

From: Kevin Trumpour <KTrumpour@millerthomson.com>

Date: Sun, 18 Mar 2012 14:46:39 -0400

To: Charanpal Lochab <paul.lochab@aveos.com>

Cc: Tracy Medve <tmedve@canadiannorth.com>, Steve Hankirk <shankirk@cdn-north.com>, Terry Warner <twarner@millerthomson.com>

Subject: Termination Notice

Mr. Lochab,

Attached for service on Aveos Fleet Performance Inc. is a Termination Notice from Canadian North Inc. with respect to the General Terms Agreement for B737 Technical Services

In accordance with Section 29 of the General Terms Agreement for B737 Technical Services, a copy of this Notice will be faxed to the Commercial Department Fax (514.856.7427), Attention: Senior Manager for Canadian North, with a copy to Manager, Commercial Contracts.

Kevin Trumpour

Miller Thomson LLP

2700 Commerce Place

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NOTICE OF TERMINATION OF AGREEMENT

TO: AVEOS FLEET PERFORMANCE INC.

FROM: CANADIAN NORTH INC.

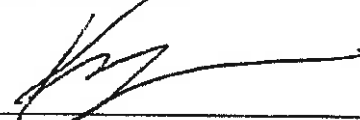
DATE: March 18, 2012

In accordance with section 15 of the General Terms Agreement for B737 Technical Services made as of the 19th day of December, 2008 between Aveos Fleet Performance Inc. and Canadian North Inc., as amended (the "**General Terms Agreement**"), Canadian North Inc. hereby gives notice to Aveos Fleet Performance Inc. that the General Terms Agreement is terminated effective March 18, 2012 as a result of the insolvency of Aveos Fleet Performance Inc.

Notwithstanding the termination of the General Terms Agreement, Canadian North Inc. hereby reserves unto itself all rights and remedies it possesses under the terms and provisions of the General Terms Agreement, whether at law or in equity, or by virtue of the terms of the General Terms Agreement, and in particular, notwithstanding the termination of the General Terms Agreement, Canadian North Inc. reserves unto itself the right to proceed against Aveos Fleet Performance Inc. for recovery of all damages sustained by Canadian North Inc. as a result of the breach of the General Terms Agreement by Aveos Fleet Performance Inc. as enumerated herein, and all damages sustained by Canadian North Inc. as result of termination of the General Terms Agreement, including, without limitation, the recovery as liquidated damages of an amount equal to the costs expected to be incurred by Canadian North Inc. for the replacement of the necessary maintenance services for the unexpired portion of the term of the General Terms Agreement, and all expenses Canadian North Inc. has or shall incur in connection with sourcing alternative maintenance services, including legal fees and expenses on a solicitor and his own client basis.

CANADIAN NORTH INC.

Per:



Kevin D. Trumpour, authorized
agent of Canadian North Inc.