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DEED OF HYPOTHEC AND ISSUE OF BONDS (FIRST LIEN)

ON THE Twelfth (12th) day of October, Two Thousand and Seven (2007)

BEFORE Mtre. Marc Daigneault, the undersigned Notary for the Province of Quebec, practising at the City of Montreal

APPEARED: **LEHMAN COMMERCIAL PAPER INC.**, having an address at 745 Seventh Avenue, 5th Floor, in the City of New York, State of New York, 10019, herein acting as "*fondé de pouvoir*" under Article 2692 of the *Civil Code of Quebec* and represented by Marc-Antoine La Rochelle, its attorney, duly authorized pursuant to a power of attorney dated the Thirteenth (13th) day of August, Two Thousand and Seven (2007), a copy of which power of attorney is hereunto annexed after having been acknowledged as true and having been signed by said representative before the undersigned Notary

(Notice of address registered in the Register of Personal and Movable Real Rights under number 021802)

(the "Attorney")

AND: **ACTS AERO TECHNICAL SUPPORT & SERVICES INC.**, a corporation duly incorporated pursuant to the laws of Canada, having its registered office at 1000 de La Gauchetière Street West, Suite 2100, in the City of Montreal, Province of Quebec, H3B 4W5, herein acting and represented by Constantine Troulis, its representative, duly authorized pursuant to a resolution, a copy of which is hereunto annexed after having been acknowledged as true and having been signed by said representative before the undersigned Notary

(the "Grantor")

RECITALS:

- A. Pursuant to the First Lien Credit Agreement (as defined in Section 1), the Grantor is or may become indebted to the Secured Parties;
- B. The Grantor has agreed to execute this Deed and to grant a Hypothec (as defined in Section 1) on the Charged Property (as defined in Section 1) in order to secure the Secured Obligations (as defined in Section 1);
- C. Article 2692 of the *Civil Code of Quebec* permits a legal person authorized to issue bonds or other titles of indebtedness to grant a hypothec securing payment of such bonds or titles of indebtedness in favour of the person holding the power of attorney ("*fondé de pouvoir*") of the creditors;
- D. The Grantor is duly authorized to create and issue bonds and to secure the same as provided for by this Deed;
- E. The Grantor is desirous of creating, issuing and securing bonds in the manner hereinafter appearing;
- F. The execution of this Deed and the issue and security of the Bonds (as defined in Section 1) in conformity therewith have been duly authorized;
- G. Pursuant to the First Lien Credit Agreement the Attorney is appointed "*fondé de pouvoir*" with the authority to enter into a deed of hypothec under Article 2692 of the *Civil Code of Quebec* on behalf of and for the benefit of the Bondholders (as defined in Section 1);

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- H. Pursuant to the First Lien Credit Agreement, the Agent is authorized to act as bondholder for the benefit of the Secured Parties; and
- I. The foregoing recitals are made as representations and warranties and statements of fact by the Grantor and not the Attorney.

NOW, THEREFORE, THE PARTIES HERETO HAVE AGREED AS FOLLOWS:

1. INTERPRETATION

- (1) **Definitions.** The following terms, wherever used in this Deed, shall, unless there be something in the context inconsistent therewith, have the following meanings:

“**After-Acquired Property**” means any property of the Grantor in which its right, title or interest was acquired after the date of this Deed.

“**Agent**” means Lehman Commercial Paper Inc., acting as collateral agent under and pursuant to the First Lien Credit Agreement, including its successors and assigns.

“**Attorney**” means Lehman Commercial Paper Inc., appointed herein pursuant to Section 2 and under the First Lien Credit Agreement as “fondé de pouvoir” for the Bondholders, and shall include its successors and assigns appointed pursuant to the provisions hereof and under the First Lien Credit Agreement.

“**Bondholder**” or “**Holder**” means any Person in whose name Bonds are registered in the register kept by the Attorney in accordance with the provisions hereof.

“**Bondholders’ Instrument**” means at any time a document signed by all of the Bondholders.

“**Bonds**” has the meaning ascribed thereto in Section 3(1).

“**Books and Records**” means all books, records, files, papers, disks, documents and other repositories of data recording in any form or medium, evidencing or relating to the Charged Property which are at any time owned by the Grantor or to which the Grantor (or any Person on the Grantor’s behalf) has access.

“**Business Day**” means a Business Day (as defined in the First Lien Credit Agreement) or, for any act to be performed in the Province of Quebec or for calculation of time periods pursuant to applicable Law of the Province of Quebec, means any day, other than a Saturday or Sunday, in the Province of Quebec on which banks are open for business in the City of Montreal, Province of Quebec.

“**Canadian Dollars**”, “**Dollars**”, “**\$**” or “**CANS**” means lawful money of Canada.

“**Charged Property**” means all the property described or referred to in and hypothecated pursuant to Section 4.

“**Contracts**” means all contracts, licences and agreements to which the Grantor is at any time a party or pursuant to which the Grantor has at any time acquired rights including, without limitation, the Sublease, and includes (i) all rights of the Grantor to receive money due and to become due to it in connection with a contract, licence or agreement, (ii) all rights of the Grantor to damages arising out of, or for breach or default in respect of, a contract, licence or agreement, and (iii) all rights of the Grantor to perform and exercise all remedies in connection with a contract, licence or agreement.

“**Control**” means, in respect of a particular Person, the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ability to exercise voting power, by contract or otherwise, and “**Controlling**” and “**Controlled**” have meanings correlative thereto.

“Controlled Subsidiary” means any Subsidiary over which the Grantor has Control.

“Event of Default” has the meaning ascribed thereto in Section 10.

“Excluded Assets” means all of the following present and future movable property of the Grantor: (i) any Securities in a Non-Controlled Subsidiary where the constating documents of such Non-Controlled Subsidiary restrict the transfer of such Securities; (ii) any letter of credit and any right, title and interest therein; and (iii) any assets (including bank, deposit and securities accounts), specifically requiring control agreements to render the Hypothec charging such assets opposable against third parties.

“First Lien Credit Agreement” means that certain first lien credit agreement dated or to be dated on or about October 16, 2007 among the Grantor, as borrower, Aero Technical Support & Services Holdings, Silverbow (International) Limited, the lending institutions from time to time parties thereto, as lenders, Lehman Commercial Paper Inc., as administrative agent, collateral agent and swingline lender, and Lehman Brothers Inc., as sole lead arranger and bookrunner, as same may be amended, supplemented, extended or otherwise modified or restated from time to time.

“Head Landlord” means Aéroports de Montréal, and includes its successors and assigns.

“Hypothec” means the hypothec created pursuant to Section 4.

“Hypothecated Claims” has the meaning ascribed thereto in Section 5(1).

“Immovable Properties” has the meaning ascribed thereto in Section 4(1)(a).

“Intellectual Property Rights” has the meaning ascribed thereto in Section 4(1)(i).

“Inventory” has the meaning ascribed thereto in Section 4(1)(e).

“Law” means all federal, provincial, municipal, foreign and international statutes, acts, codes, ordinances, decrees, treaties, rules, regulations, municipal by-laws, judicial or arbitral or administrative or ministerial or departmental or regulatory judgments, orders, decisions, rulings or awards or any provisions of the foregoing, including general principles of common and civil law and equity, and all policies, practices and guidelines of any Governmental Authority binding on or affecting the Person referred to in the context in which such word is used; and **“Law”** means any one or more of the foregoing.

“Leases” means any current and future leases, subleases, agreements to lease or sublease, licences, concessions, offers to lease or sublease, rental agreements, occupancy agreements, licences, space sharing agreements and other similar agreements to occupy premises, including any right of use or occupancy together with any guarantees, extensions, renewals, replacements or modifications thereof.

“Licences” means all permits, licences, waivers, exemptions, consents, certificates, authorizations, approvals, franchises, servitudes and entitlements that the Grantor has, requires or is required to have, to own, possess or operate any of its property or to operate and carry any part of its business.

“Non-Controlled Subsidiary” means any Subsidiary that is not a Controlled Subsidiary.

“Permitted Liens” means the Hypothec and all other Liens permitted under the First Lien Credit Agreement.

“Proceeds” has the meaning ascribed thereto in Section 4(1)(k).

“**Receiver**” has the meaning ascribed thereto in Section 11(8).

“**Release Date**” means the date on which all the Obligations (other than Obligations arising under a Secured Hedge Agreement and any contingent indemnity obligations not then due) have been indefeasibly paid and discharged in full and no Secured Party has any further obligations under any First Lien Loan Document or otherwise with respect to any Revolving Credit Commitment, Loan or Letter of Credit pursuant to which further Obligations (other than Obligations arising under a Secured Hedge Agreement and any contingent indemnity obligations not then due) might arise.

“**Restricted Property**” has the meaning ascribed thereto in Section 4(2).

“**Rents**” has the meaning ascribed thereto in Section 4(1)(b)(i).

“**Secured Obligations**” means the due and punctual payment, in lawful money of Canada, of all principal of and interest (including interest on amounts in default) and premiums if any, on the Bonds, the payment of all other sums, if any, from time to time due under or pursuant to this Deed to the Bondholders or the Attorney, and the performance of all the agreements, covenants, conditions, warranties, representations and other obligations of or made by the Grantor hereunder.

“**Securities**” has the meaning ascribed thereto in Section 4(1)(g).

“**Sublease**” means the sublease agreement dated or to be dated about October 16, 2007 between Air Canada, as sublandlord, and the Grantor, as subtenant.

“**This Deed**”, “**these presents**”, “**herein**”, “**hereby**”, “**hereunder**”, “**hereof**” and similar expressions refer to this Deed, and to any deed or document supplemental or complementary hereto or restating this Deed, and any and all renewals, modifications, amendments, supplements, extensions, consolidations, substitutions and replacements of this instrument.

- (2) **Capitalized Terms.** All capitalized terms and expressions used but not defined herein shall have the same meaning as that ascribed to them in the First Lien Credit Agreement.
- (3) **Preamble.** The preamble shall form an integral part of this Deed as if recited herein at length.
- (4) **Gender.** Unless there be something in the context inconsistent therewith, words importing the masculine gender shall include the feminine gender and *vice versa* and words importing the singular include the plural and *vice versa*. When used in this Deed, the word “including” (or includes) means “including (or includes) without limitation”.
- (5) **Headings.** The division of this Deed into sections, subsections and paragraphs and the insertion of titles are for convenience of reference only and do not affect the meaning or the interpretation of the present Deed. Unless otherwise indicated, a reference to a particular section, subsection or paragraph is a reference to the particular section, subsection or paragraph in this Deed.
- (6) **Benefits of this Deed.** The parties hereto and the Bondholders shall be bound by the provisions hereof (including the irrevocable appointment in Section 2 below) and the benefits, rights, remedies or claims under this Deed shall enure to them to the exclusion of any others.
- (7) **Delays and Calculation of Time Periods.** The time periods provided hereunder are calculated simultaneously with the time periods imposed by Law and are not in addition to such time periods. In the calculation of time periods, the first day is not included but the last is. When the date on which a time period expires or a payment has to be made or an act has to be done is not a Business Day, the delay

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expires or the payment must be made or the act must be done on the next following Business Day, unless the context indicates otherwise.

- (8) **Currency.** All references to dollar amounts are, unless expressly otherwise provided, expressed in terms of the lawful currency of Canada.

