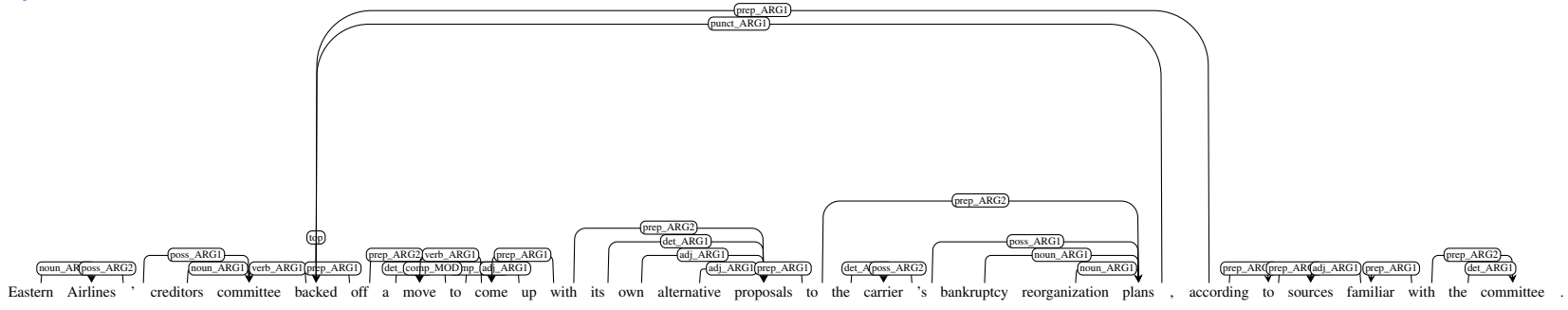
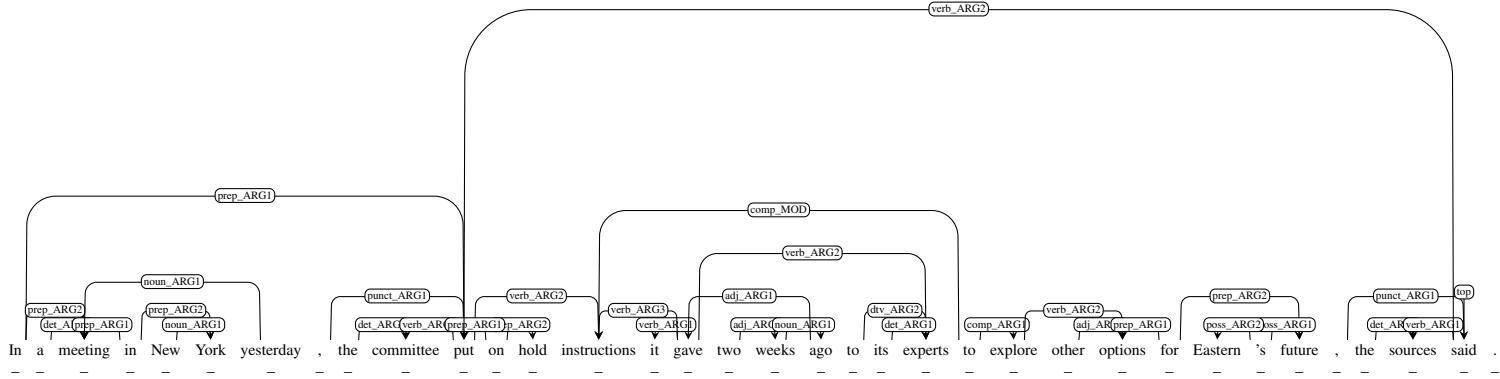


