and evidence of Claims

- (a) All Deed Claims are admissible to proof under this Clause and entitled to be admitted to the Admitted List.
- (b) Each person who notifies an Asserted Claim to the Deed Administrators must:
 - (i) provide the Deed Administrators with such further proof, evidence or information in support of their Asserted Claim as the Deed Administrators may reasonably require; and
 - (ii) if so required by the Deed Administrators, deliver to the Deed Administrators a statutory declaration verifying the Asserted Claim in such form as they may require.

12.4 Costs and expenses

Any costs and expenses incurred by a person in seeking proof of an Asserted Claim will be borne by that person and will not form part of the person's Asserted Claim.

12.5 Determination by Deed Administrators

The Deed Administrators will determine whether all or part of an Asserted Claim should be entered on the Admitted List.

12.6 Provisions applicable to Asserted Claims

Except to the extent (if any) they are excluded or modified by or are inconsistent with the terms of this Deed, section 563A of the Act and subdivisions A, B, C and E of Division 6 of Part 5.6 of the Act (other than sections 553(1A) and section 554F of the Act) and Regulations 5.6.39 to 5.6.57 apply to an Asserted Claim with such modifications as may be necessary, including:

- (a) references to the "*liquidator*" to be read as references to the Deed Administrators; and
- (b) references to the "*relevant date*" to be read as references to the Appointment Date.

12.7 Entry on and Amendment of Admitted List

The Deed Administrators shall enter a Deed Claim by a Creditor on the Admitted List in accordance with their determination or, as appropriate, amend the Admitted List in accordance with any such order of a Court in proceedings commenced pursuant to Regulation 5.6.54, as the case requires. If the Admitted List is amended at any time, the Creditor will be an Admitted Creditor to the extent of its amended Admitted Claim.

12.8 Late entry of Claims

The Deed Administrators may in their absolute discretion accept a written notification of a Deed Claim from a person at any time and irrespective of whether any distributions have been made to Admitted Creditors. If the Deed Administrators are satisfied that the Asserted Claim (or part of it) is a valid Deed Claim, they may enter it (or that part) on the Admitted List. If the Deed Administrators enter only part of such Asserted Claim, the Deed Administrators will notify the person. While that person will have the benefit of any distributions made under Clause 14 after the time of entry of the Asserted Claim (or part of it) on the Admitted List, the Deed Administrators will, so far as possible, adjust any subsequent distribution to take account of the amount the person would have received had the Admitted Claim been entered on the Admitted List immediately prior to the Deed Administrators making the first distribution pursuant to Clause 14.

12.9 Effect of entry of valid Claim

Subject to Clause 12.10, upon entering a Deed Claim on the Admitted List, the Creditor will be an Admitted Creditor to the extent of its Admitted Claim.

12.10 Correction of errors

If the Deed Administrators consider that an Admitted Claim or any part of it has been incorrectly entered on the Admitted List, then they must notify the relevant Admitted Creditor and the Admitted Claim will thereupon be removed in whole or in part from the Admitted List.

12.11 Distributions after Court order or correction of errors

If, at the time of any entry on, or amendment to, the Admitted List, any distributions have been made to Admitted Creditors, the following provisions will apply:

- (a) if the effect of that entry or amendment is to extinguish the amount of a person's Admitted Claim, that person must at once repay to the Deed Administrators on demand, by way of restitution of the Fund, the total amount paid as distributions in respect of that Admitted Claim;
- (b) if the effect of that entry or amendment is to reduce the amount of a person's Admitted Claim, that person must at once repay to the Deed Administrators on demand, by way of restitution of the Fund, the amount paid as distributions that exceeds the amount the person would have been entitled to receive if that person's Asserted Claim had been originally admitted for the reduced amount;
- (c) if the effect of that entry or amendment is to cause a person to become an Admitted Creditor, the person is entitled to be paid out of any subsequent distribution made pursuant to Clause 14, before the available money is applied to pay further distributions to other Admitted Creditors, the distributions that the person would have been entitled to receive if the person's Asserted Claim had been originally admitted; and
- (d) if the effect of that entry or amendment is to increase a person's Admitted Claim, the person is entitled to be paid out of any subsequent distribution made pursuant to Clause 14, before the available money is applied to pay further distributions to other Admitted Creditors, any additional distributions the person would have been entitled to receive if all of the person's Asserted Claim had been originally admitted.

In respect of paragraphs (c) and (d), the person is not entitled to disturb any distributions to Admitted Creditors made before the relevant entry or amendment to the Admitted List is made by the Deed Administrators.

12.12 Time of the essence

Time will be of the essence in respect of each and every obligation of an Admitted Creditor or a person notifying an Asserted Claim pursuant to this Clause 12.

13. Postponement of Members Claims

For the purposes of this Deed, and without limiting the operation of section 563A of the Act as it applies to an Asserted Claim by reason of Clause 12.6, payment of a Deed Claim owed by an ION Pooled Entity to a person in the person's capacity as a member of the entity, whether by way of dividends, profits or

otherwise, if entered on the Admitted List, is to be postponed until all Admitted Claims owed to or made by persons otherwise than as members of the entity have been satisfied.

14. Payment of Entitlements

14.1 Distribution of proceeds of the Fund

Subject to Clause 13, the Deed Administrators must distribute the proceeds of the Fund to pay in the following order of priority:

- (a) first, the Voluntary Administration Liabilities and then the Deed Liabilities;
- (b) secondly, the Employee Entitlements; and
- (c) thirdly, the Admitted Creditors in respect of their Entitlements.

14.2 Timing and manner of distributions

- (a) The proceeds of the Fund will be distributed by the Deed Administrators at such time as they determine in their absolute discretion. The Deed Administrators may make interim distributions out of the proceeds of the Fund at such times as they see fit.
- (b) The Deed Administrators may in their absolute discretion defer to the time of a subsequent distribution, payment of an interim distribution to an Admitted Creditor in respect of their Admitted Claim if the amount to be received by the Admitted Creditor pursuant to the interim distribution is less than \$20.

14.3 No Interest

Without limiting section 563B of the Act as it applies to an Asserted Claim by reason of Clause 12.6:

- (a) interest will not accrue after the Appointment Date, and will not be payable, in respect of Admitted Claims;
- (b) no interest will accrue or be payable in respect of the late entry of a Deed Claim (or any part of that Deed Claim) on the Admitted List and irrespective of whether any distributions have then been made to Admitted Creditors.

14.4 Deed Administrators' obligations

The Deed Administrators will have complied with their obligations under this Clause when they have distributed the proceeds of the Fund in accordance with Clause 14.1.

14.5 Certification of payment of Entitlements

A notice signed by the Deed Administrators certifying that an amount paid by them to:

- (a) an Employee, constitutes his or her Employee Entitlements; or
- (b) an Admitted Creditor, constitutes its Entitlement,

will, in the absence of manifest error, be final, conclusive and binding on the Employee or Admitted Creditor (as the case may be).