2. APPOINTMENT OF THE ATTORNEY AS “*FONDÉ DE POUVOIR*”

The Grantor hereby irrevocably appoints and confirms the appointment of the Attorney and the Attorney irrevocably accepts and agrees to act as “*fondé de pouvoir*” (“person holding the power of attorney”) as contemplated in Article 2692 of the *Civil Code of Quebec* on behalf of the present and future Bondholders, in order to receive and hold any right and hypothec created hereby and hereafter created or constituted, as continuing security for the Secured Obligations.

Any Person who becomes a Bondholder shall benefit from the provisions hereof and the appointment of the Attorney as “*fondé de pouvoir*” for the Bondholders and, upon becoming a Bondholder, irrevocably authorizes the Attorney to perform such function.

3. CHARACTERISTICS AND ISSUE OF BONDS

- (1) **Maximum Amount.** The Bonds to be issued from time to time hereunder shall be designated “25% Demand Bonds”, provided however that the aggregate principal nominal value of such “25% Demand Bonds” shall not exceed at any time One Billion Two Hundred Million Canadian Dollars (CAN\$1,200,000,000) and may be referred to herein as the “**Bonds**”, and such expression shall include any or all of the bonds issued from time to time pursuant to this Deed and outstanding hereunder.

- (2) **Form of Bonds.** The Bonds shall be substantially in the form set out in Section 18 with such appropriate additions and variations as shall be required and as shall be determined by the Grantor with the Attorney’s approval and the Attorney’s certification of any such Bonds shall be conclusive evidence of such approval. The Attorney shall have the right to annotate any Bonds in order to make the reference thereon to any supplement to or modification of these presents. Such annotation shall be binding upon the Grantor and the Bondholders as if forming part of the original wording of the Bonds.

- (3) **Bonds Characteristics.** The Bonds:

- (a) shall be issued as fully registered Bonds;
- (b) may be issued in any denominations in Canadian Dollars;
- (c) shall be dated the date of issue thereof;
- (d) shall be payable on demand of the Bondholder or on its behalf;
- (e) shall be payable at the address indicated on the Bonds or at any other address subsequently given by the Bondholder to the Grantor;
- (f) shall bear interest from their date of issuance until payment, at a rate equal to twenty-five percent (25%) per annum, calculated annually and payable on demand of the Bondholder; all overdue interest shall bear interest at the same rate, calculated annually from its due date until the actual date of payment; the principal of and the interest on the Bonds and any sums which may become payable hereunder or under such Bonds shall be payable in Canadian Dollars;
- (g) shall be signed by any officer, director or representative of the Grantor;
- (h) shall be issued from time to time after the execution of this Deed, as determined by resolution of the board of directors of the Grantor;

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- (i) shall be certified by the Attorney and delivered by it to or to the order of the Grantor upon receipt by the Attorney of a written delivery order signed by any officer, director or representative of the Grantor;
 - (j) shall be issued for such amounts or for such consideration and to such holders and on such terms as may be determined by the board of directors of the Grantor; and
 - (k) shall rank equally and be equally and ratably secured notwithstanding the date of their issuance or the date of their certification by the Attorney.
- (4) **Certification of Bonds.** The certification by the Attorney of any of the Bonds shall be conclusive evidence that the Bonds so certified have been issued as contemplated hereunder. However, such certification shall not be construed as a representation or warranty by the Attorney as to the validity of the security, of this Deed or of the Bonds.
- (5) **Pledge of the Bonds.** The Bonds may be hypothecated and pledged by the Grantor as security for the execution of any obligation incurred or to be incurred by the Grantor or any other Person. Subject to Section 3(6), the holder of any of the Bonds in favour of whom this security has been granted shall be considered for all purposes hereunder to be a Bondholder and be deemed to be the owner of such Bonds and shall have the right to cause the Attorney to enter its name and address in the Bonds' register hereinafter mentioned.
- (6) **Bonds' Register.** The Grantor shall at all times, while any of the Bonds issued hereunder are outstanding, cause to be kept by the Attorney at its office indicated on the first page of this Deed or at any other address which the Attorney may indicate to the Grantor in writing, a register in which shall be entered the names and addresses of the Bondholders. The entries in such register shall be conclusive evidence that the Bondholders therein registered are entitled to the Bonds and to the rights deriving therefrom.
- (7) **Transfer of Bonds.** The Attorney shall, upon surrender to it of any Bonds that have been transferred, cause to be entered in the Bonds' register aforesaid the name of the transferees as being registered Bondholders and shall remit such Bonds to the transferees or, as the case may be, upon cancellation of the Bonds surrendered to it, deliver new Bonds in lieu and substitution thereof.
- (8) **Issue of Bonds.** Whenever Bonds are issued and are subsequently returned to the Grantor for cancellation, the Grantor, subject to the provisions hereof, may be entitled to reissue such Bonds in denominations which, in the aggregate, do not exceed the denominations of the Bonds that were returned for cancellation; the Bonds to be reissued as aforesaid shall be delivered for registration and certification and the Attorney shall, provided it is so requested by a Bondholder's Instrument, register and certify such Bonds.
- (9) **Bonds' Replacement.** Upon such request as shall be satisfactory to the Attorney and upon such reasonable requirements as the Attorney may prescribe, including the provision of an indemnity by the Bondholders to the Attorney and the Grantor, the Grantor shall deliver for registration and certification and the Attorney shall register and certify, for purposes of replacement, new Bonds in exchange for and in lieu of such Bonds which need to be replaced because of loss, mutilation or destruction.
- (10) **Clerical Errors.** The Attorney may correct any clerical error in this Deed or in the Bonds.
4. **HYPOTHEC**
- (1) **Grant of Hypothec.** As collateral security for the payment and performance of all Secured Obligations, the Grantor hereby hypothecates, for the sum of One Billion Two Hundred Million Canadian Dollars (CAN\$1,200,000,000) with

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interest thereon at the rate of twenty-five percent (25%) per annum from the date hereof, in favour of the Attorney, the universality of all of its movable and immovable property, corporeal and incorporeal, present and future, of any nature whatsoever and wheresoever situate (other than the Excluded Assets), the whole including, without limitation, the following universalities of present and future property of the Grantor (other than the Excluded Assets):

(a) **Immovables.**

- (i) All the immovable properties of the Grantor and all rights of the Grantor in any immovable properties, together with all property which may be or become incorporated therewith or permanently physically attached or joined thereto so as to ensure the utility thereof or which is used by the Grantor for the operation of its enterprise or the pursuit of its activities (including the heating and air conditioning apparatus and water tanks) and all other property which becomes immovable by the effect of Law, including by way of accession, and all rights relating to such immovable property, including all right, title and interest of the Grantor in and to the building and other structures described in Schedule A hereto.
- (ii) All right, title and interest of the Grantor in and to the buildings and improvements located on the immovable referred to in paragraph (i) above.

((i) and (ii) collectively, the "Immovable Properties".)

(b) **Rentals, Revenues and Leases.**

- (i) All rentals (including, without limitation, minimum rents, percentage rents and additional rents), rent equivalents, moneys payable as damages or in lieu of rent or rent equivalents, insurance and other escrow deposits, insurance proceeds, and other consideration of whatever form or nature receivable or received by or payable or paid to or for the account of or benefit of the Grantor or its attorneys or employees for its account or benefit from any and all sources, rents, income, revenues, receipts, proceeds and profits arising from the Leases, including, without limitation, minimum rents, liquidated damages following default, all proceeds payable under any policy of insurance covering loss of rents resulting from untenability due to destruction or damage to Immovable Properties and any award or other payment which the Grantor may hereafter become entitled to receive with respect to any of the Leases as a result of or pursuant to any bankruptcy, insolvency or reorganization or similar proceedings involving the tenants under such Leases, and together with all income, issues, royalties, receivables, installment payment obligations, profits and benefits of every nature from the use, enjoyment and occupancy of Immovable Properties, or the sale, lease, sublease, licence, concession or other grant of right to use or occupy any portion thereof, any deposits securing reservations of exhibit or sales space of every kind, and any and all payments made by or on behalf of any tenant in lieu of rent, together with the immediate and continuing right to collect and receive the same, whether now due or hereafter becoming due, and together with all rights and claims of any kind that the Grantor may have against any tenant under the Leases or against any other occupant including, without limitation, those arising from or attributable to Immovable Properties (collectively, the "Rents"), together with all proceeds from the sale or other disposition of the Leases.

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- (ii) All Leases made by the Grantor as lessor or sublessor, whether written or oral now or hereafter affecting all or any part of any Immovable Properties (future Leases being hypothecated without further or supplemental documentation), and the benefit of all tenants' covenants and obligations contained in any Leases, including, without limitation, the benefit of any right, option or obligation of any tenant or other Person to renew or extend any Lease, or to be derived from the Leases or any of them and all rents accruing therefrom, together with any and all guaranties, extensions, renewals, replacements or modifications thereof.
- (c) **Insurance.** Proceeds or indemnities now or hereafter payable under any present or future Contract of insurance on or in respect of Immovable Properties, the Rents, any of the property described in Section 4(1)(b) or any other of the Charged Property.
- (d) **Contracts relating to Immovable Properties.** All Contracts, such as construction, utility, maintenance, management, advisory, operating and service Contracts, and Contracts with architects and engineers, permits, licences, certificates and entitlements in any way relating to the development, construction, use, occupancy, operation, maintenance, enjoyment, acquisition or ownership of any Immovable Properties of the Grantor, including all rights related thereto.
- (e) **Inventory.** All inventory and property in stock of any nature and kind of the Grantor whether in its possession, in transit or held on its behalf, including property in reserve, raw materials or other materials, goods manufactured or transformed, or in the process of being so, by the Grantor or by others, packaging materials, property evidenced by bills of lading, animals, wares, mineral substances, hydrocarbons and other products of the soil and all fruits thereof, from the time of their extraction, as well as any other property held for sale, lease or processing in the manufacture or transformation of property intended for sale, lease or use in providing a product or service by the Grantor (collectively, the "Inventory").

The Inventory held by third parties pursuant to a lease agreement, a leasing contract, a franchise or licence agreement, or any other agreement entered into with the Grantor or on its behalf, is also subject to the Hypothec created herein.

Property having formed part of the Inventory which has been alienated by the Grantor in favour of a third Person but in respect of which the Grantor has retained title pursuant to a reservation of ownership provision, shall remain charged by this Hypothec until title is transferred; any Inventory the ownership of which reverts to the Grantor pursuant to the resolution or resiliation of any agreement is also subject to the present Hypothec.

