

# airJamaica®



Exhibit 41

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May 2, 2007

*Question 2*

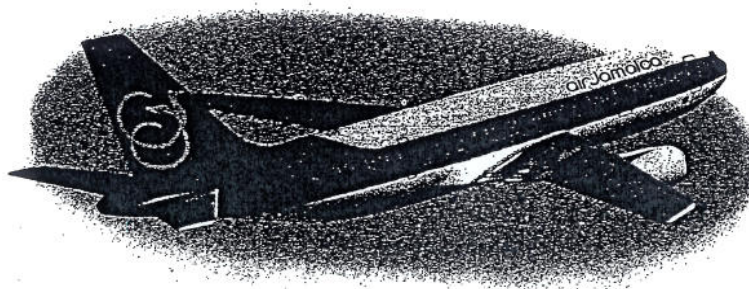
Dr. the Honourable Omar Davies, M.P.  
Minister of Finance and Planning  
Ministry of Finance and Planning  
30 National Heroes Circle  
Kingston 4

Dear Minister,

In order to facilitate the final decision we have summarized for you an updated comparison between VS and BA. As you know, officials from Virgin met with the company Monday and Tuesday for the purpose of putting together an MOU on our agreement with VS.

It is the management's view that we are at a comfort point of having extracted essentially all there is to be gotten from the competing carriers. Both carriers made strong offers, however, VS has offered more for the slots, have given very attractive pro rate fares, agreed to an evergreen commitment on triangular fares over the USA, (that is, they will extend prorates as new gateways are opened in the USA), a major defrayment on the passengers handed over in October and a five year contract. As a whole, these in our judgment are of greater value than the agreement by BA to cut over one month earlier. Other aspects of the offers are fairly similar.

In addition to the items listed at 1 below, VS has agreed to work with JM to develop the cargo market which will, in all likelihood, be managed by our existing cargo team and provide a source of additional earnings for the company. JM will also handle the VS operations at NMIA and have the opportunity to bid for the MBJ business, which is now handled by AJAS.



Lastly, please know that the management is appreciative of your assistance in improving key aspects of the VS offer and that we are fully committed to working with Virgin and achieving the goals set forth in the Business Plan.

Set out below are:

- I. Updated summary of primary differences.
- II. Implementation systems and need for confidentiality.

Attached is the draft MOU with target signing date of May 7, 2007 – but not for public disclosure pending coordination of matters set forth on Attachment II.

Yours truly,



O.K. Melhado  
Chairman

## Updated Summary VS / BA

	<u>VS</u>	<u>BA</u>
Slot Purchase	(US\$) 10.2 million	(US\$) 9.4 million
Passenger Handoff	Will take steep discount; value to JM approx. \$250 thousand, or 50% of JM's total exposure	Never committed to discount and unlikely it would have approached VS offer
Tenure	5 years	3 years
No. Am. Gateway Link	All current & <u>future</u> gateways served by VS and JM during tenure of agreement	Future gateways never offered
Prorates	We are convinced what we got is a superior offer, and a 10% improvement over VS's last offer	Very much doubt BA could have matched VS due to precedent it would have set with BA's extensive and much larger agreements they have with other carriers
LGW Slot Option	Likely we will get the option extended beyond the termination date of the 5 year tenure	BA tenure, as noted above is 3 years
Leadership Commitment	Sir Richard personally engaged in transaction which should be a big plus in the commitment from all other VS personnel	Willie Walsh of BA did not demonstrate the same level of enthusiasm for the agreement
So. American Routes	None served by VS, and accordingly, they are most interested in expanding the codeshare with JM when we enter the S.A. markets	BA currently serves S. A., and as a result, we see less codeshare opportunities with them.
Singapore Airways	Has 49% stake in VS, which has agreed to facilitate the opportunity for JM to expand its codeshare opportunities to Asia via SQ's common gateways in N.A.	N/A

Confidentiality / Implementation Issues

The following requires a coordinated effort between VS and JM, as all of the items set forth below must be in place before any announcements to assure a smooth transition.

- 1) Before any public announcement is made we must ensure that VS has "loaded" their new Kingston flights that will begin on October 27.
- 2) Air Jamaica needs to be prepared to handle the influx of calls that will immediately be generated from a public announcement from those passengers that are currently booked on Air Jamaica flights after Oct. 27th. This has to do with the re-accommodation of those passengers from JM to VS. AJ will also initiate calls to passengers who have booked but not paid for their tickets to 'sell' them on to VS flights – this will earn us a margin under the codeshare/prorate umbrella.
- 3) It would be inappropriate for our staff (particularly our London staff of 20 persons), travel agency community, etc., to first learn of our exit from London via a GOJ release or comments from the Minister of Information following a Cabinet meeting. Also there is the need to have a proper press briefing in Jamaica to highlight the advantages of the Virgin association and additional income earning opportunities for Air Jamaica.

All public communication needs to be coordinated between JM and VS to facilitate the transition.