15. Release of Claims against the ION Pooled Entities

15.1 Release of Claims

Subject to Clause 22.2, the ION Pooled Entities will be released and discharged from all Deed Claims against them on and from the date on which the Deed Administrators make a final distribution from the Fund in respect of Admitted Claims.

15.2 Release of Claims Generally

Creditors must, if required by the Deed Administrators, execute and deliver to the Deed Administrators such form of release of their Deed Claims as the Deed Administrators require.

15.3 Release of ROT Claims not lodged by the Closing Date

Subject to Clause 8.6, any Creditor who fails to make or assert any ROT Claim they may have on or before the ROT Closing Date releases that ROT Claim with effect on and from the ROT Closing Date.

15.4 Absolute Bar

Subject to section 444D of the Act, this Deed may be pleaded by an ION Pooled Entity or the Deed Administrators against any person having a Deed Claim against that ION Pooled Entity as an absolute bar and defence to any legal

proceedings brought or made at any time in respect of that Deed Claim contrary to the provisions of this Deed. This clause does not apply to a proceeding commenced under Regulation 5.6.54.

16. Deed Administrators

16.1 Acceptance of appointment

By their execution of this instrument, the Deed Administrators:

- (a) consent to and accept their appointment as administrators of this Deed; and
- (b) agree to act as administrators of this Deed during the Deed Period or until the Deed Administrators retire or are removed from office in accordance with this Deed or the Act.

16.2 Role of Deed Administrators

This Deed will be administered by the Deed Administrators who will have the powers, functions and duties conferred on them by this Deed, the Act and Clause 16.3.

16.3 Powers

For the purpose of administering this Deed, the Deed Administrators have the following powers:

- (a) to enter upon or take possession of the Property of the relevant ION Pooled Entity;
- (b) to lease or let on hire Property of the relevant ION Pooled Entity;
- (c) to grant options over Property of the relevant ION Pooled Entity on such conditions as the Deed Administrators think fit;
- (d) to insure Property of the relevant ION Pooled Entity;
- (e) to repair, renew or enlarge Property of the relevant ION Pooled Entity;
- (f) to call in, collect or convert into money the Property of the relevant ION Pooled Entity;
- (g) to purchase, hire, lease or otherwise acquire any property or interest in property from any person or corporation;

- (h) to borrow or raise money, whether secured upon any or all of the assets of the relevant ION Pooled Entity or unsecured, for any period on such terms as the Deed Administrators think fit and whether in substitution for any existing security or otherwise;
- (i) to make, take part in, bring, prosecute and defend in the name and on behalf of the relevant ION Pooled Entity or in the name of the Deed Administrators any applications, examinations, actions, suits or proceedings;
- (j) to refer to arbitration any question affecting the relevant ION Pooled Entity;
- (k) to make payments to any secured creditor of the relevant ION Pooled Entity and any person who is the owner or lessor of Property;
- (l) to convene and hold meetings of the members or creditors of the relevant ION Pooled Entity for any purpose the Deed Administrators think fit;
- (m) to appoint agents to do any business or to attend to any matter or affairs of the relevant ION Pooled Entity that the Deed Administrators are unable to do, or that it is unreasonable to expect the Deed Administrators to do, in person;
- (n) to engage or discharge employees on behalf of the relevant ION Pooled Entity;
- (o) to appoint a solicitor, accountant or other professionally qualified person to assist the Deed Administrators;
- (p) to permit any person authorised by the Deed Administrators to operate any account in the name of the relevant ION Pooled Entity;
- (q) to sell, call in or convert into money any of the Property of the relevant ION Pooled Entity;
- (r) to do all acts and execute in the name and on behalf of the relevant ION Pooled Entity all deeds, receipts and other documents, using the relevant ION Pooled Entity's common or official seal when necessary;
- (s) subject to the *Bankruptcy Act 1966*, to prove in the bankruptcy of any contributory or debtor of the relevant ION Pooled Entity or under any deed executed under that Act;
- (t) subject to the Act, to prove in the winding up of any contributory or debtor (other than another ION Pooled Entity) of the relevant ION Pooled Entity

- or under any scheme of arrangement entered into, or deed of company arrangement executed, under the Act;
- (u) to draw, accept, make or endorse any bill of exchange or promissory note in the name and on behalf of the relevant ION Pooled Entity;
 - (v) to take out letters of administration of the estate of a deceased contributory or debtor, and do any other act necessary for obtaining payment of any money due from a contributory or debtor, or the estate of a contributory or debtor, that cannot be conveniently done in the name of the relevant ION Pooled Entity;
 - (w) to bring or defend an application for the winding up of the relevant ION Pooled Entity;
 - (x) to carry on the business of the relevant ION Pooled Entity on such terms and conditions and for such purposes and times and in such manner as the Deed Administrators think fit;
 - (y) to sell any or all of the Property of the relevant ION Pooled Entity including the whole of the business or undertaking of the entity at any time the Deed Administrators think fit, either by public auction or by private contract and either for a lump sum or for a sum payable by instalments or for a sum on account and to obtain a mortgage charge or encumbrance for the balance or otherwise;
 - (z) to close down the whole or any part of any business of the relevant ION Pooled Entity;
 - (aa) to enter into and complete any contract for the sale of shares in the relevant ION Pooled Entity;
 - (bb) to compromise any debts or claims brought by or against the relevant ION Pooled Entity on such terms as the Deed Administrators think fit and to take security for the discharge of any debt forming part of the Property of the relevant ION Pooled Entity;
 - (cc) to investigate the business, property, affairs and financial circumstances of the relevant ION Pooled Entity;
 - (dd) to do anything that is incidental to exercising a power set out in this Clause;
 - (ee) to do anything else that is necessary or convenient for the purpose of administering this Deed; and



- (ff) without limiting the preceding sub-paragraphs, to perform any function, and exercise any power, that the relevant ION Pooled Entity or any of its Officers could perform or exercise if the relevant ION Pooled Entity was not subject to this Deed.

16.4 Agents of the ION Pooled Entities and joint and several

In exercising their functions and powers under this Deed and carrying out the duties arising under this Deed:

- (a) the Deed Administrators will act as agents for and on behalf of the relevant ION Pooled Entity concerned;
- (b) any function or power of the Deed Administrators may be exercised or performed by any of them or by all of them together; and
- (c) the rights, benefits and obligations of the Deed Administrators under this Deed are conferred or imposed on them jointly and each of them severally.

16.5 Limitation of Deed Administrators' liability

To the extent permitted by law, in the performance of the Deed Administrators' functions and duties and the exercise of the Deed Administrators' powers under this Deed, the Deed Administrators will not be personally liable for:

- (a) any debt, liability or other obligation which the Deed Administrators may incur on behalf of any ION Pooled Entity or any Share Sale Entity; or
- (b) any loss or damage caused by any act, default or omission by the Deed Administrators or on behalf of the Deed Administrators in the performance of the Deed Administrators' powers, functions and duties under this Deed (other than loss or damage caused by the dishonesty, negligence, breach of trust or wilful default of the Deed Administrators).