- (f) **Claims, Book Debts and Other Movable Property.**
 - (i) **Claims, Receivables and Book Debts.** All of the Grantor's claims, debts and demands, whatever their cause or nature, whether or not they are certain, liquid or exigible, whether or not evidenced by any title (and whether or not such title is negotiable), bill of exchange or draft, whether litigious or not, whether or not they have been previously or are to be invoiced, whether or not they constitute book debts or trade accounts receivable, and including those accounts which are in respect of any Charged Property, all deposit accounts maintained by the Grantor with respect to any Immovable Properties as well as all monies or other obligations or indebtedness owing or to be owing to the Grantor arising from the sale, lease or exchange of all or

any part of the Charged Property under any Contracts for the foregoing (whether or not yet earned by performance on the part of Grantor) as well as all royalties, income, accounts receivable, receipts, revenues, deposits (including, without limitation, security, utility and other deposits and interest thereon), accounts, cash, issues, profits, charges for goods or services rendered, interest on security, tax and receivables, rents, instalment payment obligations, profits and benefits of every nature from the use, enjoyment and occupancy of the Charged Property, or the sale, lease, sublease, licence, concession or other grant of right to use or occupy. Hypothecated Claims shall include: (i) indemnities payable to the Grantor under any Contract of insurance of property, of persons or of liability, (ii) the sums owing to the Grantor in connection with interest or currency exchange Contracts and other treasury or hedging instruments, management of risks instruments or derivative products existing in favour of the Grantor, (iii) the Grantor's rights in the credit balance of accounts held for its benefit either by the Attorney (subject to the Attorney's compensation rights) or by any financial institution or any other Person and (iv) proceeds of expropriation.

- (ii) **Rights of Action.** The Grantor's rights under Contracts and Licences, as well as the Grantor's rights of action and claims against third Persons.
 - (iii) **Accessories.** All the security, security agreements, guarantees, suretyships, notes and accessories to the claims and rights mentioned above and other rights relating thereto (including, without limitation, the rights of the Grantor in its capacity as seller under an instalment sale agreement or a conditional sale agreement, where the claims are the result of such sale).
 - (iv) **Movable Property.** All movable property owned by the Grantor and covered by the instalment or conditional sales agreements mentioned in Section 4(1)(f)(iii).
 - (v) **No Exclusion.** A right or a claim shall not be excluded from the Charged Property by reason of the fact that: (i) the debtor thereof is domiciled outside the Province of Quebec or (ii) the debtor thereof is an Affiliate of the Grantor (regardless of the Law of the jurisdiction of its incorporation or creation, as applicable) or (iii) such right or claim is not related to the operation of the Grantor or (iv) such right or claim is not related to the ordinary course of business of the Grantor.
- (g) **Securities.** All present and future shares in the capital stock of a legal person, now or hereafter owned by the Grantor, all present and future bonds, debentures, bills of exchange, promissory notes, negotiable instruments and other evidences of indebtedness, and all present and future options, warrants, investment certificates, mutual funds units, all interests or units of the Grantor in any partnership, or any rights in respect of any of the foregoing, and any other instrument or title generally called or included as a security (the "Securities"), and also including, without limitation, all Securities issued or received in substitution, renewal, addition or replacement of Securities, or issued or received on the purchase, redemption, conversion, cancellation or other transformation of Securities or issued or received by way of dividend or otherwise to holders of Securities, and all present and future instruments, bills of lading, warehouse receipts, documents or other evidences of title of the Grantor.

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- (h) **Equipment and Other Property.** All the equipment, office furniture, appliances, supplies, apparatus, tools, patterns, models, dies, blueprints, fittings, furnishings, fixtures, machinery, vehicles and rolling stock, including without limitation, spare parts, accessories and additions of whatever nature or kind.
- (i) **Intellectual Property Rights.** All of the Grantor's rights in any trademark, copyright, industrial design, patent, patent rights, goodwill, invention, business or trade name, trade secret, trade process, licence, permit, franchise, know-how, plant breeders' right, topography of integrated circuits and in any other intellectual property right (registered or not) including, if any, any application or registration related thereto, improvements and modifications thereto as well as rights in any action pertaining to the protection, in Canada or abroad, of any such intellectual property rights or infringement thereto or any rights relating to any of the foregoing including, without limitation, those listed in Schedule B hereto, if any (collectively, the "**Intellectual Property Rights**").
- (j) **Licences.** All Licences now or hereafter acquired by the Grantor or held by the Grantor or on its behalf, in Canada or abroad, and all of the right, title and interest of the Grantor in any and all Licences.
- (k) **Fruits and Revenues.** All fruits and revenues emanating from the Charged Property, including, without limitation, the proceeds of any sale, assignment, lease or other disposition of any of the Charged Property, any claim resulting from such a sale, assignment, lease or other disposition, as well as any property acquired in replacement thereof (collectively, the "**Proceeds**").
- (l) **Books and Records and Others Documents.** All Books and Records, as well as the rights of the Grantor to recover such property from third parties. All plans, specifications, shop drawings and other technical descriptions prepared for construction, repair or alteration of any Immovable Properties of the Grantor, and all amendments and modifications thereof.
- (m) **Replacement Property.** Any and all Charged Property which is acquired, transformed or manufactured after the date of this Deed shall be charged by the Hypothec, (i) whether or not such property has been acquired in replacement of other Charged Property which may have been alienated by the Grantor in the ordinary course of business, (ii) whether or not such property results from a transformation, mixture or combination of any Charged Property, and (iii) in the case of Securities, whether or not they have been issued pursuant to the purchase, redemption, conversion or cancellation or any other transformation of the charged Securities and without the Attorney being required to register or re-register any notice whatsoever, the property hypothecated under this Deed being a universality of present and future property.
- (2) **Restricted Property.** To the extent that the hypothecation or assignment of any Contract, Intellectual Property Right or Licence (individually and collectively, the "**Restricted Property**") would result in the termination of, or a breach under, such Restricted Property, the Hypothec on any such Restricted Property shall be under the suspensive condition of consent thereto being obtained or the condition causing such termination or breach being waived. Upon such consent being obtained or condition waived, the Hypothec granted hereby shall charge the applicable Restricted Property without regard to this Section and without the necessity of any further assurance to effect such hypothecation or assignment.
- (3) **Certain Limited Releases.**
- (a) If the Grantor, acting reasonably, determines that obtaining or rendering opposable a hypothec over any After-Acquired Property will result in

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adverse tax or accounting consequences to the Grantor, the Grantor may notify the Attorney in writing of such After-Acquired Property upon which the Hypothec granted hereby shall be automatically released insofar as such After-Acquired Property is concerned.

- (b) At the request and expense of the Grantor, the Attorney shall execute an application for voluntary reduction (RE form) or any other instrument required to register at the Register of Personal and Movable Real Rights the reduction and release of the Hypothec as against any After-Acquired Property expressly released under the terms of this Section 4(3).
- (4) **Additional Provision.** Other than the execution of this Deed and the related registration of the Hypothec at the Register of Personal and Movable Real Rights and at the appropriate Registration Division of the Land Registry Office, no additional security, filings or registrations will be taken or made in respect of any After-Acquired Property with respect to which the Attorney and the Grantor, acting reasonably, have determined that the costs of obtaining or rendering opposable a hypothec thereon are excessive in relation to the benefit to the Attorney and the Bondholders of the hypothec to be afforded thereby. Any such After-Acquired Property shall be jointly designated in writing by the Attorney and the Grantor as being excepted from any requirement for additional security, filing or registrations in respect thereof.
- (5) **Additional Provisions Regarding Pledge.** The Hypothec granted in this Deed also constitutes a pledge or a hypothec with delivery of the Securities which are delivered to, or now in possession of, the Attorney, as well as a pledge or hypothec with delivery of any Securities which may in the future be delivered to, or held by, the Attorney or its nominee(s).
5. **ADDITIONAL PROVISIONS TO THE HYPOTHEC ON HYPOTHECATED CLAIMS AND RENTS**
- (1) **Authorization to Collect.** Save and except for claims resulting from expropriation proceeds and indemnities payable under any policies of insurance, those referred to in Section 6, and save for any other claims for which the collection is otherwise dealt with pursuant to the First Lien Credit Agreement, or any other agreement entered into by the Grantor and the Attorney, or the Grantor and any of the Secured Parties, the Attorney hereby authorizes the Grantor to collect and recover all claims forming part of the Charged Property, including Rents (collectively, the "**Hypothecated Claims**"). At any time that an Event of Default has occurred and is continuing, such authorization may be withdrawn and revoked by the Attorney by written notice with respect to all or any part of the Hypothecated Claims, whereupon the Attorney shall be free to itself effect such collection and to exercise any of the rights referred to in Section 6(2); the Grantor shall then remit to the Attorney all Books and Records, Contracts and all other documents related to the Hypothecated Claims. If, after such authorization is withdrawn (and even if such revocation is not yet registered or delivered to the holders of such claims), sums payable under such Hypothecated Claims and property are paid to the Grantor, it shall receive same as mandatary of the Attorney and shall remit same to the Attorney promptly without the necessity of any demand to this effect.
- (2) **Collection.** At any time that an Event of Default has occurred and is continuing, the Attorney having withdrawn the authorization provided for above is entitled to collect all Hypothecated Claims in accordance with what is provided for by Law. It may further exercise any rights regarding such Hypothecated Claims and more particularly, it may grant or refuse any consent which may be required from the Grantor in its capacity as owner of such Hypothecated Claims, and shall not, in the exercise of such right, be required to obtain the consent of the Grantor or serve the Grantor any notice thereof, nor shall it be under any obligation to establish that the Grantor has refused or neglected to exercise such rights, and it may further grant delays, take or abandon any security, make arrangements with debtors of any Hypothecated Claims, make compromises, grant releases and

generally deal at its discretion with matters concerning all Hypothecated Claims without the intervention or consent of the Grantor.

6. **ADDITIONAL PROVISIONS TO THE HYPOTHEC ON SECURITIES**

- (1) **Exercise of Rights Prior to an Event of Default.** Unless and until an Event of Default has occurred and is continuing, the Grantor shall be entitled to exercise all voting rights and power from time to time exercisable in respect of the Securities and give consents, waivers and ratifications in respect thereof; provided, however, that no vote shall be cast or consent, waiver or ratification given or action taken which would be, or would have a reasonable likelihood of being, materially prejudicial to the interests of the Attorney or which would have the effect of materially reducing the value of the Securities as security for the Secured Obligations or imposing any restriction on the transferability of any of the Securities. Unless and until an Event of Default has occurred and is continuing, the Attorney shall, from time to time at the request and expense of the Grantor, execute or cause to be executed, in respect of all Securities that are registered in the name of the Attorney or its nominee, if any, valid proxies appointing the Grantor as its (or its nominee's) proxy to attend, vote and act for and on behalf of the Attorney or such nominee, as the case may be, at any and all meetings of each pledged entity of Securities that are registered in the name of the Attorney or such nominee, as the case may be, and to execute and deliver, consent to or approve or disapprove of or withhold consent to any resolutions in writing of shareholders or debt holders of each such pledged entity for and on behalf of the Attorney or such nominee, as the case may be.

Unless an Event of Default has occurred and is continuing and otherwise except as prohibited under the First Lien Credit Agreement, all cash dividends, distributions or other amounts payable in respect of the Securities shall be paid to the Grantor and, if any of the Securities has been registered in the name of the Attorney or its nominee, the Attorney shall execute and deliver (or cause to be executed and delivered) to the Grantor all such dividend orders and other instruments as the Grantor may request for the purpose of enabling the Grantor to receive the dividends or other payments which the Grantor is authorized to receive and retain pursuant to this Section.