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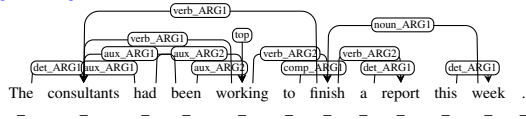
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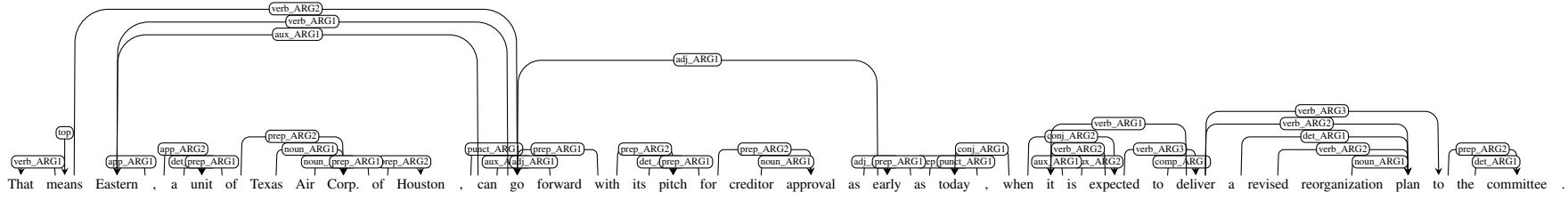
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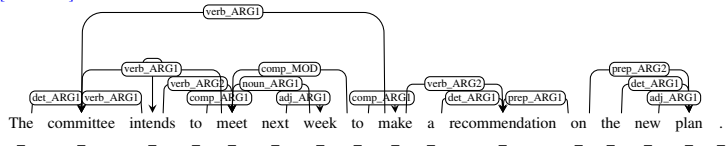
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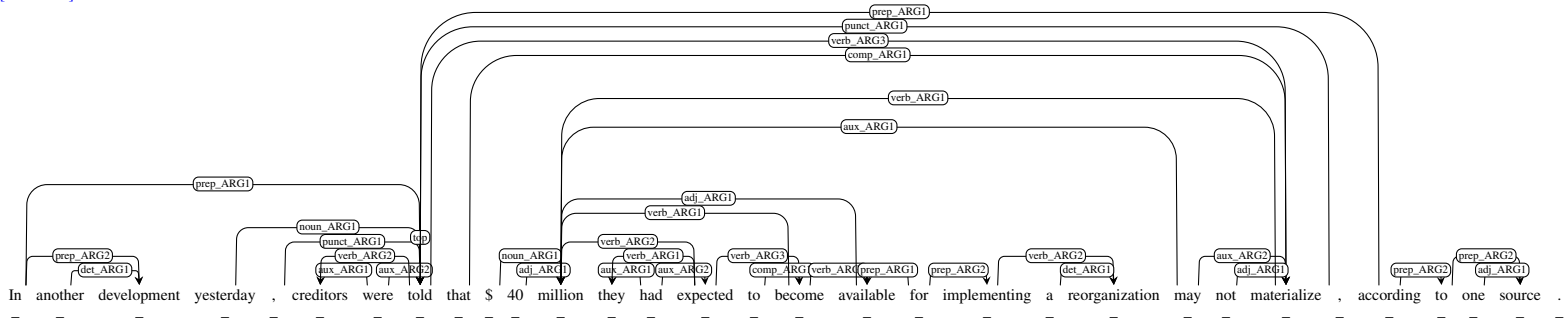
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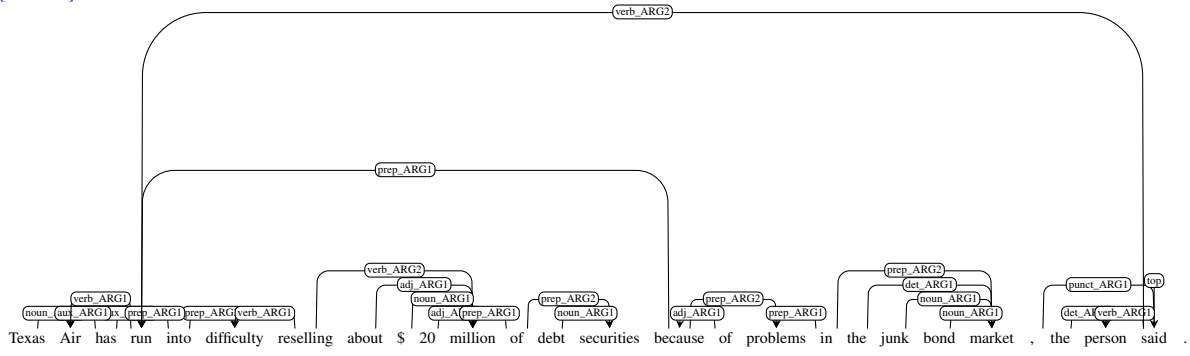
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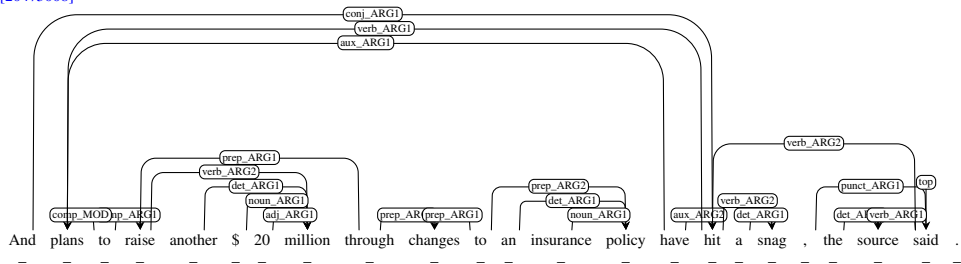
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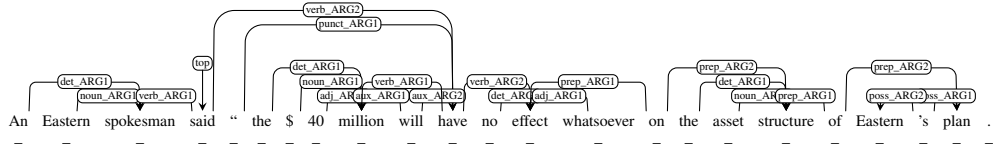
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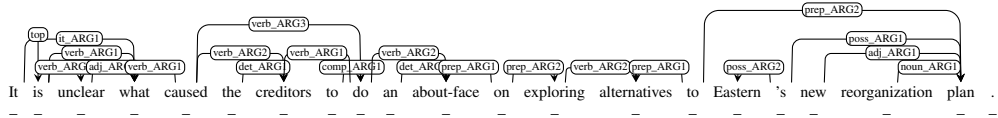
[20475008]



