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File No. 548732-1

May 7, 2012

NORTHGATEARINSO CANADA INC.  
Suite 1000  
215 St-Jacques Street  
Montreal (Quebec) H2Y 1M6

Gentlemen:

RE: In the matter of the *Companies' Creditors Arrangement Act, R.S.C.*  
*1985, c. C-36, as amended* of Aveos Fleet Performance Inc.  
S.C.M.: 500-11-042345-120  
Termination Notice

We represent Aveos Fleet Performance Inc. ("**Aveos**"), which has instructed us to send to you the present Termination Notice.

We make reference to the Global Master Service Agreement dated June 30, 2010 executed between Aveos Fleet Performance Inc. and NorthgateArinso Canada Inc. ("**NGA**") whereby NGA was to provide certain human resources, payroll services and related processes, which was amended from time to time, including, *inter alia*, by subsequent Memoranda of Agreement (the "**Agreement**").

As you are aware, on March 19, 2012, the Québec Superior Court issued an Initial Order pursuant to the *Companies' Creditors Arrangement Act* ("**CCAA**") with respect to Aveos in the Court file bearing docket number 500-11-042145-120, which initial order was amended and restated from time to time.

Further to the execution of the Agreement, NGA breached its contractual obligations towards Aveos, *inter alia*, in the following manner:

- Throughout the execution of the Agreement, NGA has blatantly failed to provide an acceptable level of customer service. In fact, call centers were providing to employees incomplete and insufficient responses and feedback. Call centers personnel was generally uninformed on key issues in order to be able to adequately support and assist employees.
- NGA failed on several occasions to meet timelines to which it has committed itself.

- NGA has failed to provide Aveos with a proper, sufficient and adequate technology and process perspective. In fact, NGA failed to develop core and basic functionality, such as the ability to deduct United Way contributions, the ability to conduct mass layoffs or terminations, and the resulting inability to produce Records of Employment on an efficient and cost effective basis. Such inability negatively impacted on Aveos, which had to retain on several occasions project leaders to manage ongoing technology issues and shortfalls in functionalities. Moreover, interfaces to third party providers were never available or completed, resulting in the inability to produce standard information, such as pension calculations. The interfaces to third parties such as SunLife, Manulife, and AON Hewitt required exhaustive efforts and were never adequately project managed by NGA. Regression testing appeared also highly unpredictable, as changes made to the overall solution caused failures or errors in other parts of the solution.

NGA was informed of all of these defaults in a timely fashion, but despite this, failed to take any corrective action or measure or to propose any solution.

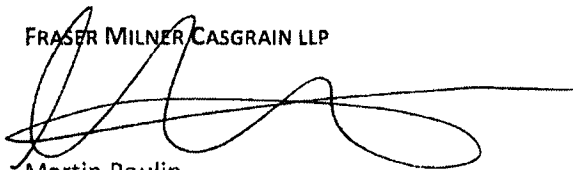
It is clear that NGA was using Aveos as a test platform to develop its outsourced solution and also to develop its front end EWS solution. NGA has shown lack of transparency in this regard and charged Aveos with humongous fees. NGA was constantly invoicing Aveos consulting fees and additional fees for routine work to correct problems and deficiencies affecting normal functionality of a system of this breadth. The fees charged by NGA are simply disproportionate and excessive for this type of work.

Under the present circumstances, the Agreement as amended from time to time is hereby terminated for faulty execution by NGA, effective immediately and without any compensation due.

For greater certainty and without any admission, we also attach a *De Bene Esse* Notice by Debtor Company to Disclaim or Resiliate an Agreement pursuant to Section 32 CCAA (the "Notice"). Aveos is transmitting this Notice should the Termination Notice for Faulty Execution be declared insufficient by a Court of competent jurisdiction.

Yours truly,

FRASER MILNER CASGRAIN LLP



Martin Poulin

/mp  
Encl.

c.c. Mtre. Geneviève Cloutier, GOWLING LAFLEUR HENDERSON LLP (by email)  
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**DE BENE ESSE NOTICE BY DEBTOR COMPANY TO DISCLAIM OR RESILIEATE AN AGREEMENT**

To: NorthgateArinso Canada Inc., 215 St-Jacques, Suite 1000, Montreal Qc  
H2Y 1M6

And: FTI Consulting Canada Inc., in its capacity as Monitor to Aveos Fleet  
Performance Inc. et al. (the "Monitor").

Take notice that:

1. Proceedings under the *Companies' Creditors Arrangement Act* (the "Act") in respect of Aveos Fleet Performance Ltd. et al. (the "Debtor company") were commenced on the 19<sup>th</sup> day of March, 2012.
2. In accordance with subsection 32(1) of the Act, the Debtor company gives you notice of its intention to disclaim or resiliate the following agreement:

Global Master Service Agreement between Aveos Fleet Performance Inc and NorthgateArinso Canada inc. dated June 30, 2010 as amended from time to time, including, *inter alia*, by subsequent Memoranda of Agreement (the "Agreement").

3. In accordance with subsection 32(2) of the Act, any party to the Agreement may, within 15 days after the day of which this notice is given and with notice to the other parties to the Agreement and to the Monitor, apply to court for an order that the Agreement is not to be disclaimed or resiliated.
4. In accordance with paragraph 32(5)(a) of the Act, unless an application for an order is made in accordance with subsection 32(2) of the Act, the Agreement will be disclaimed or resiliated 30 days after the day on which this notice has been given.

Dated at Saint-Laurent, Quebec, on 7<sup>th</sup> day May 2012.

Aveos Fleet Performance Inc.  
Debtor Company

By: *Jonathan Salo* duly authorized

The Monitor approves the proposed disclaimer or resiliation.

Dated at Saint-Laurent, Quebec, on 7<sup>th</sup> day of May 2012.

FTI Consulting Canada Inc., in its capacity as  
Monitor to Aveos Fleet Performance Inc.

Monitor's representative responsible  
for the proceedings