The Attorney shall also be entitled to receive directly, and to retain as part of the Charged Property:

- (a) all other or additional shares, other securities, partnership interests or membership interests paid or distributed by way of dividend or otherwise in respect of the Charged Property or issued or received in substitution, renewal, addition or replacement of the Securities or issued or received on the purchase, redemption, conversion, cancellation or other transformation of the Securities;
- (b) all other or additional shares, other securities, partnership interests or membership interests paid or distributed in respect of the Charged Property by way of stock-split, spin-off, split-up, reclassification, combination of shares or similar rearrangement; and
- (c) all other or additional shares, other securities, partnership interests or membership interests which may be paid in respect of the Charged Property by reason of any consolidation, merger, exchange or shares, conveyance of assets, liquidation or similar corporate, partnership or limited liability company reorganization.

All dividends, distributions or other payments which are received by the Grantor contrary to the provisions of this Section 6(1) shall be received by the Grantor as mandatary of the Attorney, shall be segregated from other property or funds of the Grantor and shall be forthwith paid over to the Attorney as Charged Property in the same form as so received (with any necessary endorsement).

- (2) **Rights of Attorney following an Event of Default.** Upon the occurrence and during the continuance of any Event of Default and after the suspension of the rights of the Grantor set forth in Section 6(1) and notification by the Attorney to the Grantor of such suspension of rights, all rights of the Grantor set forth in Section 6(1) to vote and give consents, waivers and ratifications shall cease and the Attorney or any nominee of the Attorney shall be entitled to exercise all such voting rights and to give all such consents, waivers and ratifications. Without limiting the effect of this paragraph and unless the Attorney or its nominee(s) has caused the Securities to be transferred as set forth below, the Grantor grants the Attorney an irrevocable proxy to vote the Securities and to exercise all other rights, powers, privileges and remedies to which a holder of the Securities would be entitled (including, without limitation, giving or withholding written consents of shareholders, calling special meetings of shareholders and voting at such meetings), which proxy shall be effective, automatically and without the necessity of any action (including any transfer of any Securities on the Books and Records of the applicable pledged entity), upon the occurrence and during the continuance of an Event of Default and after notice by the Attorney to the Grantor as set forth above, and which proxy shall terminate on the Release Date.

In addition, the Attorney may, at any time after the occurrence and during the continuance of an Event of Default and after notice by the Attorney to the Grantor as set forth above, transfer any Securities or any part thereof into its own name or that of a third party appointed by it so that the Attorney or its nominee(s) may appear as the sole registered holder, in which case:

- (a) all voting rights and any other right attached to such Securities may be exercised by the Attorney (without any obligation of the Attorney to do so) or on behalf of the Attorney; and
 - (b) the Attorney shall collect revenues, dividends and capital distributions and the Grantor shall cease to have any right thereto and the Attorney may either hold same as Charged Property or apply them in reduction of the Secured Obligations.
- (3) **Certificates.** The certificates representing the Securities hypothecated and pledged hereunder may be kept in the possession of the Attorney or in the possession of its nominee(s), which may be held (in the discretion of the Attorney) in the name of the Grantor, endorsed or assigned in blank or in favour of the Attorney or any nominee or nominees of the Attorney, and the Grantor hereby consents to the holding of such hypothecated Securities by such nominee(s).
- (4) **Appointment of Attorney.** The Grantor hereby irrevocably appoints any officer or employee of the Attorney as its attorney with full power of substitution and authority following the occurrence and during the continuance of an Event of Default, to execute such documents necessary to render effective the rights granted to the Attorney pursuant to this Section 6.

7. **ASSIGNMENT OF CLAIMS SUBJECT TO THE FINANCIAL ADMINISTRATION ACT**

The Grantor hereby assigns to the Attorney by way of absolute assignment all its present and future claims which are subject to Sections 67 and 68 of the *Financial Administration Act* (Canada) and any other analogous legislation, as collateral and continuing security for all Secured Obligations. The Attorney may, at any time, and the Grantor shall, at the request of the Attorney, fulfil any further formalities required by Law to make such transfer enforceable.

To the extent that the assignment of claims under any contract would result in the termination of, or a breach under, such contract, such assignment shall be under the suspensive condition of consent thereto being obtained or the condition causing such termination or breach being waived. Upon such consent being obtained or condition waived, the foregoing assignment shall become effective without the necessity of any further assurance to effect such assignment. Moreover, the Attorney shall not give notice

pursuant to the *Financial Administration Act* (Canada) to any customer which is subject to such Act and is listed on Schedule 6.1(aa) to the disclosure letter which forms part of the Acquisition Agreement, until the occurrence and during the continuance of an Event of Default.

8. REPRESENTATIONS AND WARRANTIES

Without limitation to the representations and warranties made by the Grantor under the First Lien Credit Agreement, which shall be deemed incorporated and apply *mutatis mutandis* to this Deed, the Grantor hereby represents and warrants to the Attorney on the Closing Date:

- (1) **Title and Permitted Liens.** Other than the Permitted Liens and as hereinafter provided, the Grantor owns (or with respect to any leased property forming part of the Charged Property, is party to a valid lease or sublease in respect of) the Charged Property free and clear of any Liens. It is understood that the Grantor will acquire, following the execution of this Deed, (i) ownership of the building and structures more fully described in Schedule A hereto pursuant to a deed of sale to be entered into between Air Canada, as vendor, and the Grantor, as purchaser, and (ii) a sub-lease of the lands forming part of the immovable described in Schedule A in accordance with the terms of the Sublease. No creditor of the Grantor has, within the meaning of Articles 2699 and 2708 of the *Civil Code of Quebec*, given value to the Grantor in the thirty (30) days preceding the execution of this Deed.
- (2) **Hypothecated Claims Secured by Registered Hypothec.** None of the Hypothecated Claims is secured by registered hypothec.
- (3) **Claims subject to the *Financial Administration Act* (Canada).** Other than claims payable by any customer which is listed on Schedule 6.1(aa) of the disclosure letter forming part of the Acquisition Agreement where such customer is an entity subject to the *Financial Administration Act* (Canada), the Grantor has no claim of substantial value falling under Section 7.
- (4) **Securities.** The Grantor is not the owner, directly or indirectly, of any Securities.
- (5) **Intellectual Property Rights.** All Intellectual Property Rights owned by the Grantor and all rights of the Grantor to the use of any Intellectual Property Right are set forth on Schedule B hereto. Except as set forth on Schedule B hereto, none of such Intellectual Property Rights has been licenced or franchised by the Grantor to any Person.
- (6) **Survival.** All representations and warranties made by the Grantor in this Deed shall survive the execution and delivery of this Deed and the issuance of the Bonds.

9. COVENANTS

Without limitation to the covenants made by the Grantor in the First Lien Credit Agreement, which shall be deemed incorporated herein and apply *mutatis mutandis* to this Deed, the Grantor hereby covenants and agrees with the Attorney that on the Closing Date and thereafter, until the Commitments, the Swingline Commitment and each Letter of Credit have terminated and the Loans and Unpaid Drawings, together with interest, Fees and all other obligations incurred under the First Lien Credit Agreement (other than contingent indemnity obligations), are paid in full:

- (1) **Disclosure.** The Grantor shall give notices in writing promptly and in reasonable detail to the Attorney forthwith:
 - (a) of any change whatsoever in its legal name or in its registered office at a location outside of the Province of Quebec;
 - (b) of the existence of any hypothec securing Hypothecated Claims and, in such cases, to provide the Attorney, upon demand, with satisfactory

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proof that such security or hypothec has been registered or published in accordance with applicable Law in order for the rights of the Attorney to be set up against third Persons;

- (c) of any acquisition of immovable property by the Grantor, provided the Grantor is required by the terms of the First Lien Credit Agreement to grant security on such immovable property.

The Grantor shall not effect or permit any of the changes referred to in Sections 9(1)(a) and 9(1)(c) unless the Grantor shall have notified the Attorney in writing at least ten (10) days prior thereto.

The Grantor also covenants and confirms that: i) it will not agree to terminate the Sublease or the Head Lease (as defined in the Sublease) during the term of the Sublease without the prior written consent of the Attorney; ii) the entering into of the Sublease or this Deed does not require the consent of the Head Landlord; iii) it will promptly send to the Attorney copy of any written notice of default it receives under or pursuant to the Sublease; and iv) it shall employ commercially reasonable efforts to obtain from the Head Landlord within ninety (90) days from the date of signature of the Sublease, as contemplated by Section 12.15 of the Sublease, a landlord agreement among the Head Landlord, Air Canada, as sublandlord, the Grantor and the Attorney, in form and substance reasonably satisfactory to the Attorney.

- (2) **Information.** The Grantor shall provide the Attorney with any information with respect to the Charged Property as the Attorney may reasonably request in order to determine whether or not the Grantor complies with the provisions hereof.
- (3) **Further Identification of Charged Property.** The Grantor shall promptly furnish to the Attorney such statements and schedules further identifying and describing the Charged Property, and such other reports in connection with the Charged Property, as the Attorney may from time to time reasonably request.
- (4) **Delivery of Share Certificates**
- (a) The Grantor shall deliver immediately, when applicable, to the Attorney the certificates representing the Securities hypothecated and pledged hereunder, together with an accompanying stock (share) transfer power duly signed by the Grantor and satisfactory to the Attorney, which shall remain in the possession of the Attorney or of its nominee(s). The Grantor shall sign, endorse and deliver to the Attorney all Securities identified in Section 6(1) (a, b and c).
- (b) If the constating documents of any entity having its Securities hypothecated and pledged hereunder restrict the transfer of such Securities, then the Grantor shall (or in the case of any pledged entity that is a Non-Controlled Subsidiary shall use commercially reasonable efforts to) also deliver to the Attorney a certified copy of a resolution of the directors, shareholders, members or partners, as applicable, of such entity, consenting to the Hypothec contemplated by this Deed, including any prospective transfer of any such Securities, by the Grantor upon a realization on the Hypothec and pledge on the Securities created hereby in accordance with this Deed. All Securities may, at the option of the Attorney, be registered in the name of the Attorney or its nominee(s).
- (5) **Delivery of Agreements re Intellectual Property Rights.** Promptly, following demand from time to time by the Attorney, the Grantor shall authorize, execute and deliver any and all agreements, instruments, documents and papers that the Attorney may reasonably request to evidence the Hypothec in any Intellectual Property Rights of the Grantor and, where applicable, the goodwill of the business of the Grantor connected with the use of, and symbolized by, any such Intellectual Property Rights.

- (6) **Additional Documents.** The Grantor shall execute all deeds and documents and do all things which in the opinion of the Attorney are necessary or advisable for giving the Attorney a valid and opposable first ranking Hypothec (subject to Permitted Liens) in the Charged Property (including a notice given in virtue of Article 2949 of the *Civil Code of Quebec* where the Grantor's signature is necessary) and in order that such Hypothec serves the purpose for which it has been granted and for conferring upon the Attorney, with respect to the Charged Property, all power and rights provided for by this Deed and by Law.
- (7) **Quiet Possession.** The Grantor shall, upon the occurrence and during the continuance of an Event of Default, cause the Attorney to have quiet possession of the Charged Property free from all Liens, other than Permitted Liens.
- (8) **To Register.** The Grantor shall register or cause to be registered without delay the Hypothec in every jurisdiction and in every office where the registration, filing or record thereof may be necessary or required, in the opinion of the Attorney, to preserve, protect and render opposable to third parties the Hypothec and to renew the same. The Grantor shall maintain the Hypothec over the Charged Property as an opposable first ranking hypothec (subject only to Permitted Liens), and shall defend such hypothec and such priority against the claims and demands of all Persons.
- (9) **Indemnity.** The Grantor shall, at all times, indemnify and hold harmless the Attorney from any loss, costs, charges, damages and expenses incurred or borne by the Attorney in the performance of its rights and duties hereunder or which may be claimed against the Attorney in relation thereto as provided in Section 13.5 of the First Lien Credit Agreement, save and except for any claims resulting from the gross or intentional fault of the Attorney.

