# EXHIBIT D-3

# Tracy Medve

From:

Kevin Thomas <a href="mailto:kthomas@canadiannorth.com">kthomas@canadiannorth.com</a>

Sent: To:

July-19-12 5:18 PM 'Gaetano, Michael'

Cc:

tmedve@canadiannorth.com; 'Tanya Berry'

Subject:

RE: Canadian North Records and Engineering Documents

Attachments:

584 Engine Off 688588 LH 15APR11.pdf; 552 Engine Off 674234 RH 24JAN11.pdf; 560

Engine Off 709511 RH 07 Mar 11.pdf; 582 Engine Off 696751 LH 04Feb12.pdf; 583

Engine Off 709491 RH 15NOV11.pdf

# Good day Michael

I have prepared the following mini spread sheet that gives you a quick snap shot of the 5 engines in question. It is below;

	AVEOS ENGINES				
ESN	RECORDS	NOTE	Installation on to Canadian North	Last Removal from Canadian North	Reason for removal
674234	Υ	NEED REMOVAL & NIS	15-Aug-10	24-Jan-11	Metal on chip Plug/ oil lea
696751	Р	MINPACK ONLY	16-May-11	04-Feb-12	Metal on Mag Plug
688588	P	MINPACK ONLY	14-Nov-10	15-Apr-11	Turbine Damage
709511	Р	MINPACK ONLY	27-Jan-09	07-Mar-11	#8 HPC Disc Time Expired
709491	Р	MINPACK ONLY	05-Dec-06	15-Nov-11	Severe Vibration

I have also included a copy of the engine change notices for each of the engines in question. These notices contain much information including how long each engine remained on wing since the last shop visit. These notices were previously shipped to Aveos at the time of the engine change, but I am happy to resend them.

We have gathered up all the hard copy data we have on these engines including new Non Incident Statements that I have signed for each engine. Please provide an address that I can ship these records to. We have scanned an electronic copy of the records that I can provide if would like that too.

We do not hold the Back to Birth for these engines as the long standing arrangement we held with Aveos, ACTS prior to that. Air Canada prior to that etcetera, was for our contracted maintenance provider to retain all back to birth records on our behalf for the engines and so forth. It appears what we have on sight are mostly the mini packs with some additional more detailed printouts for previous installations of some engines in question.

Please advise how we can be of additional service.

Thank you Kevin Thomas Quality Assurance Manager

**CANADIAN NORTH** sariously northern

Paras 32/33 6 Pages

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From: Gaetano, Michael [mailto:michael.gaetano@aveos.com]

Sent: July 18, 2012 3:03 PM

To: Kevin Thomas; dhyrve@canadiannorth.com; 'Tracy Medve'

Cc: 'Stephane Hebert'; 'Terry Warner'; 'Steve Hankirk'; 'Neal Liesemer'; 'Tanya Berry'; laura MacLennan;

gespenant@canadiannorth.com; Peter Silkin

Subject: RE: Canadian North Records and Engineering Documents

Kevin, thanks for the feedback.

I've updated the list of engine records per our discussion. We're down to 4 engines, of which 2 we have mini-pack info from last SV and install on CDNN aircraft.

We will continue to progress on the engine records, EO request and set another meeting for next week.

I will need help from CDNN to provide (for the 5 engines exchanged), the following, given those who may have had this are no longer there.

- 1) Install & Removal Data, including NIS from CDNN
- 2) LLP sheets for TSN/CSN since install
- 3) Removal notice and reason

Cheers,



# MICHAEL GAETANO, PMP

Director, Asset Management Directeur, Gestion des Actifs

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aveos.com michael.gaetano@aveos.com

From: Kevin Thomas [mailto:kthomas@canadiannorth.com]

Sent: Wed, Jul 18, 2012 16:44 To: Gaetano, Michael; 'Tracy Medve'

Cc: 'Stephane Hebert'; 'Terry Warner'; 'Steve Hankirk'; 'Neal Liesemer'; 'Tanya Berry'; laura MacLennan;

gespenant@canadiannorth.com; Peter Silkin

Subject: RE: Canadian North Records and Engineering Documents

Good day Michael

I have attached to this email a PDF of the list of Engineering Orders and other engineering documents applicable to our 737-200 fleet.

If you look along the top header you can see the aircraft tail numbers for the aircraft. As an example of how to determine which Engineering Orders we are looking for, our applicable aircraft tail numbers are listed on this sheet. What was once a 723 became our 523 in our fleet, and so on for 552,560,562,582,583,584.

We are specifically looking for any and all EO's that pertain to our feet, whether they are listed as A for previously accomplished, C for completed, P for partial, R for New and even F for forecasted. The request for forecasted EO's is made in light of possible work accomplished between the generation of this list and our control of the fleet.

I will ask our 737-200 fleet manager if there are any other EO's that are applicable to our fleet that are not on this list that you can provide as well.

Thank you for your time Kevin Thomas Quality Assurance Manager



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From: Gaetano, Michael [mailto:michael.gaetano@aveos.com]

**Sent:** July 17, 2012 10:46 AM

To: Tracy Medve

Cc: 'Stephane Hebert'; 'Terry Warner'; 'Steve Hankirk'; 'Neal Liesemer'; Kevin Thomas

Subject: RE: Canadian North Records and Engineering Documents

Perfect, I will send a bridge and coordinate the best time with Kevin.

