



FTI Consulting
TD Waterhouse Tower
79 Wellington Street West
Suite 2010, P.O. Box 104
Toronto ON M5K 1G8
Main 416.649.8100
Fax 416.649.8101
fticonsulting.com

Estate ID No. 31-456409
Trustee License No. 3337
Receiver Name of WEPP filing: FTI Consulting Canada Inc.
Trustee Responsible: Paul Bishop

April 26, 2010

Re: In the Matter of the Receivership of Skyservice Airlines Inc. (“Skyservice”)

On the 31st day of March, 2010, FTI Consulting Canada Inc. was appointed as Receiver pursuant to an Order of the Ontario Superior Court of Justice of all the assets, undertakings and properties of Skyservice Airlines Inc (the “Receiver”). A copy of the Order and other materials filed in connection with the receivership may be obtained at <http://cfcanada.fticonsulting.com/skyservice>.

In accordance with paragraph 21(c) of the *Wage Earner Protection Program Act (Canada)* (“WEPPA”), legislation to establish a program for making payments to individuals in respect of wages, vacation pay, severance, or termination owed by employers who are bankrupt or subject to a receivership, the Receiver hereby gives notice of the existence of such program and advises that the date of receivership is March 31, 2010. Information pertaining to the program may be obtained by calling:

Toll free: 1(866) 683-6516
TTY: 1 (866) 926-9105

Additional information, including an application form for payment under the WEPPA may be obtained at the following website:

<http://www.servicecanada.gc.ca/en/sc/wepp/index.shtml>

If you are unable to obtain an application from the website, one such will be provided on request.

The Receiver informs you that in accordance with the WEPPA Regulations, you are required to file a proof of claim form in accordance with the *Bankruptcy and Insolvency Act (Canada)* for amounts owing as at the date of receivership. Attached to this letter is a proof of claim form and instructions on how to fill out the proof of claim. Also provided in **Schedule 1** is a calculation of amounts owing based on the Skyservice books and records.



If you believe that you have unpaid wages that are eligible for payment under the WEPPA and are not paid by the Receiver, you may file an application with the Minister and eligibility will be determined by the Minister in accordance with the legislation.

The WEPPA requires that the Receiver provide certain details in respect of potential claims to the Minister. In accordance with the provisions of WEPPA, a copy of materials provided by the Receiver to the Minister in respect of your potential claim, if any, will be provided to you in due course.

If you have any questions regarding the foregoing or require further information, please consult the Receiver's website at <http://cfcanada.fticonsulting.com/skyservice> or call the Receiver's hotline at 1-888-679-5969.

Yours sincerely,
FTI Consulting Canada Inc.
in its capacity as receiver of Skyservice and not in its
personal or corporate capacity

A handwritten signature in black ink that reads 'Devi Rajani'.

Devi Rajani
Director

Instruction letter for Employees Regarding Filing out Proof of Claim

On the 31st day of March, 2010, FTI Consulting Canada Inc. was appointed as Receiver pursuant to an Order of the Ontario Superior Court of Justice of all the assets, undertakings and properties of Skyservice Airlines Inc. A copy of the Order and other materials filed in connection with the receivership may be obtained at <http://cfcanada.fticonsulting.com/skyservice>.

The proof of claim form is an important part of the WEPP applicable process. Service Canada requires that a proof of claim is submitted before an individual's application for payment can be completed.

Instructions:

- A. On the Proof of Claim Form ("POC"), you will be required to fill out the following:
 1. Your address and an email address (if applicable) on the first three blank lines
 2. Your name (as creditor) in the first paragraph.
 3. Your name again in the next blank space, in the next paragraph, and your city and province of residence in the next blank space.
- B. Leave the next two spaces blank in part 1.
- C. The Total Amount you are claiming in the space in part 3.
- D. On the following page, check the Box at 4E, Claim by Wage Earner, and fill in the Total Amount you are claiming for unpaid eligible wages¹. Schedule 1 outlines the unpaid eligible wages under the WEPP owed as per the Company's books and records.
- E. Check the Box on the second line below to make your claim under subsection 81.4 of the act as a worker who is owed wages, salaries, commissions, or compensation by a person who is subject to a receivership for services rendered during the six months before the first day on which there was a receiver in relation to the person is secured, as of that day, to the extent of \$2,000 – less any amounts paid for those services by a receiver or trustee – by security on the person's current assets that are in the possession or under the control of the receiver.
- F. Include documents to support your claim (e.g. employment contracts, payroll stubs, etc) when submitting the POC to the Receiver.
- G. Part 5, check the two appropriate boxes, to indicate whether you are/are not related to the debtor (defined as a person who is a member of a related group that controls the entity) and the second box on the second line to indicate that you have/have not dealt with the debtor in a non-arms length manner.
- H. Below part 6: Fill out your location –City and Province or Country, the date, and sign the form on the right-hand side. Have someone witness your signature by signing on the left-hand side (it can be anyone that you know). Add your telephone number, fax number and email address, if available, on the appropriate lines.