17. Powers of Officers other than the Deed Administrators Suspended

17.1 Directors remain in office

The Directors of an ION Pooled Entity remain in office throughout the Deed Period unless they resign or are removed by the Deed Administrators of that entity.

17.2 Assistance

The Directors of an ION Pooled Entity will provide to the Deed Administrators of that entity such assistance and co-operation as may be reasonably required by the Deed Administrators in the exercise of the powers, functions and duties conferred on the Deed Administrators by this Deed and under the Act.

17.3 No exercise of power as Officer without Consent

Subject to Clause 17.5, while an ION Pooled Entity is subject to this 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 that entity except with the prior written approval of the Deed Administrators of that entity.

17.4 No resolutions by Directors without Consent

For the avoidance of doubt, the Directors of an ION Pooled Entity will not pass a resolution to place the entity into voluntary administration or take any step to wind up that entity except with the prior written approval of the Deed Administrators of that entity.

17.5 Statutory duties

Notwithstanding Clauses 16 and 17, while they remain Directors, the Directors will not be relieved of their statutory duties as Directors.

18. Remuneration, costs, liabilities and indemnities

18.1 Voluntary Administrators' indemnity if Fund insufficient

If the proceeds of the Fund are insufficient to pay Voluntary Administration Liabilities in accordance with Clause 14, the Voluntary Administrators are entitled to be indemnified out of the Property to the extent of any shortfall. The Voluntary Administrators will not be entitled, however, to an indemnity in respect of a Voluntary Administration Liability if the Voluntary Administrators have, or any partner, employee, authorised agent or delegate of the Voluntary Administrators has, acted dishonestly, negligently, in breach of duty or breach of trust, including any act or omission in respect of which this indemnity would not be allowed by reason of section 199A of the Act.

18.2 Deed Liabilities

The Deed Administrators will be entitled to be paid out of the Fund in respect of:

- (a) expenses properly incurred by the Deed Administrators in preserving, realising or getting in Property of an ION Pooled Entity or a Share Sale Entity or in carrying on the business of any ION Pooled Entity or a Share Sale Entity or to effect the purpose or object underlying this Deed;
- (b) the payments to Owners or Lessors and ROT Creditors referred to in Clauses 7 and 8;
- (c) any other expenses, debts, liabilities, fees or costs properly incurred by and claims against the Deed Administrators in connection with the exercise of their functions or powers or the performance of their duties, obligations and responsibilities under this Deed or the Act or in effecting the purpose or object underlying this Deed; and
- (d) the amounts for which the Deed Administrators are entitled to be remunerated in accordance with Clause 18.3.

18.3 Deed Administrators' remuneration

The Deed Administrators are entitled to be remunerated in respect of any work done by them, and any of their partners or employees in connection with the exercise of the Deed Administrators' functions or powers or the performance of their duties, obligations and responsibilities under this Deed. Their remuneration will be calculated on a time basis and pursuant to McGrathNicol+Partners' schedule of hourly rates from time to time, plus, the Deed Administrators' expenses including all debts, other liabilities and disbursements incurred by the Deed Administrators in the performance or exercise of any of the Deed Administrators' functions and powers as Deed Administrators. Any GST payable in connection with the Deed Administrators' remuneration will be treated as GST payable by the ION Pooled Entities.

18.4 Deed Administrators' indemnity if Fund insufficient

If the proceeds of the Fund are insufficient to pay Deed Liabilities in accordance with Clause 14, the Deed Administrators are entitled to be indemnified out of the Property to the extent of any shortfall. The Deed Administrators will not be entitled, however, to an indemnity in respect of a Deed Liability if the Deed Administrators have, or any partner, employee, authorised agent or delegate of the Deed Administrators has, acted dishonestly, negligently, in breach of duty or

breach of trust, including any act or omission in respect of which this indemnity would not be allowed by reason of section 199A of the Act.

18.5 Continuing indemnities

Each of the indemnities in this Clause is a continuing indemnity, notwithstanding:

- (a) cessation of the Voluntary Administration Period or the Deed Period; or
- (b) the termination of this Deed for any reason whatsoever,

and will not be affected, limited or prejudiced in any way by any irregularity, defect or invalidity in the appointment of the Voluntary Administrators or the Deed Administrators and each indemnity will extend to cover all actions, suits, proceedings, accounts, liabilities, claims and demands arising in any way 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.

18.6 Lien

To secure each of the indemnities in this Clause the Voluntary Administrators and the Deed Administrators have a lien over the Property.

19. Committees of creditors

19.1 Operation of this Clause

This Clause will apply to an ION Pooled Entity only if creditors voting at the Meeting of that entity have resolved that a committee of creditors be appointed for that entity.

19.2 Functions of a Committee

The functions of a Committee are:

- (a) to consult with the Deed Administrators about matters relating to this Deed; and
- (b) to receive and consider reports by the Deed Administrators.

A Committee has no power to make decisions binding on an ION Pooled Entity or the Deed Administrators.

19.3 Rules Applicable to a Committee

The following rules apply to a Committee:

- (a) each member of a Committee must be a Creditor of the relevant ION Pooled Entity, an attorney of such Creditor or a person otherwise authorised in writing by such Creditor to be a member of the Committee;
- (b) minutes of the proceedings of each meeting of the Committee must be made and recorded by the Deed Administrators;
- (c) if the minutes of a meeting purport to be signed by the chairman of the meeting, or by the chairman of the next meeting of the Committee, the minutes are prima facie evidence of the matters contained in them;
- (d) unless the contrary is proved, the meeting is taken to have been properly convened and all proceedings are taken to have properly occurred;
- (e) a corporation (being otherwise qualified for membership of the Committee) is not entitled to be a member of the Committee but may appoint a person to represent it on the Committee; and
- (f) sections 549, 550 and 551 of the Act apply, with such modifications as are necessary, to the Committee as if the references in those sections to the "liquidator" were references to the Deed Administrators, as if references to "meetings of creditors" were references to meetings under section 445F of the Act, and the references to "contributories" and the option of seeking leave of a Court were deleted.

19.4 No remuneration for members of a Committee

Each member of a Committee is not entitled to claim or receive from the ION Pooled Entities, the Fund, the Voluntary Administrators, the Deed Administrators or the Creditors (other than, where applicable, the member's appointor) any remuneration for acting as a member of the Committee or any costs or expenses incurred by him or her in attending any meetings of the Committee.

20. Reports to and meetings of Creditors

20.1 Reports

During the Deed Period, the Deed Administrators will report to Creditors on the ION Pooled Entities' state of affairs or any other matters which the Deed Administrators consider should be brought to the attention of Creditors. Each

report will be given when the Deed Administrators consider it appropriate in their absolute discretion.