[20475009]



[20475011]



[20475012]

However , since Eastern first filed for Chapter 11 protection March 9 , it has consistently promised to pay creditors 100 cents on the dollar .

Because the carrier is still pledging to do that , some committee members successfully argued that there 's little reason yet to explore a different plan , according to one person familiar with the creditors ' position .

Earlier this month the accounting firm of Ernst & Young and the securities firm of Goldman , Sachs & Co. , the experts hired by the creditors , contended that Eastern would have difficulty meeting earnings targets the airline was projecting .

Ernst & Young said Eastern 's plan would miss projections by \$ 100 million .

Goldman said Eastern would miss the same mark by at least \$ 120 million .

The consultants maintained Eastern would n't generate the cash it needs and would have to issue new debt to meet its targets under the plan .

Yesterday , Joel Zweibel , an attorney for Eastern 's creditors committee , declined to comment on whether the experts had ever been instructed to look at other choices and whether they now were asked not to .

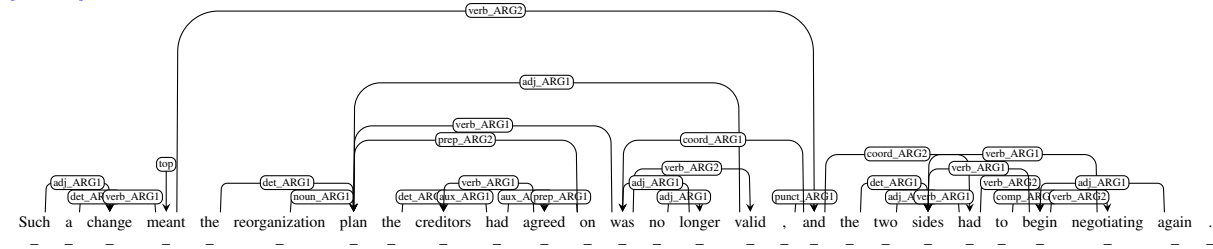
He said only that the committee has not yet taken any position on Eastern 's reorganization plan and that the two sides were still negotiating .

" In every case , people would like to see a consensual plan , " he said .

Eastern and its creditors agreed in July on a reorganization plan that called for the carrier to sell off \$ 1.8 billion in assets and to emerge from Chapter 11 status in late 1989 at two-thirds its former size .

Eastern eventually decided not to sell off a major chunk , its South American routes , which were valued at \$ 400 million .

[20475024]



[20475025]