10. EVENTS OF DEFAULT

There shall exist an event of default (each an "Event of Default") hereunder, without notice or other formality, and the security and Hypothec hereby constituted shall immediately become enforceable, if there exists an Event of Default, as such term is defined in the First Lien Credit Agreement.

11. ATTORNEY'S RECOURSES IN CASE OF AN EVENT OF DEFAULT

- (1) **Exercise of Rights.** Upon the occurrence and during the continuance of an Event of Default and after notice by the Attorney to the Grantor, the Attorney may in its discretion and shall upon receipt of a Bondholders' Instrument, through its officers, employees or attorneys, exercise any right of action provided for under this Deed (and more particularly under this Section 11 or by Law including, without limitation, any of the hypothecary rights provided for under Articles 2748 to 2794 of the *Civil Code of Quebec* and, without in any way limiting any of the rights, remedies or recourses of the Attorney under the First Lien Credit Agreement, the First Lien Loan Documents or any other agreement or document entered into by the Grantor and the Attorney.
- (2) **Rights of the Attorney.** Upon the occurrence and during the continuance of an Event of Default, whatever hypothecary rights the Attorney elects to exercise or whatever rights or recourses the Attorney elects to exercise either pursuant to the Law of any other jurisdiction or in equity, the following provisions shall apply:
 - (a) the Attorney may, in its discretion, at the Grantor's expense and after notice by the Attorney to the Grantor to that effect:
 - (i) pursue the transformation of the Charged Property or any work in process or unfinished goods comprised in the Charged Property and complete the manufacture or processing thereof or proceed with any operations to which such property is submitted by the Grantor in the ordinary course of its business and acquire property for such purposes;

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- (ii) alienate or dispose of any Charged Property which may be obsolete, may perish or is likely to depreciate rapidly;
 - (iii) use for its benefit all information obtained while exercising its rights;
 - (iv) perform any of the Grantor's obligations or covenants hereunder;
 - (v) exercise any right attached to the Charged Property on such conditions and in such manner as it may determine, acting reasonably, including without restriction the granting of licences whether general or special on an exclusive or non exclusive basis, of any Intellectual Property Rights;
 - (vi) for the exercise of any of its rights, utilize without charge the Grantor's plant, equipment, machinery, process, information, records, computer programs and Intellectual Property Rights; for the purposes hereof the Grantor shall, in compliance with Section 12(9), execute a power of attorney with respect to, among others, Intellectual Property Rights; and
 - (vii) borrow monies or lend monies and, in such cases, the monies borrowed or lent by the Attorney shall bear interest at the rate then obtained or charged by the Attorney for such borrowing or loan; these monies shall be reimbursed by the Grantor on demand and, until they have been repaid in full, such monies and interest thereon shall be secured by the present Hypothec and be paid in priority of any other sums secured hereunder;
- (b) the Attorney may, directly or indirectly, purchase or otherwise acquire the Charged Property;
 - (c) the Attorney, when exercising its rights, may waive any right of the Grantor, with or without consideration therefor;
 - (d) the Attorney shall have no obligation to make an inventory of the Charged Property, to take out any kind of insurance with respect thereof or to grant any security whatsoever;
 - (e) the Attorney shall not be bound to continue to carry on the Grantor's enterprise or to make any productive use of the Charged Property or to maintain such property in operating condition; and
 - (f) the Grantor shall, upon request of the Attorney, move the Charged Property and render it available to the Attorney unto premises designated by the Attorney and which, in its opinion, shall be more suitable in the circumstances.
- (3) **Grantor's Remedy.** If the Grantor remedies the default mentioned in the prior notice of exercise of hypothecary right, the Grantor shall, as required by Law, pay all fees incurred by the Attorney by reason of the default; these fees shall include, without limitation, the administrative fees of the Attorney, the legal fees of its legal advisers and fees paid to experts or consultants.
- (4) **Taking in Payment.** If the Attorney elects to exercise its right to take in payment the Charged Property and the Grantor requires that the Attorney instead sell by itself or under judicial authority, the Charged Property on which such right is exercised, the Grantor hereby acknowledges that the Attorney shall not be bound to abandon its recourse of taking in payment unless, prior to the expiry of the time period allocated for surrender, the Attorney (i) has been granted a security satisfactory to it, to ensure that the proceeds of the sale of the Charged Property will be sufficient to pay the Bonds in full, (ii) has been reimbursed for all costs and expenses incurred in connection to this Deed, including, without limitation, all fees of consultants and legal counsel, and (iii) has been advanced the necessary

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sums for the sale of said Charged Property; the Grantor further acknowledges that the Attorney alone is entitled to select the type of sale it may wish to conduct or have conducted.

- (5) **Surrender of Charged Property.** The Grantor shall be deemed to have surrendered the Charged Property which is in the possession of the Attorney, or of a third party on its behalf, if the Attorney has not, within the delays determined by Law or by a tribunal to surrender, received written notice from the Grantor to the effect that it intends to contest the exercise of the hypothecary recourse set forth in the prior notice.
- (6) **Evaluation.** If the Attorney sells the Charged Property itself, it shall not be required to obtain any prior evaluation by a third party.
- (7) **Sale of Charged Property.** The Attorney may elect to sell the Charged Property after giving such prior notices as may be required by Law; the sale may be made with legal warranty given by the Grantor or with complete or partial exclusion of such warranty; the sale may also be made for cash or with a term or under such conditions determined by the Attorney; upon failure of payment of the purchase price, the Attorney may cancel or resolve such sale and such Charged Property may then be resold.
- (8) **Appointment of Receiver.** Upon the occurrence and during the continuance of an Event of Default, the Attorney may appoint an agent or a receiver and manager (collectively, a "Receiver") over all or any portion of the Charged Property by written instrument or may apply to a court for the appointment of a Receiver to take possession of all or such part of the Charged Property as the Attorney shall designate, with such duties, powers and obligations as the Attorney or the court making the appointment, as applicable, shall confer, and the Grantor hereby irrevocably consents to the appointment of such Receiver.
- (9) **Imputation of Payments.** All monies arising from any sale or realization of the Charged Property, in whole or in part, received or collected by the Attorney may be applied to discharge or satisfy any expenses (including the Receiver's remuneration and other expenses of enforcing the Attorney's rights against the Grantor under this Deed), Liens on the Charged Property in favour of Persons other than the Attorney, borrowings, taxes and other outgoings affecting the Charged Property or which are considered advisable by the Attorney or the Receiver to protect, preserve, repair, process, maintain or enhance the Charged Property or prepare it for sale, lease or other disposition, or to keep in good standing any liens on the Charged Property ranking in priority to the Hypothec, or to sell, lease or otherwise dispose of the Charged Property. The balance of such monies shall be applied in accordance with the Intercreditor Agreement.

12. **GENERAL PROVISIONS.**

- (1) **Additional Security.** The Hypothec is in addition to and not in substitution of or in replacement for any other hypothec or security held by the Attorney, including any of the First Lien Loan Documents, and shall not impair the Attorney's rights of compensation.
- (2) **Investments.** The Attorney may, at its entire discretion, invest any monies or instruments received or held by it pursuant to this Deed or deposit same in an account without having to comply with any legal provisions concerning the investment of property of others.
- (3) **Compensation.** Provided the Secured Obligations are due and exigible or that the Attorney is entitled to declare them owing and exigible, the Attorney may compensate any Secured Obligations with any and all amounts then owed to the Grantor by the Attorney in any capacity, whether due or not, and the Attorney shall then be deemed to have exercised such right to compensate as at the time the decision was taken by it even though the entry therefor is made on the Attorney's record subsequent thereto.

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- (4) **Time Periods.** The Attorney may grant extensions of time periods, take any security or renounce thereto, accept compromises, grant quittances and releases and generally deal with any matters related to the Charged Property, the whole without limiting the rights of the Attorney and without reducing the liability of the Grantor.
- (5) **Continuing Security.** The Hypothec shall be and have effect whether or not the moneys thereby secured shall be received before or after or at the same time as the issue of any of the Bonds intended to be thereby secured or any part thereof, or before or after, or upon the date of the execution of this Deed. The Hypothec shall be valid and shall subsist notwithstanding that the Bonds, or any of them, may not have been issued at the date hereof and shall be valid and shall secure all obligations of the Grantor under any Bonds hereafter issued, including any Bonds issued in replacement or exchange of any of the Bonds, in whole or in part. The extinction or reduction of such obligations for any reason whatsoever shall not in any way extinguish or reduce the Hypothec and, unless expressly cancelled in whole or in part by the mutual consent of the parties, such Hypothec, to the extent not so cancelled, shall subsist with respect to any obligations thereafter incurred by the Grantor from time to time.

The Grantor shall be deemed to obligate itself again as provided in Article 2797 of the *Civil Code of Quebec* with respect to any future obligation hereby secured.

- (6) **Release of Grantor.** This Deed shall remain in full force and effect until the Release Date.

The Hypothec granted hereby in any Charged Property shall automatically be released (i) to the extent provided in Section 13.1 of the First Lien Credit Agreement, (ii) upon the effectiveness of any written consent to the release of the Hypothec granted hereby in such Charged Property pursuant to Section 13.1 of the First Lien Credit Agreement or (iii) upon the execution and delivery by the Attorney and with respect to such released Charged Property: (a) of an application for voluntary cancellation (Form RV) for registration at the Register of Personal and Movable Real Rights if the release is granted subsequently to the Release Date; or (b) of an application for voluntary reduction (Form RE) for registration at the Register of Personal and Movable Real Rights if for partial release(s) as provided in Section 13.1 of the First Lien Credit Agreement, which the Attorney undertakes to execute and deliver to the Grantor for registration upon the request of the Grantor. Any such release in connection with any sale, transfer or other disposition of such Charged Property shall result in such Charged Property being sold, transferred or disposed of, as applicable, free and clear of the Hypothec created hereby. The Grantor shall automatically be released from its obligations under this Deed if it ceases to be a Credit Party in accordance with Section 13.1 of the First Lien Credit Agreement subsequent to which the Attorney shall execute and deliver to the Grantor an application for a voluntary cancellation (Form RV) with the Register of Personal and Movable Real Rights. Any execution and delivery of documents pursuant to this Section 12(6) shall be without recourse to or warranty by the Attorney.

- (7) **Time of Essence.** The Grantor shall be deemed "*en demeure*" by the mere lapse of time provided for the Grantor to perform its obligations or the expiry of any term therefor, without the Attorney being obliged to serve any notice or prior notice upon the Grantor.
- (8) **Cumulative Rights.** The rights and recourses of the Attorney hereunder are cumulative and do not exclude any other rights and recourses which the Attorney might have. No omission or delay on the part of the Attorney in the exercise of any right shall have the effect of operating as a waiver of such right. The partial or sole exercise of a right or power shall not prevent the Attorney from exercising thereafter any other right or power. The Attorney may exercise its right hereunder without any obligation of it to exercise any right against any other Person liable for payment of the Secured Obligations and without having to enforce any other security granted with respect to the Secured Obligations.