20.2 When meeting may be convened

The Deed Administrators:

- (a) may at any time convene a meeting of Creditors of the relevant ION Pooled Entity ; and
- (b) will convene a meeting of Creditors of the relevant ION Pooled Entity if so requested in writing by Creditors the value of whose Deed Claims against that entity are not less than ten percent (10%) of the value of the total of all Deed Claims against that entity.

20.3 Notice of meeting

Meetings of Creditors pursuant to this Deed will be convened by the Deed Administrators in accordance with the provisions of section 445F.

20.4 Corporations Regulations

Except to the extent (if any) they are excluded or modified by or are inconsistent with the terms of this Deed, Regulations 5.6.12 to 5.6.36A apply to meetings of the Creditors or of a Committee but with such modifications as are necessary, including that 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, be read as references to the Deed Administrators.

20.5 Creditors entitled to attend and vote

For the purpose only of convening, holding and voting at a meeting of Creditors of an ION Pooled Entity held under this Deed, in addition to persons who have Admitted Claims against the entity the subject of that meeting, any person who lodges a proof of debt for the purpose of that meeting or, if no such proof of debt is lodged, a proof of debt lodged by the person for the purpose of any previous meeting of the Creditors of that entity under this Deed or during the Voluntary Administration Period, will be entitled to attend and vote at a meeting, to the extent the person is admitted by the chairman to vote in accordance with the Regulations, as applied to the relevant meeting under Clause 20.4.

20.6 Chairman's decision

The decision of the chairman to admit or reject a proof of debt at any meeting of Creditors will not bind the chairman in considering whether to admit or reject the proof of debt or any subsequent proof of debt sought to be relied on by the relevant Creditor for the purpose of any subsequent meeting. The admission of a proof of debt for the purpose of a meeting of Creditors will not be binding in any way on the Deed Administrators under Clause 12.

21. Termination

21.1 Termination of this Deed

Subject to Clause 22, this Deed will terminate in respect of an ION Pooled Entity on the earlier of any of the following:

- (a) when a Court makes an order under section 445D or otherwise terminating this Deed in respect of that ION Pooled Entity;
- (b) (if the Deed Administrators have distributed the Fund as required under Clause 14) on the date on which the Deed Administrators sign a certificate in the form of Schedule 3; or
- (c) when creditors of an ION Pooled Entity pass a Resolution terminating this Deed in respect of that entity at a meeting of Creditors of that entity convened by the Deed Administrators in accordance with this Deed or otherwise convened pursuant to section 445F.

21.2 Consequences of Termination

- (a) If this Deed terminates in respect of an ION Pooled Entity in circumstances identified in Clause 21.1(c), then that entity must be wound up and a special resolution to that effect will be taken to have been passed in accordance with Regulation 5.3A.07.
- (b) If this Deed terminates in respect of an ION Pooled Entity (the **Terminating Company**) pursuant to Clause 21.1(a) or 21.1(c), then for the purposes of each Clause of this Deed other than those specified in Clause 21.4, on and from the date of termination the definition of "ION Pooled Entities" will mean all the companies named in Part 1 of Schedule 1, collectively, other than the Terminating Company and any Share Sale Entity.

21.3 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.

21.4 Continued operation of certain provisions

The following provisions of this Deed (and all other provisions necessary to give effect to those provisions) will continue to apply notwithstanding termination of this Deed in respect of an ION Pooled Entity pursuant to Clause 21.1: Clause 1, Clauses 7.4, 14.4 and 14.5, Clauses 15, 16.5 and 18, Clauses 21.2, 21.3 and 21.4, Clauses 26 to 30 and Clause 31.2.

21.5 Notification to ASIC

If the Deed Administrators sign a certificate pursuant to Clause 21.1(b), they must lodge a copy of the certificate with ASIC within 28 days after the date of the certificate.

22. Provisions Applicable to Share Sale Entities

22.1 Assumption of Share Sale Entity Claims

ION Limited agrees that immediately upon the transfer of all the issued shares of an ION Pooled Entity to the purchaser of such shares (being a purchaser other than an ION Pooled Entity), it assumes liability for all Claims against that ION Pooled Entity, which entity will become a Share Sale Entity by reason of such transfer.

22.2 Release of Share Sale Entity

- (a) Immediately upon the assumption by ION Limited of the Claims referred to in Clause 22.1, the Share Sale Entity will be released and discharged from all such Claims.
- (b) A person with an Assumed Claim must, if required by the Deed Administrators, execute and deliver to the Deed Administrators, such form of release of their claim against the Share Sale Entity as the Deed Administrators require.
- (c) Subject to section 444D, Clause 22.2(a) may be pleaded by a Share Sale Entity as an absolute bar and defence to any legal proceedings brought or made at any time against such entity by a Creditor with an Assumed Claim contrary to the provisions of Clause 22.2(a).

22.3 Termination of Deed of Share Sale Entity

- (a) Immediately upon release of the Claims referred to in Clause 22.1 in accordance with Clause 22.2, this Deed will terminate in respect of the Share Sale Entity.
- (b) In accordance with section 445H of the Act, the termination of this Deed in respect of a Share Sale Entity pursuant to Clause 22.3(a) does not affect the previous operation of this Deed in respect of that Share Sale Entity.
- (c) This Clause 22 and all other provisions necessary to give effect to that Clause will continue to apply notwithstanding termination of this Deed in respect of a Share Sale Entity pursuant to Clause 22.3(a).
- (d) Upon termination of this Deed in respect of a Share Sale Entity, the Deed Administrators must sign a certificate in the form of Schedule 3 and lodge a copy of the certificate with ASIC within 28 days after the date of the certificate.

23. Application to Court

23.1 Directions

The Deed Administrators may at any time apply to the Court for directions or relief in relation to any particular matter arising under or in connection with this Deed.

23.2 Unforeseen circumstances

If any circumstances arise for which this Deed does not either expressly or by necessary implication provide, the Deed Administrators will in their 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.

23.3 Application to the Court

No person bound by this Deed (other than the Deed Administrators) may make any application to the Court in relation to any matter arising under this Deed unless at least five Business Days prior notice in writing has been given to the Deed Administrators. The notice must give particulars of the proposed application and attach a copy of any papers proposed to be filed with the Court in support of that application.

24. Variation

The provisions of this Deed may be varied if Creditors of each ION Pooled Entity pass the same Resolution varying this Deed at meetings of Creditors convened under section 445F but only if the variation is not materially different from the proposed variation set out in each notice of meeting.

25. Initiation of Termination or Variation by the Deed Administrators

Subject to Clauses 19, 21 and 24, if the Deed Administrators determine in their absolute discretion that it is no longer practicable or desirable to implement this Deed, the Deed Administrators:

- (a) must summon meetings of Creditors of the relevant ION Pooled Entity in accordance with Division 11 of Part 5.3A of the Act for the purpose of either varying or terminating this Deed by resolution of Creditors; and
- (b) must forward to each Creditor not less than fourteen days prior to that meeting an up-to-date report as to the position of the ION Pooled Entities accompanied by:
 - (i) such financial statements as the Deed Administrators think appropriate; and
 - (ii) a statement that the Deed Administrators do not think that it is practicable or desirable to continue this Deed and that this Deed will either be varied or terminated if the Creditors so resolve.

