

CANADA

SUPERIOR COURT

PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL

Commercial Division
(Sitting as a court designated pursuant to the
Companies' Creditors Arrangement Act, R.S.C.
1985, c. C-36)

No: 500-11-042345-120

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

MOTION FOR APPROVAL OF A DIVESTITURE PROCESS
(Section 11 of the *Companies' Creditors Arrangement Act* ("CCAA"))

TO THE HONOURABLE JUSTICE MARK SCHRAGER, J.S.C., SITTING IN COMMERCIAL DIVISION,
IN AND FOR THE JUDICIAL DISTRICT OF MONTRÉAL, THE PETITIONERS RESPECTFULLY SUBMIT
THE FOLLOWING:

I. **INTRODUCTION**

1. Further to the filing of a *Petition for the Issuance of an Initial Order* (the "**Initial CCAA Petition**") as well as a *Motion for the Issuance of an Amended and Restated Initial Order*, this Honourable Court issued an *Initial Order* on March 19, 2012, as amended and restated by further orders issued on March 30, 2012 and April 5, 2012 (collectively the "**Initial Order**"), the whole as appears from the Court record herein. All capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Initial CCAA Petition or in the Initial Order;
2. Pursuant to the Initial Order, FTI Consulting Canada Inc. was appointed Monitor of the Petitioners (the "**Monitor**") and a stay of proceedings (the "**Stay of Proceedings**") was granted until April 5, 2012 and subsequently extended until May 4, 2012 (the "**Stay Period**");

3. On March 20, 2012, a Chief Restructuring Officer (“CRO”) was appointed over the Petitioners, with authority to carry on, manage, operate and supervise the management and operations of the business and affairs of the Petitioners, further to the Petitioners’ *Motion for the Appointment of a Chief Restructuring Officer*, the whole as appears from the Court record herein;
4. The Petitioners are now in a position to proceed with a sales/divestiture process for their lines of business, divisions and other assets, subject to the approval of this Honourable Court;
5. As soon as they are in a position to do so, the Petitioners intend to seek an extension of the Stay Period, before it expires, so as to enable the completion of the process proposed in this motion;

II. THE DIVESTITURE PROCESS

6. By way of the present Motion, Petitioners seek this Court’s approval for a Divestiture Process (“DP”) in respect of their various divisions, lines of business and other assets (collectively, “**Aveos Business**”);
7. The Petitioners, in consultation with the Monitor, have set out a general plan and prepared procedures for the DP, the whole as appears from a copy of a document setting out the said DP procedures contemplated by Petitioners (the “**DP Procedures**”), enclosed herewith as **Exhibit R-1**;
8. As appears from the DP Procedures, Exhibit R-1, potential bidders, including strategic and financial parties, will be identified and approached by the Petitioners (“**Potential Bidders**”). These Potential Bidders include parties who have already expressed interest in one or more of the Petitioners’ divisions and/or lines of business;
9. As further appears from the DP Procedures, information with respect to the Aveos Business and activities of the Petitioners will be subjected to a non-disclosure and confidentiality agreement (the “**NDA**”);
10. The DP Procedures contemplate a two-phased bidding process, in view of ensuring that the divestiture yields the maximum return and best possible results for the benefit of the Petitioners, their creditors and all other parties affected by the Petitioners’ insolvency;
11. In the first phase, the Potential Bidders will be granted approximately five (5) weeks to perform due diligence and otherwise study the opportunity of submitting a firm and binding bid, as well as to prepare and submit an offer in respect of all or part the Aveos Business to be divested in favour of such Potential Bidders;
12. Petitioners will then identify and select the bidders which will qualify for the second phase of the DP;

13. In the second phase, qualified bidders will be accorded approximately a ten (10)-day period to finalize their offers and waive any remaining conditions, as provided for in the DP Procedures;
14. The details of the solicitation and bidding process, as well as its various modalities and key deadlines, are set forth in the DP Procedures, Exhibit R-1, to avail as if herein set forth at length;
15. As appears from the DP Procedures, the divestment contemplated by the Petitioners shall be made on an "as is, where is" basis, without any representations, warranties or indemnities of any kind by the Petitioners, in light of the circumstances;

