

S.C.M.: 500-11-042345-120

EXHIBIT P-7

ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT is made as of January 15, 2013.

BETWEEN: **AVEOS FLEET PERFORMANCE INC.**, a corporation governed by the *Canada Business Corporations Act*, having an office at 7171 Côte-Vertu Blvd, Montreal, Québec, H4S 1Z3,

(the "Assignor")

AND: **LOCKHEED MARTIN CANADA INC.**, a corporation governed by the *Canada Business Corporations Act*, having an office at 3001 Solandt Road, Kanata, Ontario, Canada, K2K 2M8,

(the "Assignee")

WHEREAS the Assignor and the Assignee entered into a purchase agreement on December 21, 2012 (the "**Purchase Agreement**"), pursuant to which the Assignee agreed to purchase from the Assignor, and the Assignor agreed to sell to the Assignee, the Assignor's right, title and interest in and to the Purchased Assets (as defined in the Purchase Agreement), including a certain Sublease agreement between the Assignor (formerly known as ACTS Aero Technical Support & Services Inc.), as subtenant, and Air Canada, as sublandlord, dated October 16, 2007 (the "**Purchased Contract**");

WHEREAS further to such assignment, the parties wish to confirm the assignment of the Purchased Contract from the Assignor to the Assignee, and thus the assumption by the Assignee of all rights and obligations of the Assignor under the Purchased Contract;

NOW THEREFORE, in consideration of the mutual promises contained herein and in the Purchase Agreement, and for other valuable consideration (the receipt and sufficiency of which are acknowledged by each party), the parties agree as follows:

ARTICLE 1 ASSIGNMENT OF PURCHASED CONTRACT

- 1.1 **Assignment.** In accordance with the terms and subject to the conditions of the Purchase Agreement, the Assignor hereby transfers, assigns and conveys to the Assignee, as and from the date hereof, all of the right, title and interest of the Assignor in and to the Purchased Contract, to the complete exoneration of the Assignor, together with all rights and benefits thereunder with the power to take all lawful measures which the Assignor, but for this assignment, might itself have taken.
- 1.2 **Assumption.** The Assignee hereby accepts, as and from the date hereof, the assignment of all of the right, title and interest of the Assignor in and to, and all of the Assignor's burdens, obligations and liabilities in connection with the Purchased Contract and assumes responsibility for the performance of all obligations thereunder.

**ARTICLE 2
MISCELLANEOUS**

- 2.1 Governing Law. This agreement shall be governed by and construed, interpreted and enforced in accordance with the laws of the Province of Québec and the laws of Canada applicable therein (excluding any conflict of law rule or principle of such laws that might refer such interpretation or enforcement to the laws of another jurisdiction). Each of the undersigned parties irrevocably submits to the exclusive jurisdiction of the CCAA Court with respect to any matter arising hereunder or relating hereto.
- 2.2 Further Assurances. Each of the parties shall, from time to time at the other's request and expense and without further consideration, execute and deliver such other documents and take such further action as the other may reasonably require to more effectively complete any matter provided for herein.
- 2.3 No Derogation. This agreement is made pursuant to the Purchase Agreement and, in the case of any conflict or inconsistency between the provisions of this agreement and the provisions of the Purchase Agreement, the provisions of the Purchase Agreement shall prevail.
- 2.4 Successors and Assigns. This agreement shall enure to the benefit of and shall be binding on and enforceable by the parties and, where the context so permits, their respective successors (including any successor by reason of the amalgamation of any party) and permitted assigns. Neither party may assign any of its rights or obligations hereunder without the prior written consent of the other party, which consent shall not be unreasonably withheld.
- 2.5 Counterparts. This agreement may be executed in any number of counterparts (including by facsimile or other electronic means), each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.
- 2.6 English Language. The undersigned parties confirm that it is their wish that this agreement and any other documents delivered or given under it, including notices, have been and will be in the English language only. *Les parties soussignées confirment leur volonté que cette convention, de même que les documents, y compris les avis, s'y rattachant, soient rédigés en anglais seulement.*

[Balance of page intentionally left blank.]

IN WITNESS WHEREOF the parties have executed this agreement as of the date first written above.

AVEOS FLEET PERFORMANCE INC.

Per: _____

Name: Jonathan Solorsh
Title: Chief Restructuring Officer

LOCKHEED MARTIN CANADA INC.

Per: _____

Name: ●
Title: ●

January 15, 2012

DELIVERED BY EMAIL (pierre.gagnon@admtl.com; eric.lalonde@admtl.com)
AND BY TELECOPIER (514.394.7356)

AÉROPORT DE MONTRÉAL
800, place Leigh-Capréol, Bureau 1000
Dorval (Québec) CANADA H4Y 0A5

Attention: Pierre Gagnon, Vice-président, Affaires juridiques et Secrétaire corporatif
 Éric Lalonde, Directeur, Affaires juridiques, immobilières et commerciales

Sirs,

RE: Notice of Assignment

Reference is made to the Lease agreement bearing number QMA-393 between Aéroports de Montréal and Air Canada (the "**Lease Agreement**") and to the Sublease agreement entered into by and between Aveos Fleet Performance Inc. (formerly known as ACTS Aero Technical Support & Services Inc.) ("**Aveos**"), as subtenant, and Air Canada, as sublandlord, dated October 16, 2007 (the "**Sublease Agreement**").