26. Further assurances

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

27. Notices

A notice, demand or other communication given or made under this Deed (unless other express provision is made):

- (a) must be in writing and signed by the sender or a person authorised by the sender;
- (b) must be delivered to the intended recipient by prepaid post (if posted to an address in another country, by registered airmail) or by hand or fax to the address or fax number below or the address or fax number last notified by the intended recipient to the sender:

- (i) to an ION Pooled Entity: [The entity]
C/- McGrath Nicol
Level 1
161 Collins Street
Melbourne VIC 3000
Attention: Colin Nicol and
Peter Anderson
Fax No: +61 (3) 9038 3199
- (ii) to the Voluntary Administrators and the Deed Administrators: Colin Nicol and Peter Anderson
Level 1
161 Collins Street
Melbourne VIC 3000
Fax No: +61 (3) 9038 3199

- (c) will be taken to be given or made:
 - (i) in the case of delivery in person, when delivered;
 - (ii) in the case of delivery by post, two Business Days after the date of posting (if posted to an address in the same country) or seven Business Days after the date of posting (if posted to an address in another country); and
 - (iii) in the case of fax, on receipt by the sender of a transmission control report from the despatching machine showing the relevant number of pages and the correct destination fax machine number or name of recipient and indicating that the transmission has been made without error,

but, if the result is that a notice would be taken to be given or made on a day that is not a business day in the place to which the notice is sent or is later than 5.00pm (local time), it will be taken to have been given or made at the commencement of business on the next business day in that place.

28. Jurisdiction

This Deed will be governed by and construed in accordance with the laws for the time being in force in the State of Victoria and all persons bound by this Deed submit to the non-exclusive jurisdiction of the Courts of that State, including any Courts having appellate jurisdiction.

29. Severance

Notwithstanding anything contained in any provision of this Deed, if any such provision is held or found to be void, invalid or otherwise unenforceable, such provision will be deemed to be severed from this Deed to the extent only that it is void, invalid or unenforceable, but the remainder of any such provision and this Deed will remain in full force and effect.

30. Deed prevails over constitution, contracts etc

During the Deed Period, if there is any inconsistency between the provisions of this Deed and the constitution of an ION Pooled Entity or any other obligations binding on an ION Pooled Entity, then the provisions of this Deed will prevail to the extent of the inconsistency and this Deed will be interpreted accordingly.

31. Stamp duty and GST

31.1 Stamp Duty

The Deed Administrators, on behalf of the ION Pooled Entities, will pay all stamp duty payable on this Deed and any other document required to give effect to or contemplated by the provisions of this Deed unless otherwise specified in that document.

31.2 GST

Any GST payable by the Deed Administrators or the ION Pooled Entities (as the case may be) in respect of a Taxable Supply made under this Deed or contemplated by this Deed to another person (including any person bound by this Deed), must be borne by that other person, and will form part of the consideration given by that person to the Deed Administrators or the ION Pooled Entities (as the case may be) for the Taxable Supply.



32. Counterparts

This Deed may be executed in any number of counterparts. All counterparts together will be taken to constitute one instrument. Transmission by facsimile of an executed counterpart of this Deed and all documents required to be executed and delivered pursuant to this Deed will be deemed to constitute due and sufficient delivery of such counterpart. The Parties agree that the party delivering such counterpart will, promptly after delivery by facsimile, deliver the original of such counterpart of this Deed to the solicitors for the other Parties to this Deed.

Schedule 1

Part 1 – ION Pooled Entities

Company	ACN
ION Limited (Administrators Appointed)	009 106 272
Castalloy Limited (Administrators Appointed)	007 528 583
Castalloy Manufacturing Pty Ltd (Administrators Appointed)	007 838 986
Castalloy Wheels Pty Ltd (Administrators Appointed)	007 894 984
ION Automotive Group Limited (Administrators Appointed)	104 279 156
ION Light Metal Castings Pty Ltd (Administrators Appointed)	104 930 181
Core Cast Ltd (Administrators Appointed)	097 447 660
ION Automotive Systems Pty Ltd (Administrators Appointed)	104 930 109
ION Transmissions Pty Ltd (Administrators Appointed)	099 982 180
XLS Pty Ltd (Administrators Appointed) (formerly known as Liquip Sales Pty Ltd)	001 595 222
XLSE Pty Ltd (Administrators Appointed) (formerly known as Liquip Service Pty Ltd)	082 859 989
XLC Pty Ltd (Administrators Appointed) (formerly known as Liquip Corp Pty Ltd)	082 859 970
XLO Pty Ltd (Administrators Appointed) (formerly known as Liquip Overseas Pty Ltd)	094 440 589
XLSV Pty Ltd (Administrators Appointed) (formerly known as Liquip Sales (Vict.) Pty Ltd)	005 691 761
XST Pty Ltd (Administrators Appointed) (formerly known as Stevenson Transport Pty Ltd)	006 271 352
XCTS Pty Ltd (Administrators Appointed) (formerly known as Cootes Tanker Service Pty Ltd)	004 495 765
XCTA Pty Ltd (Administrators Appointed) (formerly	010 383 016

Deeds of Company Arrangement

Allens Arthur Robinson



known as Cootes Transport Pty Ltd)

XIRC Pty Ltd (Administrators Appointed) (formerly
known as I.R. Cootes Pty Ltd)

004 801 076

Part 2 – Non-pooled ION Group Entities

Company	ACN
ION Holdings Pty Ltd (In Liquidation) in its own right and in its capacity as trustee of ION Finance Unit Trust	103 289 578
ION Finance Pty Ltd (In Liquidation)	102 217 694
XCHO Pty Ltd (In Liquidation) (formerly Cootes Holdings Pty Ltd	005 912 934
ION Investments Pty Ltd (In Liquidation)	105 824 511
Thomson & Scougall Industries Pty Ltd (In Liquidation)	000 091 314
ION Holdings (NZ) Ltd in its own right and in its capacity as trustee of ION Finance Unit Trust	
ION New Zealand Limited	
ION Finance NZ Limited	
ION Automotive (New Zealand) Limited	
ION US Holding Inc	
ION Automotive (USA) Inc	
Argent Metals Technology (Kentucky) LLC	

Schedule 2

Notice to Submit Particulars of ROT Claim

NOTICE TO SUBMIT PARTICULARS OF RETENTION OF TITLE CLAIM

[COMPANY NAME]
(SUBJECT TO DEED OF COMPANY ARRANGEMENT)
ACN

[COMPANY NAME]
(SUBJECT TO DEED OF COMPANY ARRANGEMENT)
ACN

TAKE NOTICE that on 6 May 2005 at a meeting of creditors of these Companies convened pursuant to section 439C of the Corporations Act 2001 (Cth), creditors resolved that each of these Companies execute a Deed of Company Arrangement.

