

No: 500-11-042345-120

EXHIBIT R-1b)

**(In support of the Motion for authorization to cancel
a letter of credit and to make certain distributions)**

**SECOND SUPPLEMENT
TO THE PENSION AND BENEFITS AGREEMENT**

THIS AGREEMENT is made as of October 28, 2008,

AMONG:

AIR CANADA

- and -

ACTS LP

- and -

AVEOS FLEET PERFORMANCE INC.

WHEREAS:

- A. The parties hereto are parties to a Pension and Benefits Agreement made as of June 22, 2007 (the "PBA") and to the first supplemental agreement to the PBA made as of October 16, 2007 ("Supplement 1").
- B. KSAGE MRO Holdings Inc., the Purchaser under the PBA, changed its name to ACTS Aero Technical Support & Services Inc., and then subsequently to Aveos Fleet Performance Inc., and accordingly Aveos Fleet Performance Inc. is referred to herein as the "Purchaser".
- C. Air Canada and the Purchaser may wish from time to time enter into further agreements and amendments relating to the PBA without the consent of the Vendor, and wish to permit such agreements and amendments pursuant to this Supplement 2.

NOW THEREFORE, in consideration of the premises and covenants and agreements contained in the PBA, Supplement 1, and this Supplement 2, and other good and valuable consideration, the receipt and sufficiency of which the parties hereto acknowledge, the parties hereto agree as follows:

- 1. All capitalized terms used in this Supplement 2 and not otherwise defined herein shall have the meanings ascribed to them in the PBA or Supplement 1, as applicable.

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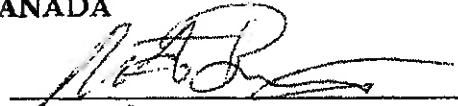
2. This Supplement 2 shall be a supplement to the PBA. In the event of any inconsistency between the PBA or Supplement 1 and this Supplement 2, this Supplement 2 shall prevail.
3. Notwithstanding Section 54 of the PBA, the PBA and all supplements thereto may be further amended without the consent of the Vendor. No amendment made without the Vendor's consent which affects the rights or obligations of the Vendor shall be effective as against the Vendor, but such amendment shall nevertheless be effective as between Air Canada and the Purchaser.
4. This Supplement 2 may be executed by the parties in separate counterparts, and all such counterparts taken together shall be deemed to constitute one and the same instrument.

[Signature page follows.]

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AIR CANADA

By: 
Name *Monte Brewer*
Title *President & CEO*

ACTS LP, by 4378555 Canada Inc., in its capacity as general partner

By: _____
Name
Title

AVEOS FLEET PERFORMANCE INC.

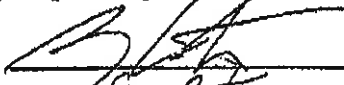
By: _____
Name
Title

- 3 -

AIR CANADA

By: _____
Name
Title

**ACTS LP, by 4378555 Canada Inc., in its
capacity as general partner**

By: 
Name
Title *Craglo*
Vice President

AVEOS FLEET PERFORMANCE INC.

By: _____
Name
Title

- 3 -

AIR CANADA

By: _____
Name
Title

ACTS LP, by 4378555 Canada Inc., in its
capacity as general partner

By: _____
Name
Title

AVEOS FLEET PERFORMANCE INC.

By: *Chahram Bolouri*
Name: Chahram Bolouri
Title: President and CEO

NOTARIAL PUBLIC
2025 LAW
12/24/2022
[Signature]

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
AIR CANADA and
CANADIAN IMPERIAL BANK OF CANADA
And AL.

Mises-en-cause

Me Roger P. Simard/ Our file: 548732-001

EXHIBIT R-1b)

DENTONS

Dentons Canada LLP
1 Place Ville Marie, Suite 3900
Montréal QC H3B 4M7
Tel. : 514 878 8800
Fax : 514 866 2241

dentons.com
BB0822