In accordance with the terms of the Lease Agreement, we hereby inform you that Aveos has entered into an asset purchase agreement with Lockheed Martin Canada Inc. (the "**Assignee**") on December 21, 2012, whereby the Assignee agreed to purchase Aveos' right, title and interest in and to the Sublease Agreement (the "**Transaction**").

Following the issuance of an approval and vesting order granted by the Superior Court of Quebec, Commercial Division, the Transaction closed as of today's date, as appears from the attached Monitor's Certificate.

We further inform you that, pursuant to an assignment and assumption agreement dated as of today's date between Aveos and the Assignee and delivered in conjunction with the closing of the Transaction (the "**Assignment and Assumption Agreement**"), the Assignee has accepted the assignment of all of Aveos' right, title and interest in and to the Sublease Agreement, and all of Aveos' burdens, obligations and liabilities under the Sublease Agreement, the whole as more fully described in the Assignment and Assumption Agreement, a copy of which is enclosed herewith.

We trust the foregoing notice satisfactory.

AVEOS FLEET PERFORMANCE INC.

Per:

Name: Jonathan Solursh
Title: Chief Restructuring Officer

LOCKHEED MARTIN CANADA INC.

Per:

Name:
Title:

encl.

SCHEDULE A
MONITOR'S CERTIFICATE

See attached.

SCHEDULE B

ASSIGNMENT AND ASSUMPTION AGREEMENT

See attached.

January 15, 2012

**DELIVERED BY REGISTERED MAIL
AND BY TELECOPIER (514-422-5155 and 514-422-6948)**

AIR CANADA
Air Canada Center, Zip 1443
P.O. Box 9000, Airport Station
Dorval, Québec CANADA
H4Y 1C2

AIR CANADA
Zip 1232
PO Box 14000, Succ. Aeroport
Dorval, Québec CANADA
H4Y 1H4

Attention: Director, Corporate Real Estate

Sir, Madam,

RE: Notice of Assignment

Reference is made to the Sublease agreement entered into by and between Aveos Fleet Performance Inc. (formerly known as ACTS Aero Technical Support & Services Inc.) ("**Aveos**"), as subtenant, and Air Canada, as sublandlord, dated October 16, 2007 (the "**Sublease Agreement**").

In accordance with the terms of the Sublease Agreement, we hereby inform you that Aveos has entered into an asset purchase agreement with Lockheed Martin Canada Inc. (the "**Assignee**") on December 21, 2012, whereby the Assignee agreed to purchase Aveos' right, title and interest in and to the Sublease Agreement (the "**Transaction**").

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We further inform you that, pursuant to an assignment and assumption agreement dated as of today's date between Aveos and the Assignee and delivered in conjunction with the closing of the Transaction (the "**Assignment and Assumption Agreement**"), the Assignee has accepted the assignment of all of Aveos' right, title and interest in and to the Sublease Agreement, and all of Aveos' burdens, obligations and liabilities under the Sublease Agreement, the whole as more fully described in the Assignment and Assumption Agreement, a copy of which is enclosed herewith.

We trust the foregoing notice satisfactory.

AVEOS FLEET PERFORMANCE INC.

Per: _____

Name: Jonathan Solursh

Title: Chief Restructuring Officer

LOCKHEED MARTIN CANADA INC.

Per: _____

Name:

Title:

encl.

cc.: Air Canada Vice President and General Counsel
Air Canada Centre
730 Côte-Vertu West
Building 6, Gate 2, Zip 1276
Dorval, QC H4Y 1C2
Telecopier: 514-422-4147

SCHEDULE A
MONITOR'S CERTIFICATE

See attached.

SCHEDULE B

ASSIGNMENT AND ASSUMPTION AGREEMENT

See attached.

No. 500-11-042345-120

SUPERIOR COURT (Commercial Division)
DISTRICT OF MONTRÉAL

IN THE MATTER OF THE PROPOSED PLAN OF COMPROMISE AND
ARRANGEMENT OF:

AVEOS FLEET PERFORMANCE INC./
AVEOS PERFORMANCE AÉRONAUTIQUE INC.

and

AERO TECHNICAL US, INC.

Insolvent Debtors/Petitioners

and

FTI CONSULTING CANADA INC.

Monitor

and

WELLS FARGO BANK NATIONAL ASSOCIATION, as Fondé de

Pouvoir

and LOCKHEED MARTIN CANADA INC.

and AIR CANADA

and AÉROPORTS DE MONTRÉAL

Mis en causes

Me Roger Simard / Me Ari Sorek

File: 548732-1

EXHIBIT P-7



Fraser Milner Casgrain LLP
1 Place Ville Marie, Suite 3900
Montréal, QC, Canada H3B 4M7

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