III. CONCLUSIONS SOUGHT

16. It is respectfully submitted that it is in the interests of justice and in the best interests of the Petitioners, their creditors, and other affected parties that the present motion be granted and that the DP be approved and completed as expeditiously as possible, considering, *inter alia*, that time is of the essence;
17. The present Motion is supported by the Monitor: Petitioners are informed that the Monitor will submit at the hearing its report and favourable recommendation with respect to the approval of the DP Procedures;
18. The Petitioners therefore respectfully submit that this Motion should be granted in accordance with its conclusions.

WHEREFORE, MAY IT PLEASE THIS HONOURABLE COURT TO:

- [1] **GRANT** the present *Motion for Approval of a Divestiture Process*;
- [2] **DECLARE** that the time for service of the present Motion is abridged to the time actually given and service of the Motion and supporting material is good, valid and sufficient, and the service thereof is hereby dispensed with;
- [3] **APPROVE** the Divestiture Process procedures set forth in Exhibit R-1;
- [4] **AUTHORIZE** the Petitioners, in conjunction with the Monitor and other advisors, to carry out the Divestiture Process procedures;
- [5] **ORDER** the provisional execution of the Order to be rendered herein notwithstanding appeal;

- [6] **THE WHOLE WITHOUT COSTS** save and except in the event of contestation, in which case, with costs against the contesting party.

Montréal, April 18, 2012



FRASER MILNER CASGRAIN LLP

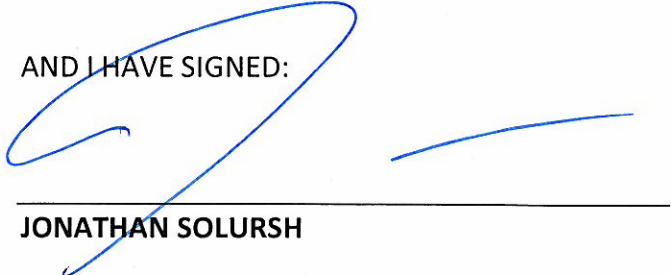
Attorneys for Petitioners

AFFIDAVIT

I, the undersigned, **JONATHAN SOLURSH**, Chief Restructuring Officer of the Petitioners in the present matter, domiciled, for the purposes hereof, at BAN3, 4th Floor, 2311 Blvd. Alfred Nobel, in the City of Montreal, Province of Quebec, do solemnly declare:


1. I am the Chief Restructuring Officer of the Petitioners in the present matter;
2. All of the facts alleged in the present Motion are true.

AND I HAVE SIGNED:



JONATHAN SOLURSH

SOLEMNLY DECLARED before me at Montreal,
this 18th day of April 2012



COMMISSIONER OF OATHS FOR THE
PROVINCE OF QUÉBEC



NOTICE OF PRESENTATION

TO: SERVICE LIST

TAKE NOTICE that the *Motion for Approval of a Divestiture Process* will be presented before the Honourable Mark Schrager of the Superior Court, sitting in and for the Commercial Division, in **Room 15.09 of the Montreal Courthouse**, situated at 1 Notre-Dame Street East, Montreal, on **April 20, 2012 at 9:30 a.m.**, or so soon thereafter as counsel may be heard.

DO GOVERN YOURSELVES ACCORDINGLY.

Montréal, April 18, 2012



FRASER MILNER CASGRAIN LLP
Attorneys for Petitioners

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DISTRICT OF **MONTREAL**

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Monitor

Ari Y. Sorek

File: 548732-1

MOTION FOR APPROVAL OF A DIVESTITURE PROCESS
(Section 11 of the Companies' Creditors Arrangement
Act ("CCAA"), **AFFIDAVIT, NOTICE OF PRESENTATION**

ORIGINAL



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

MAIN 514 878 8800
FAX 514 866 2241

BB0822