- (9) **Irrevocable Power of Attorney.** The Attorney (and any officer or attorney of the Attorney) is hereby designated as the irrevocable attorney of the Grantor with full powers of substitution for the purposes hereof or for the purpose of carrying out at any time after the occurrence and during the continuance of an Event of Default, any and all acts and executing any and all deeds, proxies or other documents which the Grantor neglects or refuses to execute or to carry out in accordance with the terms hereof.
- (10) **Performance.** If the Grantor fails to perform or comply with any of the obligations of the Grantor under this Deed, the Attorney may, but need not, perform or otherwise cause the performance or compliance of such obligation, provided that such performance or compliance shall not constitute a waiver, remedy or satisfaction of such failure. The expenses of the Attorney incurred in connection with any such performance or compliance shall be payable by the Grantor to the Attorney immediately on demand with interest thereon, if any, as provided in Section 13.5 of the First Lien Credit Agreement, and until paid, any such expenses shall form part of the Secured Obligations and shall be secured by the Hypothec created by this Deed.
- (11) **Successors and Assigns.** The rights hereby conferred upon the Attorney shall benefit all its successors and assigns, including any entity resulting from the amalgamation, merger or consolidation of the Attorney with any other Person(s), and any Person(s) succeeding to the business of the Attorney. The obligations of the Grantor hereunder shall bind the successors and permitted assigns of the Grantor, including any Person(s) resulting from the amalgamation or merger of the Grantor with any other Person(s). Subject to the terms of the First Lien Credit Agreement, in the event ownership of the Charged Property or any portion thereof becomes vested in a Person other than the Grantor herein named, the Attorney may, without notice to the Grantor herein named, whether or not the Attorney has given written consent to such change in ownership, deal with such successor or successors in interest with reference to this Deed, and in the same manner as with the Grantor herein named, without in any way vitiating or discharging Grantor's liability hereunder or under the First Lien Credit Agreement.
- (12) **Communication.** Any communication required or permitted to be given under this Deed shall be in writing and shall be effectively given if delivered in a manner and to the applicable address or facsimile number provided for from time to time pursuant to the First Lien Credit Agreement. Any communications so given shall be deemed to have been given and to have been received as provided in the First Lien Credit Agreement.
- (13) **Severability.** Any provision of this Deed that is prohibited or unenforceable in any jurisdiction shall, as to that jurisdiction, be ineffective to the extent of such prohibition or unenforceability and shall be severed from the balance of this Deed, all without affecting the remaining provisions of this Deed or affecting the validity or enforceability of such provision in any other jurisdiction.
- (14) **Not a Floating Hypothec.** The Hypothec created hereunder is not and shall not be construed as a floating hypothec within the meaning of Articles 2715 et. seq. of the *Civil Code of Quebec* nor shall this Deed be deemed as creating a trust within the meaning of Article 1260 of the *Civil Code of Quebec*.
- (15) **Payments.** Subject to the terms and conditions of this Deed, the Hypothec in favour of the Attorney shall not be extinguished, reduced, novated or otherwise affected by reason of any payments which may be made to or collected by the Attorney or the Secured Parties, directly or indirectly, from any Person under any circumstances, including payments from:
- (a) the Grantor or any other Person;
 - (b) insurance indemnities resulting from loss of, or damage to, the whole or any portion of the Charged Property; or

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- (c) any "claims" within the meaning of Article 2743 of the *Civil Code of Quebec*.

13. **CONCERNING THE ATTORNEY**

- (1) **Acceptance of Holder.** Each Holder, by its acceptance of a Bond:
- (a) acknowledges that the first issue of a Bond has been or may be purchased from the Grantor by the Attorney, by underwriting, purchase, subscription or otherwise;
 - (b) consents to and confirms the appointment of the Attorney as "*fondé de pouvoir*" and ratifies as of the date it becomes a Bondholder all actions taken by the Attorney as the "*fondé de pouvoir*" of the Bondholders; and
 - (c) waives any right it may have under Section 32 of the *Act respecting the special powers of legal persons* (Quebec).
- (2) **Diligence.** The Attorney shall only be accountable for reasonable diligence and prudence in the management of the rights hereof, and shall only be liable for its own gross or intentional fault.
- (3) **Discretion.** The Attorney, except as herein otherwise provided and subject to any Bondholders' Instrument, shall, with respect to all rights, powers and authorities vested in it, have absolute and uncontrolled discretion as to the exercise thereof, whether in relation to the manner or as to the mode and time for the exercise thereof, and in the absence of fraud, it shall be in no way responsible for any loss, costs, damages or inconvenience that may result from the exercise or non-exercise thereof.
- (4) **Enforcement of Security.** The Attorney shall have the rights in its discretion to proceed in its name as "*fondé de pouvoir*" hereunder to the enforcement of the security hereby constituted by any remedy provided by Law, whether by legal proceedings or otherwise but it shall not be bound to do or to take any act or action in virtue of the powers conferred on it by these presents unless and until it shall have been required to do so by way of a Bondholders' Instrument; the Attorney shall not be responsible or liable for any debts contracted by it, for damages to persons or property or for salaries or non-fulfilment of Contracts during any period for which the Attorney managed the Charged Property upon entry, as herein provided, nor shall the Attorney be liable to account for anything except actual revenues or be liable for any loss on realization or for any Event of Default or omission for which a hypothecary creditor might be liable.
- (5) **Delegation.** The Attorney may, at its entire discretion, appoint any Person(s) for the purpose of exercising any of its rights, actions or the performance of any covenant resulting from this Deed or law or equity; in such case, the Attorney may supply such Person(s) with any information it holds relating to the Grantor or to the Charged Property.
- (6) **Protection of Attorney.** The Attorney shall be obliged to act and shall be fully protected in acting pursuant to a Bondholders' Instrument in connection with any proceedings, act, power, right, matter or thing relating to or conferred by or to be done under this Deed.
- (7) **Possession or Production of the Bonds.** All rights of action under this Deed may be enforced by the Attorney without the possession of the Bonds hereby secured or the production thereof.
- (8) **Resignation of Attorney.** The Attorney may at any time resign from office in accordance with the terms of the First Lien Credit Agreement. The Bondholders may then or at any time thereafter appoint a new "*fondé de pouvoir*" confirming such appointment by Bondholders' Instrument, which the Grantor hereby undertakes to accept, in the place of the "*fondé de pouvoir*" so resigning. The new "*fondé de pouvoir*" without further act (subject to appropriate registration of

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the assignment of the Hypothec) shall then be vested and have all rights, powers and authorities granted to the Attorney hereunder and be subject in all respects to the terms, conditions and provisions hereof to the same extent as if originally acting as "*fondé de pouvoir*" hereunder; no resignation shall come into effect before a new "*fondé de pouvoir*" has been appointed and has accepted its appointment.

- (9) **Indemnification of Attorney.** The Grantor shall indemnify the Attorney for, and hold it harmless against, any loss, liability or expense incurred, arising out of or in connection with the acceptance of its duties and obligations hereunder, including the costs and expenses of defending itself against any claim or liability in connection with the exercise or performance of any of its powers or duties hereunder and under any liability incurred by the Attorney pursuant to any environmental damage or claim as provided in Section 13.5 of the First Lien Credit Agreement, save and except for any claims resulting from the gross or intentional fault of the Attorney.
- (10) **Bankruptcy of Attorney.** The bankruptcy of the Attorney shall not terminate its rights, powers and duties hereunder provided that such rights, powers and duties are assumed by a successor Attorney appointed in accordance with the provisions hereof.

14. AMENDMENTS

Neither this Agreement nor any terms hereof may be amended, supplemented or modified except in accordance with Section 13.1 of the First Lien Credit Agreement and unless signed by the Grantor and the Attorney acting pursuant to a Bondholder's Instrument.

15. GOVERNING LAW

This Deed shall be governed by, and construed in accordance with, the laws of the Province of Quebec and the laws of Canada applicable therein.

16. PARAMOUNTCY

Notwithstanding anything herein to the contrary, the Hypothec granted to the Attorney pursuant to this Deed and the exercise of any right or remedy by the Attorney hereunder are, in each case, subject to the provisions of the Intercreditor Agreement. In the event of any conflict between the terms of the Intercreditor Agreement and this Deed, the terms of the Intercreditor Agreement shall govern, save and except if the conflict relates to be creation or enforcement of the Hypothec, in which case this Deed shall govern.

17. ENGLISH LANGUAGE

The parties hereto confirm that the present Deed has been drawn up in the English language at their request. *Les parties aux présentes confirment que le présent acte a été rédigé en langue anglaise à leur demande.*

18. SPECIMEN OF BOND

CANADA

PROVINCE OF QUEBEC

ACTS AERO TECHNICAL SUPPORT & SERVICES INC.

(Incorporated under the laws of Canada)

25% Demand Bond
(First Lien)

No. •

CAN\$•

ACTS AERO TECHNICAL SUPPORT & SERVICES INC. (hereinafter called the "Corporation"), for value received, promises to pay on demand to LEHMAN COMMERCIAL PAPER INC., in its capacity as collateral agent (in such capacity, the

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“Agent”) under the First Lien Credit Agreement (as such term is defined in the Deed of Hypothec hereinafter defined), or its registered assigns, at 745 Seventh Avenue, in the City of New York, State of New York, 10019, upon presentation and surrender thereof of the present Bond, the sum of • Dollars in lawful money of Canada (CAN\$•) and to pay interest thereon on demand, from the date hereof until the actual date of payment, at the same address and in like money, at a rate equal to twenty-five percent (25%) per annum, calculated annually, plus interest on all overdue interest, calculated annually at the same rate, from its due date until the actual date of payment.

This Bond is issued under and secured by a deed of hypothec and issue of bonds (first lien) executed on •, 2007 (the “**Deed of Hypothec**”) between the Corporation and Lehman Commercial Paper Inc., in its capacity as “*fondé de pouvoir*” (person holding the power of attorney) of the Bondholders for all purposes of Article 2692 of the *Civil Code of Quebec* (in such capacity, the “**Attorney**”), to which Deed of Hypothec reference is hereby made for the terms and conditions upon and subject to which this Bond is issued and held and for the nature and extent of the security thereof.

As of the date hereof, the total principal nominal value of Bonds authorized to be issued under the Deed of Hypothec from time to time is limited to • Dollars in lawful money of Canada (CAN\$•). All Bonds at any time outstanding under the Deed of Hypothec rank *pari passu* and are equally and ratably secured by the Deed of Hypothec.

This Bond is fully registered and may only be transferred by the holder hereof upon compliance with the provisions of the Deed of Hypothec in that regard.

This Bond is subject to the terms and conditions of the Deed of Hypothec and of the pledge of bond agreement (first lien) dated as of •, 2007 by the Corporation in favour of the Agent to all of which the holder of this Bond by its acceptance hereof assents.

This Bond shall not become obligatory until it has been certified by the Attorney under the Deed of Hypothec.

All capitalized terms and expressions used herein, unless otherwise defined, shall have the same meaning as that ascribed to them in the Deed of Hypothec.

The present Bond shall be governed by, and construed in accordance with, the laws of the Province of Quebec and the laws of Canada applicable therein.