Persons with retention of title claims against any or all of these Companies which have not already been notified to the Voluntary Administrators of the Company are required on or before *[insert date 14 days after the date of publication]* to submit particulars of their retention of title claims to the Deed Administrators at the address shown below and, if subsequently required by notice in writing from the Deed Administrators, must provide such further proof, evidence or information in support of the retention of title claims.

Any person with a retention of title claim against any or all of the Companies that fails to comply with this notice within that 14 day period, or such further period as a Court or the Deed Administrators may allow, will:

- (i) be precluded from asserting its retention of title claim;
- (ii) be precluded from objecting to the Deed Administrators' determination of the validity or otherwise of the retention of title claim; and
- (iii) release any and all retention of title claims against the Companies.

Deeds of Company Arrangement

Allens Arthur Robison 

A copy of the Deed of Company Arrangement of each Company and the form of proof may be obtained from the Deed Administrators.

Dated this day of 2005.

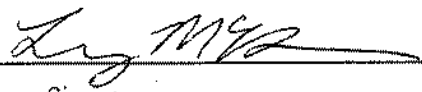
[insert names]
Deed Administrators

Deeds of Company Arrangement

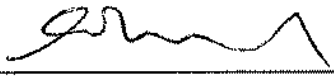
Allens Arthur Robinson 

Executed as a Deed.

**Signed Sealed and Delivered by Colin
McIntosh Nicol in the presence of:**



Witness Signature

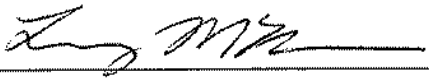


Signature


LUCY MCKERNAN

Print Name

**Signed Sealed and Delivered by Peter
McKenzie Anderson in the presence of:**



Witness Signature

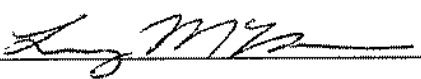


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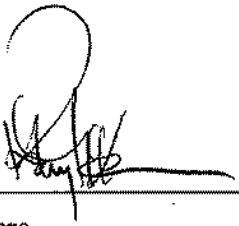
LUCY MCKERNAN

Print Name

**Signed Sealed and Delivered by Robyn
Beverley McKern in the presence of:**



Witness Signature



Signature

LUCY MCKERNAN

Print Name

Deeds of Company Arrangement

Allens Arthur Robinson 

Signed Sealed and Delivered by Murray
Campbell Smith in the presence of:

Witness Signature

Signature

Print Name

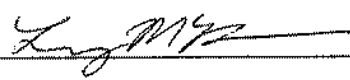
Signed Sealed and Delivered by
Michael John Hill in the presence of:

Witness Signature

Signature

Print Name

Signed Sealed and Delivered by Samuel
Charles Davies in the presence of:



Witness Signature



Signature

LUCY M'KERNAN

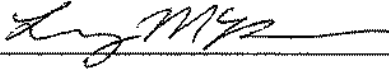
Print Name

Deeds of Company Arrangement

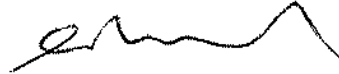
Allens Arthur Robinson 

Executed by ION Limited

(Administrators Appointed) by being signed sealed and delivered by its joint administrator Colin McIntosh Nicol in the presence of:



Witness Signature



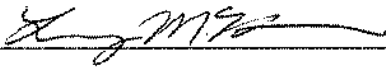
Signature

LUCY MCKERNAN

Print Name

Executed by Castalloy Limited

(Administrators Appointed) by being signed sealed and delivered by its joint administrator Colin McIntosh Nicol in the presence of:



Witness Signature



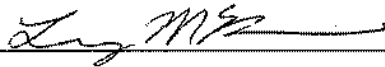
Signature

LUCY MCKERNAN

Print Name

Executed by Castalloy Manufacturing

Pty Ltd (Administrators Appointed) by being signed sealed and delivered by its joint administrator Colin McIntosh Nicol in the presence of:



Witness Signature



Signature

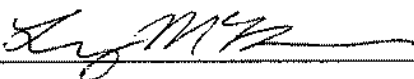
LUCY MCKERNAN

Print Name

Deeds of Company Arrangement

Allens Arthur Robinson 

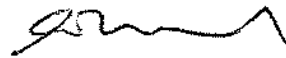
Executed by Castalloy Wheels Pty Ltd
(Administrators Appointed) by being
signed sealed and delivered by its joint
administrator Colin McIntosh Nicol in the
presence of:



Witness Signature

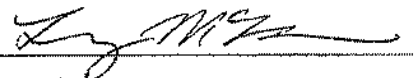
LUY MCKERNAN

Print Name



Signature

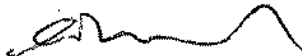
Executed by ION Automotive Group
Limited (Administrators Appointed) by
being signed sealed and delivered by its
joint administrator Colin McIntosh Nicol
in the presence of:



Witness Signature

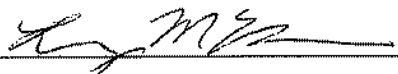
LUY MCKERNAN

Print Name



Signature


Executed by ION Light Metal
Castings Pty Ltd (Administrators
Appointed) by being signed sealed and
delivered by its joint administrator Colin
McIntosh Nicol in the presence of:



Witness Signature


LUY MCKERNAN

Print Name

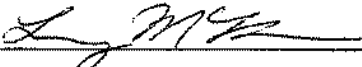


Signature

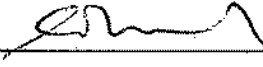
Deeds of Company Arrangement

Allens Arthur Robinson 

Executed by Core Cast Ltd
(Administrators Appointed) by being
signed sealed and delivered by its joint
administrator Colin McIntosh Nicol in the
presence of:



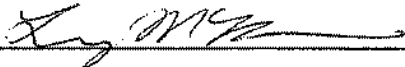
Witness Signature




Signature

LUCKY MCKERNAN
Print Name

Executed by ION Automotive Systems
Pty Ltd (Administrators Appointed) by
being signed sealed and delivered by its
joint administrator Colin McIntosh Nicol
in the presence of:




Witness Signature



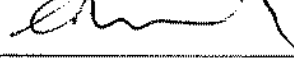
Signature

LUCKY MCKERNAN
Print Name

Executed by ION Transmissions Pty
Ltd (Administrators Appointed) by
being signed sealed and delivered by its
joint administrator Colin McIntosh Nicol
in the presence of:



Witness Signature



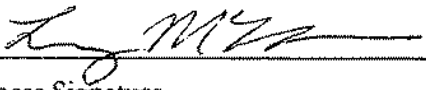
Signature

LUCKY MCKERNAN
Print Name

Deeds of Company Arrangement

Allens Arthur Robinson 

Executed by XLS Pty Ltd
(Administrators Appointed) by being
signed sealed and delivered by its joint
administrator Colin McIntosh Nicol in the
presence of:



Witness Signature

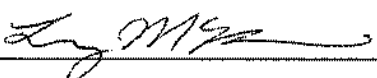
LUCY MCKERNAN

Print Name



Signature


Executed by XLSE Pty Ltd
(Administrators Appointed) by being
signed sealed and delivered by its joint
administrator Colin McIntosh Nicol in the
presence of:



Witness Signature

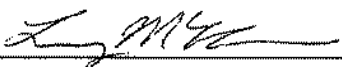
LUCY MCKERNAN

Print Name



Signature

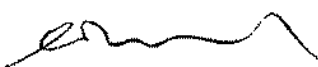
Executed by XLC Pty Ltd
(Administrators Appointed) by being
signed sealed and delivered by its joint
administrator Colin McIntosh Nicol in the
presence of:



Witness Signature


LUCY MCKERNAN

Print Name

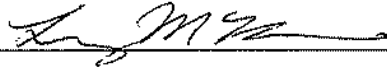


Signature

Deeds of Company Arrangement

Allens Arthur Robinson 

Executed by XLO Pty Ltd
(Administrators Appointed) by being
signed sealed and delivered by its joint
administrator Colin McIntosh Nicol in the
presence of:



Witness Signature

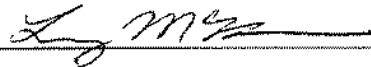


Signature

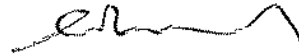
LUCY MCKERNAN

Print Name

Executed by XLSV Pty Ltd
(Administrators Appointed) by being
signed sealed and delivered by its joint
administrator Colin McIntosh Nicol in the
presence of:



Witness Signature

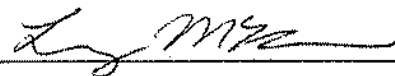


Signature

LUCY MCKERNAN

Print Name

Executed by XST Pty Ltd
(Administrators Appointed) by being
signed sealed and delivered by its joint
administrator Colin McIntosh Nicol in the
presence of:



Witness Signature



Signature

LUCY MCKERNAN

Print Name

Deeds of Company Arrangement

Allens Arthur Robinson



Executed by XCTS Pty Ltd
(Administrators Appointed) by being
signed sealed and delivered by its joint
administrator Colin McIntosh Nicol in the
presence of:

Witness Signature

Signature

LUCY MCKERNAN

Print Name

Executed by XCTA Pty Ltd
(Administrators Appointed) by being
signed sealed and delivered by its joint
administrator Colin McIntosh Nicol in the
presence of:

Witness Signature

Signature

LUCY MCKERNAN

Print Name

Executed by XIRC Pty Ltd
(Administrators Appointed) by being
signed sealed and delivered by its joint
administrator Colin McIntosh Nicol in the
presence of:

Witness Signature

Signature

LUCY MCKERNAN

Print Name

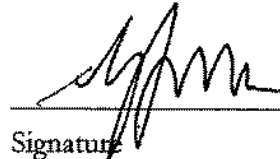
Deeds of Company Arrangement

Allens Arthur Robinson 

Executed by ION Automotive (New Zealand) Limited by being signed sealed and delivered by its attorney Gavin Paul Smith under Power of Attorney dated 27 May 2005 in the presence of:



Witness Signature



Signature

TANIA CINI

Print Name

Deeds of Company Arrangement

Allens Arthur Robinson 

Executed as a Deed.

**Signed Sealed and Delivered by Colin
McIntosh Nicol** in the presence of:

Witness Signature

Signature

Print Name

**Signed Sealed and Delivered by Peter
McKenzie Anderson** in the presence of:

Witness Signature

Signature

Print Name


**Signed Sealed and Delivered by Robyn
Beverley McKern** in the presence of:

Witness Signature

Signature

Print Name

Deeds of Company Arrangement

Allens Arthur Robinson 

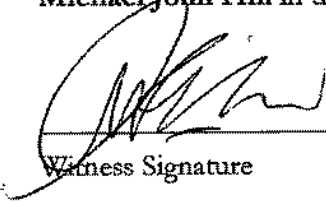
**Signed Sealed and Delivered by Murray
Campbell Smith in the presence of:**

Witness Signature


Signature

Print Name

**Signed Sealed and Delivered by
Michael John Hill in the presence of:**



Witness Signature



Signature

AVRIL LIM

Print Name

**Signed Sealed and Delivered by Samuel
Charles Davies in the presence of:**

Witness Signature

Signature

Print Name

Deeds of Company Arrangement

Allens Arthur Robinson 

Executed by ION Limited
(Administrators Appointed) by being
signed sealed and delivered by its joint
administrator Colin McIntosh Nicol in the
presence of:

Witness Signature

Signature

Print Name

Executed by Castalloy Limited
(Administrators Appointed) by being
signed sealed and delivered by its joint
administrator Colin McIntosh Nicol in the
presence of:

Witness Signature

Signature

Print Name

**Executed by Castalloy Manufacturing
Pty Ltd (Administrators Appointed)** by
being signed sealed and delivered by its
joint administrator Colin McIntosh Nicol
in the presence of:

Witness Signature

Signature

Print Name

Deeds of Company Arrangement

**Executed by Castalloy Wheels Pty Ltd
(Administrators Appointed)** by being
signed sealed and delivered by its joint
administrator Colin McIntosh Nicol in the
presence of:

Witness Signature

Signature

Print Name

**Executed by ION Automotive Group
Limited (Administrators Appointed)** by
being signed sealed and delivered by its
joint administrator Colin McIntosh Nicol
in the presence of:

Witness Signature

Signature

Print Name

**Executed by ION Light Metal
Castings Pty Ltd (Administrators
Appointed)** by being signed sealed and
delivered by its joint administrator Colin
McIntosh Nicol in the presence of:

Witness Signature

Signature

Print Name

Deeds of Company Arrangement

Allens Arthur Robinson



Executed by Core Cast Ltd
(Administrators Appointed) by being
signed sealed and delivered by its joint
administrator Colin McIntosh Nicol in the
presence of:

Witness Signature

Signature

Print Name

Executed by ION Automotive Systems
Pty Ltd (Administrators Appointed) by
being signed sealed and delivered by its
joint administrator Colin McIntosh Nicol
in the presence of:

Witness Signature

Signature

Print Name

Executed by ION Transmissions Pty
Ltd (Administrators Appointed) by
being signed sealed and delivered by its
joint administrator Colin McIntosh Nicol
in the presence of:

Witness Signature

Signature

Print Name

Deeds of Company Arrangement

Executed by XLS Pty Ltd
(Administrators Appointed) by being
signed sealed and delivered by its joint
administrator Colin McIntosh Nicol in the
presence of:

Witness Signature

Signature

Print Name

Executed by XLSE Pty Ltd
(Administrators Appointed) by being
signed sealed and delivered by its joint
administrator Colin McIntosh Nicol in the
presence of:

Witness Signature

Signature

Print Name

Executed by XLC Pty Ltd
(Administrators Appointed) by being
signed sealed and delivered by its joint
administrator Colin McIntosh Nicol in the
presence of:

Witness Signature

Signature

Print Name

Deeds of Company Arrangement

Allens Arthur Robinson 

Executed by **XLO Pty Ltd**
(Administrators Appointed) by being
signed sealed and delivered by its joint
administrator Colin McIntosh Nicol in the
presence of:

Witness Signature

Signature

Print Name

Executed by **XLSV Pty Ltd**
(Administrators Appointed) by being
signed sealed and delivered by its joint
administrator Colin McIntosh Nicol in the
presence of:

Witness Signature

Signature

Print Name

Executed by **XST Pty Ltd**
(Administrators Appointed) by being
signed sealed and delivered by its joint
administrator Colin McIntosh Nicol in the
presence of:

Witness Signature

Signature

Print Name

Deeds of Company Arrangement

Executed by XCTS Pty Ltd

(Administrators Appointed) by being signed sealed and delivered by its joint administrator Colin McIntosh Nicol in the presence of:

Witness Signature

Signature

Print Name

Executed by XCTA Pty Ltd

(Administrators Appointed) by being signed sealed and delivered by its joint administrator Colin McIntosh Nicol in the presence of:

Witness Signature

Signature

Print Name

Executed by XIRC Pty Ltd

(Administrators Appointed) by being signed sealed and delivered by its joint administrator Colin McIntosh Nicol in the presence of:

Witness Signature

Signature

Print Name

Deeds of Company Arrangement

Allens Arthur Robinson 

Executed by ION Automotive (New Zealand) Limited by being signed sealed and delivered by its attorney Gavin Paul Smith under Power of Attorney dated 27 May 2005 in the presence of:

Witness Signature

Signature

Print Name

Deeds of Company Arrangement

Executed as a Deed.

**Signed Sealed and Delivered by Colin
McIntosh Nicol in the presence of:**

Witness Signature

Signature

Print Name

**Signed Sealed and Delivered by Peter
McKenzie Anderson in the presence of:**

Witness Signature

Signature

Print Name

**Signed Sealed and Delivered by Robyn
Beverley McKern in the presence of:**

Witness Signature

Signature

Print Name

Deeds of Company Arrangement

Allens Arthur Robinson 

Signed Sealed and Delivered by Murray
Campbell Smith in the presence of:



Witness Signature



Signature

JEANNETTE HEARNE

Print Name

Signed Sealed and Delivered by
Michael John Hill in the presence of:

Witness Signature

Signature

Print Name


Signed Sealed and Delivered by Samuel
Charles Davies in the presence of:

Witness Signature

Signature

Print Name

Deeds of Company Arrangement

Allens Arthur Robinson 

Executed by ION Limited
(Administrators Appointed) by being
signed sealed and delivered by its joint
administrator Colin McIntosh Nicol in the
presence of:

Witness Signature

Signature

Print Name

Executed by Castalloy Limited
(Administrators Appointed) by being
signed sealed and delivered by its joint
administrator Colin McIntosh Nicol in the
presence of:

Witness Signature

Signature

Print Name

Executed by Castalloy Manufacturing
Pty Ltd (Administrators Appointed) by
being signed sealed and delivered by its
joint administrator Colin McIntosh Nicol
in the presence of:

Witness Signature

Signature

Print Name

Deeds of Company Arrangement

Executed by Castalloy Wheels Pty Ltd
(Administrators Appointed) by being
signed sealed and delivered by its joint
administrator Colin McIntosh Nicol in the
presence of:

Witness Signature

Signature

Print Name

Executed by ION Automotive Group
Limited (Administrators Appointed) by
being signed sealed and delivered by its
joint administrator Colin McIntosh Nicol
in the presence of:

Witness Signature

Signature

Print Name

Executed by ION Light Metal
Castings Pty Ltd (Administrators
Appointed) by being signed sealed and
delivered by its joint administrator Colin
McIntosh Nicol in the presence of:

Witness Signature

Signature

Print Name

Deeds of Company Arrangement

Executed by Core Cast Ltd
(Administrators Appointed) by being
signed sealed and delivered by its joint
administrator Colin McIntosh Nicol in the
presence of:

Witness Signature

Signature

Print Name

Executed by ION Automotive Systems
Pty Ltd (Administrators Appointed) by
being signed sealed and delivered by its
joint administrator Colin McIntosh Nicol
in the presence of:

Witness Signature

Signature

Print Name

Executed by ION Transmissions Pty
Ltd (Administrators Appointed) by
being signed sealed and delivered by its
joint administrator Colin McIntosh Nicol
in the presence of:

Witness Signature

Signature

Print Name

Deeds of Company Arrangement

Executed by XLS Pty Ltd
(Administrators Appointed) by being
signed sealed and delivered by its joint
administrator Colin McIntosh Nicol in the
presence of:

Witness Signature

Signature

Print Name

Executed by XLSE Pty Ltd
(Administrators Appointed) by being
signed sealed and delivered by its joint
administrator Colin McIntosh Nicol in the
presence of:

Witness Signature

Signature

Print Name

Executed by XLC Pty Ltd
(Administrators Appointed) by being
signed sealed and delivered by its joint
administrator Colin McIntosh Nicol in the
presence of:

Witness Signature

Signature

Print Name

Deeds of Company Arrangement

Allens Arthur Robison 

Executed by XLO Pty Ltd
(Administrators Appointed) by being
signed sealed and delivered by its joint
administrator Colin McIntosh Nicol in the
presence of:

Witness Signature

Signature

Print Name

Executed by XLSV Pty Ltd
(Administrators Appointed) by being
signed sealed and delivered by its joint
administrator Colin McIntosh Nicol in the
presence of:

Witness Signature

Signature

Print Name

Executed by XST Pty Ltd
(Administrators Appointed) by being
signed sealed and delivered by its joint
administrator Colin McIntosh Nicol in the
presence of:

Witness Signature

Signature

Print Name

Deeds of Company Arrangement

Executed by XCTS Pty Ltd
(Administrators Appointed) by being
signed sealed and delivered by its joint
administrator Colin McIntosh Nicol in the
presence of:

Witness Signature

Signature

Print Name

Executed by XCTA Pty Ltd
(Administrators Appointed) by being
signed sealed and delivered by its joint
administrator Colin McIntosh Nicol in the
presence of:

Witness Signature

Signature

Print Name

Executed by XIRC Pty Ltd
(Administrators Appointed) by being
signed sealed and delivered by its joint
administrator Colin McIntosh Nicol in the
presence of:

Witness Signature

Signature

Print Name

Deeds of Company Arrangement

Allens Arthur Robinson 

Executed by ION Automotive (New Zealand) Limited by being signed sealed and delivered by its attorney Gavin Paul Smith under Power of Attorney dated 27 May 2005 in the presence of:

Witness Signature

Signature

Print Name