Best Regards



### MICHAEL GAETANO, PMP

Director, Asset Management Directeur, Gestion des Actifs

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aveos.com michael.gaetano@aveos.com

From: Tracy Medve [mailto:tmedve@canadiannorth.com]

Sent: Tue, Jul 17, 2012 12:34

To: Gaetano, Michael

Cc: 'Stephane Hebert'; 'Terry Warner'; 'Steve Hankirk'; 'Neal Liesemer'; Kevin Thomas

Subject: RE: Canadian North Records and Engineering Documents

Thank you Michael for getting back to me. We will discuss at this end but a call with all relevant parties would be good. We can then determine who we might need to get us across the finish line.

#### Tracy Medve President



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From: Gaetano, Michael [mailto:michael.gaetano@aveos.com]

**Sent:** July-17-12 8:56 AM

To: Tracy Medve

**Cc:** Stephane Hebert; Terry Warner; Steve Hankirk; Neal Liesemer **Subject:** RE: Canadian North Records and Engineering Documents

Tracy,

Thank you for your e-mail. We have been working with Neal and Kevin in Neal's absence. I'm not sure what was shared with you so far, but we have exchanged an update on the status of efforts.

In summary:

- Of the 14 engine records, we confirm to have records associated with 7 ESNs and currently working on the remaining 6, for which 2 may actually be in YEG as they were recently sent to Dale's attention and 1 may date prior to our initial contract. 1 Engine was secured outside of the Aveos activities as confirmed by your team (ESN: 665850)
- 2) We've also located records pertaining to the 7 aircraft and other maintenance tags.
- 3) We're currently reviewing the records room in YVR to track down any of the remaining engine or other records and expect to have a status today.

As for engaging additional resources to support the effort, we have no issue with this at all. We've already spoken to the previous management team in YUL records about where things were stored, which did help uncover more items.

We were planning to have a conference call tomorrow with Kevin and his team to review the status of progress and assess the next steps. Perhaps ensuring people like Dale Hyrve be on the call and we can discuss some of the gaps and how to close them. Following this, if you want to bring additional people on board we can set the course to do so.

Let me know if you're OK with this and please feel free to contact me if you would like to discuss further

Best Regards,



MICHAEL GAETANO, PMP

Director, Asset Management Directeur, Gestion des Actifs Aveos

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michael.gaetano@aveos.com

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#### aveos.com

From: Tracy Medve [mailto:tmedve@canadiannorth.com]

Sent: Mon, Jul 16, 2012 17:27

To: Gaetano, Michael

**Cc:** Stephane Hebert; Terry Warner; Steve Hankirk; Neal Liesemer **Subject:** Canadian North Records and Engineering Documents

Dear Mr. Gaetano:

I know you have recently been in contact with our Director of Maintenance, Neal Liesemer. Neal is away on vacation now and I wanted to follow up on the progress that is (or is not) being made with respect to the tracking down our LLP records and the engineering documents relating to our aircraft. I wanted to advise you that I have been in contact in the past few days with some former Aveos employees who are very familiar with the records we are looking for and where they may be located. These individuals have indicated a willingness to be of assistance in finding these important documents.

In the interest of moving forward with this issue I would like to propose that Canadian North retain three individuals to help, one for engine LLP records, one for gear LLP records and one for the engineering documents. They could work under your direction to locate the items we are looking for.

If you are amenable to this suggestion please advise and I will begin the necessary arrangements in that regard.

I am best contacted on my cell or by email.

Regards,

Tracy Medve President



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# **Tracy Medve**

From:

Neal Liesemer <nliesemer@canadiannorth.com>

Sent:

June-27-12 3:51 PM

To:

Dennis Little

Cc:

shankirk@canadiannorth.com; 'Tracy Medve'

Subject:

Ex-Aveos engines at Timco

Dennis,

I understand that Timco may have mechanics liens of the engines noted below.

Can you provide a revised estimate on the engines noted below to purchase, and the current status of these engines.

Thanks,

Neal

# From: Dennis Little [mailto:Dennis.Little@TIMCO.aero]

Here is a complete rundown of the engines here in Oscoda.

- 1. ESN 674234-9A.... Engine is approximately 85% complete. Requires the engine to be assembled, tested and QEC installed. Estimated amount owed for repair of the engine and installation of the stg 3 kit...\$340
- 2. ESN 696751-17A... Engine was inducted for metal in the oil. Engine is complete. Estimated amount owed \$100K
- 3. ESN 688588-17..... Engine was inducted for turbine failure. Engine is approximately 60% complete. This is a spec motor.
- 4. ESN 709511-17A... Engine was inducted for spec build. Completely disassembled in parts.
- ESN 709491-17A... Engine has been disassembled, cleaned and inspected. Estimate to repair the turbine failure is \$285K

Please keep me in the loop as what Aveos/Canadian North are planning on doing with these engines.

# Neal Liesemer Director, Maintenance



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