The holder or any transferee of this Bond, by its acceptance thereof, is hereby deemed to have ratified the appointment of the Attorney in its capacity as “*fondé de pouvoir*” for all purposes of Article 2692 of the *Civil Code of Quebec*.

The Corporation, by its signature on the one hand and the holder or any transferee of the Bond, by their acceptance of the Bond on the other hand, acknowledge that they have expressly required the Bond to be drawn up in the English language. *La corporation, par sa signature, d'une part, et le détenteur et tous cessionnaires de cette obligation par leur acceptation, d'autre part, déclarent qu'ils ont expressément exigé que la présente obligation soit rédigée en anglais.*

IN WITNESS WHEREOF, ACTS AERO TECHNICAL SUPPORT & SERVICES INC., has caused this Bond to be signed by its representative and to be dated as of the • day of • 20•.

**ACTS AERO TECHNICAL
SUPPORT & SERVICES INC.**

By: _____
Name:
Title:

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"FONDÉ DE POUVOIR" 'S CERTIFICATE

This Bond is a 25% Demand Bond No. _____ issued under the Deed of Hypothec within mentioned.

Date of Certification: as of _____.

•, as "*fondé de pouvoir*"

By: _____
Name:
Title:

FORM OF TRANSFER

For value received _____ by these presents cedes and transfers to _____ the present 25% Demand Bond No. _____ with full power of substitution, as well as its rights, the principal amount and outstanding interest on the said Bond, and irrevocably appoints the Attorney as its attorney to complete the transfer on the books of the above-mentioned Corporation maintained by the Attorney pursuant to the Deed of Hypothec.

Dated _____, _____.

Witness

Signed by:

SCHEDULE A**Description of Specific Building and Structures (Section 4(1)(a))**

An emplacement located on the site of the Montreal-Pierre Elliott Trudeau International Airport, in the City of Montreal, Province of Quebec, known and designated as lot number THREE MILLION EIGHT HUNDRED NINETY-NINE THOUSAND THREE HUNDRED AND FORTY-FOUR (3 899 344) of the Cadastre du Quebec, Registration Division of Montreal;

with the building and other structures erected thereon bearing civic number 7171 Côte-Vertu West Boulevard, City of Montreal (Borough of Saint-Laurent), Province of Quebec, H4Z 1Z3.

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SCHEDULE B

Intellectual Property Rights (Section 4(1)(i))

(A) *Registered Intellectual Property*

The domain name ACTS.com is registered with 000DOM in the name of ACTS LP; expiry date October 25, 2008.

The domain name ACTSMRO.ca is registered with eNom Canada Corp in the name of ACTS LP; renewal date March 16, 2008.

The domain name ACTSMRO.com is registered with eNom Canada Corp in the name of ACTS LP; renewal date March 17, 2008.

(B) *Particulars of Registered Intellectual Property*

Nil.

(C) *Contracts, Licenses, etc.*

Trademark License Agreement dated September 24, 2004, between Air Canada and ACTS LP, successor in interest to ACTS Limited Partnership, as amended from time to time.

License with respect to Air Canada repair schemes dated September 30, 2004, granted by Air Canada to ACTS LP, successor in interest to ACTS Limited Partnership, pursuant to section 7.3 of the Asset Purchase Agreement among Air Canada and ACTS Limited Partnership dated September 30, 2004.

Transfer and Non-Competition Agreement dated June 22nd, 2007, between ACTS LP and Air Canada with respect to the Repair Schemes.

ACTS LP uses the A340 Type & A330 Difference, the A340, 500 Difference and the A330 CF6 Engine Differences courses materials under a license granted by Airbus to Air Canada.

ACTS LP uses the B777 Type course materials under a license granted by Boeing to Air Canada.

ACTS LP uses the EMB 170/175 Type & 190 Difference Courses materials purchased through a training credit trade granted to ACE Aviation. The material is under license for the sole purpose of training Air Canada technical personnel and any subcontractor employees of Air Canada.

(D) *Unregistered Intellectual Property*

ACTS LP owns training programs, including the following:

- A.T.A. Specification 100/Spécification 100 l'ATA
- A/C 467 Flash Fire Incident
- A330 Fuel Couplings
- Above Basic Exam (Cat. 03) / Examen de Qualification (Cat. 03)
- Above Basic Exam (Cat. 07) / Examen de Qualification (Cat. 07)
- Above Basic Exam (Cat. 08) / Examen de Qualification (Cat. 08)
- Above Basic Exam (Cat. 09) / Examen de Qualification (Cat. 09)
- Above Basic Exam (Cat. 10) / Examen de Qualification (Cat. 10)
- Above Basic Exam (Cat. 11) / Examen de Qualification (Cat. 11)
- Above Basic Exam (Cat. 13) / Examen de Qualification (Cat. 13)
- Above Basic Exam (Cat. 14) / Examen de Qualification (Cat. 14)
- Above Basic Exam (Cat. 15) / Examen de Qualification (Cat. 15)
- Above Basic Exam (Cat. 16) / Examen de Qualification (Cat. 16)

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- Above Basic Exam (Cat. 17) / Examen de Qualification (Cat. 17)
- Above Basic Exam (Cat. 18) / Examen de Qualification (Cat. 18)
- Above Basic Exam (Cat. 21) / Examen de Qualification (Cat. 21)
- Above Basic Exam (Cat. 22) / Examen de Qualification (Cat. 22)
- Above Basic Exam (Cat. 23) / Examen de Qualification (Cat. 23)
- Above Basic Exam (Cat. 24) / Examen de Qualification (Cat. 24)
- Above Basic Exam (Cat. 33) / Examen de Qualification (Cat. 33)
- Above Basic Exam (Cat. 37) / Examen de Qualification (Cat. 37)
- Above Basic Exam (Stockkeeper) / Examen de Qualification (Stockkeeper)
- Accessing WHMIS information on the Aeronet/Consultation des renseignements SIMDUT dans Aeronet
- ACM Policy Manuel for ACA / Manuel des politiques - Pouvoir de certification - ACM
- ACTS Policy Manual for Heavy Maintenance ACA / Manuel des politiques d'ACTS à l'intention des techniciens avions - Révision générale
- ACTS Safety Management System (SMS) Awareness / Sensibilisation au Système de gestion sécurité (SGS) d'ACTS
- Aerial Lifts Safety Procedures/Procédures de sécurité des nacelles élévatrices
- AFTE (Aircraft Fuel Tank Entry) General Awareness
- AirN@V Training
- B767 Throttle Cable Failure
- Bill C-45 / Loi C-45
- Biohazards / Biorisques
- CAR's for Non Bilateral Subcontractors
- Configuration Control Updates for AMTAC/Programme de contrôle de la configuration pour AMTAC/MR
- Control Manual Information Session
- Dangerous Goods/Marchandises dangereuses
- Digital Fundamentals
- E-Airworthiness Bulletin AWB-2007-006
- E-Airworthiness Bulletin AWB-2007-007
- E-Airworthiness Bulletin AWB-2007-008
- E-Airworthiness Bulletin AWB-2007-009
- E-Maintenance Alert B777 05-00-01
- E-Maintenance Alert B777 24-09
- E-Maintenance Alert B777 24-31
- E-Maintenance Alert B777 25-00-01
- E-Maintenance Alert B777 25-00-02
- E-Maintenance Alert B777 29-11
- E-Maintenance Alert B777 32-49
- E-Maintenance Alert B777 32-49-01
- E-Maintenance Alert B777 46-11
- E-Maintenance Alert B777 46-11-01
- E-Maintenance Alert B777 49-11
- E-Maintenance Alert B777 56-11
- E-Maintenance Alert B777 71-10
- E-Maintenance Alert B777 71-10
- E-Maintenance Alert EMB 32-40-05
- E-Maintenance Alert EMB 52-50-08
- Elementary Work Authorization / Autorisation des travaux élémentaires de maintenance
- Embraer 170/175/190 Fueling Procedure

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- Embraer Cargo Door - Maintenance Alert
- Emergency Evacuation Program
- Environmental Incident Management & Response - Employees / Gestion et intervention en cas d'incidents environnementaux - Les employés
- Environmental Incident Management & Response - Mgrs./Supv./H & S Rep. / Gestion et intervention en cas d'incidents environnementaux - Chefs de services/Chefs d'équipes/Rep. santé et sécurité
- Fuel Shop Safety Awareness/Sensibilisation à la sécurité dans l'Atelier des unités carburant
- General Forklift Operation and Safety / L'utilisation des chariots élévateurs à fourche et la sécurité
- IDG Servicing / IDG - Alternateur à entraînement intégré
- iSMS Awareness / Sensibilisation au SGSi
- Line Expediter Exam / Examen à l'intention de l'agent de relance en ligne
- One-time Signing Authority / Pouvoir de signature unique
- Overhead Crane Operator Safety
- Personal Protective Equipment / Équipement de protection individuel
- Planner Exam / Examen de planificateur
- Policy Manual for A/C Groomers/Manuel des politiques - Nettoyeur d'avion
- Policy Manual for Aviation Support Equipment Maintenance/Manuel des politiques - Entretien du Matériel de Soutien Avions
- Policy Manual for Cabin Communications System Contractors
- Policy Manual for Heavy Maintenance Subcontractors
- Policy Manual for IFE Subcontractors
- Policy Manual for Line and Heavy Maintenance / Manuel des politiques - Maintenance en ligne et Révision générale
- Policy Manual for Life Maintenance Subcontractors
- Policy Manual for Records Controllers
- Policy Manual for Shop Certification Authority / Manuel des politiques - Pouvoir de certification - Atelier (SCA)
- Policy Manual for Supply Chain Management/Manuel des politiques - Gestion de la chaîne d'approvisionnement
- Policy Manual for Unlicensed / Manuel des politiques - Mécaniciens non brevetés
- Propane Vehicle Fueling
- Safe Lifting Methods/Méthodes de soulèvement sécuritaires
- Safe Operation of Aircraft Hangar Doors / Manoeuvre sécuritaire des portes des hangars avions
- Senior Data Controller Exam / Examen - Contrôleur principal - Données techniques
- Six Sigma Statistics 101
- Technical Writer Exam
- The Stacker and Fall Protection
- Tools & Equipment for Categories 14, 15, 18, 33 & 38
- Tools & Equipment for Category 01 & 13
- Tools & Equipment for Category 17 & 23
- Tools & Equipment for Category 19
- Tools and Equipment
- WHMLS / SIMDUT
- 1725 Trim TEC Analyzer Training - CRJ
- A310-300/CF6 Combi Differences - Airframe
- A310-300/CF6 Type - Airframe and Engine
- A310/CF6 Engine Ground Run Initial
- A319-100/CFM56 Differences - Airframe
- A319/20/21 - V2500 Ground Run Training

