

APPENDIX 22

Board resolution to self-insure

Transend Networks Pty Ltd

Minutes of board meeting

Thursday 24 April 2008
1-7 Maria Street, Lenah Valley

Present: John Lord (chairman), Christine Bell, John Bennett, Richard Bevan,
Ray Brown, Jan Field, Guy Peltzer, and Paul Oxley (secretary)

10.00 am: Mr Lord opened the meeting.

EXTRACT

5c Self insurance

RESOLVED

The board resolved:

- 1) to note that Transend's Revenue Proposal to the AER for the five-year regulatory period commencing 1 July 2009 includes a self insurance allowance;
- 2) to note the specific risks covered by this allowance which are proposed to be self-insured are:
 - a) network related events greater than \$20,000 as defined below;
 - (i) losses for which insurance is commercially unavailable or excluded under a policy of insurance (eg, transmission lines);
 - (ii) loss events for insured risks below the existing property insurance policy deductible;
 - (iii) costs incurred through emergency actions to mitigate losses;
 - b) non-network property risks such as vandalism, theft and damage (loss events for risks below existing insurance policy deductibles);
- 3) to note that undertaking self insurance for the specified risk does not change Transend's current risk position but rather formalises it; and
- 4) to approve Transend's self insuring these specific risk events.

D. P. Oxley
Company Secretary