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- A319/20/21 EASA 145 Recurrent - 2007 (Read & Sign)
- A319/320/321 - On Board Parts Box Familiarization
- A319/320/321-CFM56/V2500 - JAA CAT A 5 Day
- A319/320/321/CFM56/V2500 EASA CAT A 10 day Program
- A319/A320 Business Class Chairs
- A319/A320 Cockpit Chairs
- A319/A320 Cockpit Windshield
- A319/A320/ A321 Doors & Slides for Cat 13
- A319/A320/A321 - On Board Parts Box Procedures
- A319/A320/A321 Entertainment Systems
- A319/A320/A321 JAA CAT A
- A319/A320/A321 Level 2
- A319/A320/A321 Refresher JAA B1
- A319/A320/A321 Refresher JAA B2
- A319/A320/A321/CFM56 Engine Ground Run Initial
- A320 - V2500 Ground Run Training
- A320 Avionics Systems Level 3
- A320 Brake Riding - Train the Trainer
- A320 Ground Run
- A320 Initial Ground Run
- A320 Ramp and Transit Level 2
- A320 Structural Repair Manual
- A320 Taxi Training
- A320-200/CFM56 Endorsement
- A320-200/CFM56 Type - Airframe and Engine
- A320-200/CFM56 Type Training
- A320-200/V2500 Differences - Engine
- A320/CFM56 Introduction
- A320/V2500 General Engine Familiarization
- A321-200/OEM56 Differences - Airframe
- A321/CFM56 Differences
- A330 Familiarization & Servicing
- A330 Initial Taxi
- A330 RR Trent 700/PW4168/CF6-80 JAA Category A 5 Day Program
- A330-200/300/PW4168 Differences - Engine
- A330-300/CF6-80 Differences - Engine
- A330-300/PW4168 Differences
- A330-CF6-80 Cat A Program (JAA)
- A330/200/300/PW4168/Differences
- A330/340 - JAA CAT 5 Day Course
- A330/340 - On Board Parts Box Familiarization
- A330/340 - On Board Parts Box Procedures
- A330/340 In Flight Entertainment Systems
- A330/340/A345 Aircraft Windows
- A330/A340 Doors and Slides
- A330/PW4168/Differences
- A330/Trent 700 Engine Ground Run Initial
- A330/Trent700/PW4100/CF6 EASA CAT A Program
- A330/Trent700/PW4168/CF6 & A340/CFM56 EASA CAT A Program
- A340 - 500 Britax Business Class Seats
- A340 CFM 56 JAA Category A 5 Day Program

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- A340 Engine Ground Run Initial
- A340 Entertainment System
- A340 Ground Run
- A340-300/CFM56 Differences - Airframe and Engine
- A340/330 EASA 145 Recurrent - 2007 read & sign
- A340/5/600 MAS 3000 Entertainment System
- A340/A330 JAA Cat A
- A340/A330 Passport Entertainment
- A340/B767 MAS 2000E Entertainment System
- A340/CM56 EASA CAT A Program
- Accident Investigation/Health & Safety Committees
- Accident Prevention/Health & Safety Committees
- Aerial Lifts Train the Demonstrator/Evaluator
- AFTE (Aircraft Fuel Tank Entry) Differences
- AFTE (Aircraft Fuel Tank Entry) Emergency Response
- APTE (Aircraft Fuel Tank Entry) Emergency Response
- AFTE (Aircraft Fuel Tank Entry) Emergency Response - Recurrent
- AFTE (Aircraft Fuel Tank Entry) Emergency Response - Recurrent
- AFTE (Aircraft Fuel Tank Entry) Initial
- APTE (Aircraft Fuel Tank Entry) Initial
- AFTE (Aircraft Fuel Tank Entry) Initial - Course Challenge
- AFTE (Aircraft Fuel Tank Entry) Permit Authorizer
- APTE (Aircraft Fuel Tank Entry) Permit Authorizer
- AFTE (Aircraft Fuel Tank Entry) Permit Authorizer Course
- Airbus On Line Service (AOLS)
- Aircraft Brakeman Training - Airbus practical training
- Aircraft Brakeman Training - Airbus simulator
- Aircraft Brakeman Training - Boeing practical training
- Aircraft Brakeman Training - Boeing simulator
- Aircraft Composite Structures
- Aircraft Door Operation
- Aircraft Fuel Tank Emergency Rescue (A)
- Aircraft Fuel Tank Entry
- Aircraft Fuel Tank Entry - Initial
- Aircraft Fuel Tank Sealing
- Aircraft Fuel Tank Sealing
- Aircraft Inspection Authorization
- Aircraft Plumbing Course
- AIRCRAFT STRUCTURAL REPAIR MANUAL
- B737 - On Board Parts Box Familiarization
- B737-200 ENDORSEMENT COURSE
- B737-200 Ground Run Initial
- B737-200 Taxi Training
- B737-200/JT8D Engine Ground Run Initial
- B737-200/JT8D Type - Airframe and Engine
- B737-3/4/500 with CFM56 Engine Differences Course
- B737-300/400/500 and B737-600/700/800/900 CAT.A
- B737-300/400/500 CFM56 JAA CAT A Program
- B737-300/400/500 with CFM56 Engine Differences Course
- B737-300/400/500/CFM56 Differences - Airframe and Engine
- B737-600/700/800/900 CFM56 JAA CAT A Program

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- B737-600/700/800/900/CFM56 Type - Airframe and Engine
- B737/600/700/800/900/CFM56-7 Type
- B747 - On Board Parts Box Familiarization
- B747-400 Ground Run
- B747-400/CF6 Ground Run Initial
- B747-400/CF6/PW4000 JAA CAT A 10 Day Program
- B747-400/PW4000 Ground Run
- B757-200/300 RB211 Differences - Engine
- B757-200/300/PW2000 Differences - Airframe & Engine
- B757-B767 differences, RB 211 powered, General Familiarization
- B767 - 300/200 Differences
- B767 - On Board Parts Box Familiarization
- B767 - On Board Parts Box Procedures
- B767 Aircraft Windows
- B767 EASA 145 Recurrent - 2007 (read & sign)
- B767 Ground Run CF6
- B767 Ground Run CF6 Initial
- B767 Ground Run Initial
- B767 Ground Run PW to CF6 Differences
- B767 Ground Run PW4000/JT9D7R4
- B767 Ground Run PW4000/JT9D7R4 Initial
- B767 Ground Run PW4000/JT9D7R4 Re-check Authority
- B767 Ground Run, Additional Engine Type - CF6
- B767 Ground Run, Additional Engine Type - PW4000 & JT9D
- B767 Initial Ground Run
- B767 MAS 2000E Entertainment System
- B767 Sliding Window for CAT 13
- B767-200 Airframe Differences
- B767-200 to 300 Airframe & Avionics Differences
- B767-200/300/JT9/PW4000 Type - Airframe and Engine
- B767-200/300/JT9D/PW4000 Endorsement
- B767-200/300/JT9D/PW4000 Type Training
- B767-200/300/JT9D/PW4000/CF6 JAA CAT A 10 Day Program
- B767-200/300/JT9D/PW4000/CF6 JAA CAT A 5 Day Program
- B767-200/300/JT9D/PW4000/CF6 JAA CAT A PROGRAM
- B767-200/JT9 Differences - Airframe
- B767-200/JT9 Differences - Engine
- B767-300 with CF6-80 Differences
- B767-300/CF6 Differences - Engine
- B767-300/PW4000 Differences - Engine
- B767-300/PW4000 Engine Differences
- B767-300/PW4000/CF6 Differences Airframe
- B767/CF6 to JT9D & PW4000 Engine Ground Run Transition
- B767/CF6 to JT9D & PW4000 Engine Ground Run Transition
- B767/JT9D/PW/CF6 Engine Ground Run Initial
- B767/JT9D/PW4000 to CF6 Engine Ground Run Transition
- B777 GE90-115B Engine Ground Run
- B777 14000 IFE System Maintenance course
- Basic Aircraft Familiarization
- Basic and SMT Recurrent Training
- Basic Avionics for Airframe & Powerplant Technicians

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- Basic Fundamentals of Jet Engines
- Boeing Structural Repair Manual
- Boroscope Inspection course
- BRUSH PLATING UPDATE TRAINING
- Cabin Security Check
- CAR's for Foreign Sub-Contractors
- CFM56-5C4 - Basic Engine Systems Introduction
- CFM56-5C4 Introduction
- Changing Propane Cylinders
- CL65/CF34 Type Training
- Contour Chair Suite Assemblies
- Contour Suite
- CORROSION PREVENTION AND CONTROL
- CRJ Engine Ground Run
- CRJ Ground Run Initial
- CRJ Ramp & Transit Course
- Densitometer Handling
- Effluent Alarm Response
- EMB - Door T/S & Adjustments
- Embraer 170/175/190 Engine Ground Run Initial
- Embraer 175/190 CASA Practical Training
- Embraer 190 EASA Practical Training
- Embraer 190/CF34-10 Differences Level II
- Embraer Aircraft Windows
- Embraer Doors and Slides
- Embraer Honeywell Primus Epic Training
- Embraer Seats and Furnishings
- EMC - Technical Forms & Reports
- EMC Inspection Authorization
- Facteurs Humains en Aviation
- Fall Protection for Supervisors
- Fall Protection Fundamentals
- Fall Protection Fundamentals (Hightek- Authorized Person)
- Fall Protection Fundamentals Differences (DBI Sala)
- Fuel Shop Safety Awareness
- Gestion des questions d'actualité pour spécialistes (Issues Management - Specialist Course)
- Ground Run Taxi Evaluator
- Hazardous Waste Management and Handling Training
- Hazmat Transportation Security Awareness
- Heat Treating of Steel Review
- Heat Treatment Card Documentation Practices
- Heat Treatment of Aluminium
- Hot-Cold Test Stand & Flowmeter Utilization
- Human Factors in Aviation / Facteurs Humains en Aviation
- Human Factors Recurrent - Complacency, Fatigue and Lack of Awareness
- Human Factors Recurrent - Lack of communication, Lack of assertiveness and, Lack of teamwork
- Human Factors Recurrent - Lack of Resources, Lack of Knowledge and Norms
- Human Factors Recurrent - Stress, Pressure and Distraction
- Initial Aircraft Taxi Training

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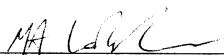
- Material Receiving
- Practical Heat Treatment of Aluminium
- Shop Inspection Authorization
- Spectrum Chairs
- Spectrum Seat
- Stores Receiving Inspection
- Structural Repair Manual - A320
- Thales B767 IFE System Maintenance
- Thales B77714000 IFE System Maintenance course
- Thales IFE 4500 System with Practical
- Thales In Flight Entertainment System Orientation
- Thales In-Flight Entertainment System Maintenance
- Wiring Standard Practices
- WHMIS/SIMDUT

WHEREOF ACT:

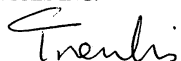
DONE AND PASSED in the City of Montreal, Province of Quebec, on the date hereinabove set forth, under number NINE HUNDRED AND SEVENTY (970) of the original of the minutes of the undersigned Notary.

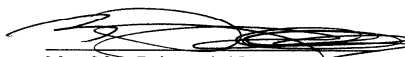
AND after the parties had declared to have taken cognizance of these presents and to have exempted the said Notary from reading them or causing them to be read, the said duly authorized officers, directors or representatives of the Grantor and the Attorney respectively have signed these presents, all in the presence of the said Notary who has also signed.

**LEHMAN COMMERCIAL PAPER
INC., as "fondé de pouvoir"**

By: 
Name: Marc-Antoine La Rochelle
Title: Attorney

**ACTS AERO TECHNICAL SUPPORT
& SERVICES INC.**

By: 
Name: Constantine Troulis
Title: Representative


Mtre. Marc Daigneault, Notary

A true copy of the original hereof
remaining of record in my office