You have now completed the POC. You will need to send the POC to the Receiver (see below) as soon as possible.

¹ As defined by the Wage Earner Protection Act which includes: salaries, commissions, compensation for services rendered, vacation pay, gratuities accounted for by the employer, disbursements of a travelling salesperson properly incurred in and about the business of the former employer, production bonuses and shift premiums that were earned during the six-month period preceding the bankruptcy or receivership; and severance pay and termination pay that relate to employment that ended in the six months preceding the bankruptcy or receivership.

Proofs of Claim can be submitted to the Receiver in one of three ways:

1. If you are able to scan the signed documents, you can email them to the Receiver at: skyservice.claims@fticonsutling.com, or
2. You can fax the documents to our office at fax number 416-649-8101, or
3. You can mail the documents to our address:

Attention: Claims Manager – Skyservice Receivership
FTI Consulting
79 Wellington Street West, Suite 2010, P.O. Box 104
Toronto Ontario M5K 1G8

If your concerns are not addressed above: Email the Receiver at skyservice.receiver@fticonsulting.com

Form 31

Proof of Claim

Instructions

(Section 50.1, Subsections 65.2(4), 81.2(1), 81.3(8), 81.4(8), 81.5, 81.6, 102(2), 124(2), 128(1), and Paragraphs 51(1)(e) and 66.14(b) of the Act)

All notices or correspondence regarding this claim must be forwarded to the following address:

A1

A2

In the matter of the the receivership of Skyservice Airlines Inc. of *Etobicoke, Ontario* and the claim of _____, creditor.

A3

I, _____ (*name of creditor or representative of the creditor*), of _____ (*city and province*), do hereby certify:

B

1. That I am a creditor of the above-named debtor (*or that I am _____ (state position or title) of _____ (name of creditor or representative of the creditor).*)

2. That I have knowledge of all of the circumstances connected with the claim referred to below.

C

3. That the debtor was, at the date of the receivership, namely the 31st day of March, 2010, and still is, indebted to the creditor in the sum of \$_____, as specified in the statement of account attached and marked Schedule "A," after deducting any counterclaims to which the debtor is entitled.

4. *Check and complete appropriate category*

A. Unsecured Claim of \$_____

That in respect of this debt, I do not hold any assets of the debtor as security and

(Check appropriate description)

Regarding the amount of \$_____, I claim a right to a priority under section 136 of the Act.

Regarding the amount of \$_____, I do not claim a right to a priority.

(Set out on an attached sheet details to support priority claim)

B. Claim of Lessor for Disclaimer of a Lease \$_____

That I hereby make a claim under subsection 65.2(4) of the Act, particulars of which are as follows:

(Give full particulars of the claim, including the calculations upon which the claim is based.)

C. Secured Claim of \$_____

That in respect of this debt, I hold assets of the debtor valued at \$_____ as security, particulars of which are as follows:

(Give full particulars of the security, including the date on which the security was given and the value at which you assess the security, and attach a copy of the security documents)

D. Claim by Farmer, Fisherman or Aquaculturist of \$_____

That I hereby make a claim under subsection 81.2(1) of the Act for the unpaid amount of \$_____

(Attach a copy of sales agreement and delivery receipts)

D **E. Claim by Wage Earner of** \$_____

That I hereby make a claim under subsection 81.3(8) of the Act (bankruptcy) in the amount of \$_____

E That I hereby make a claim under subsection 81.4(8) of the Act (receivership) in the amount of \$_____

F. Claim by Employee for Unpaid Amount Regarding Pension Plan of \$_____

That I hereby make a claim under subsection 81.5 of the Act in the amount of \$_____

That I hereby make a claim under subsection 81.6 of the Act in the amount of \$_____

G. Claim Against Director \$_____

(To be completed when a proposal provides for the compromise of claims against directors)

That I hereby make a claim under subsection 50(13) of the Act, particulars of which are as follows:

(Give full particulars of the claim, including the calculations upon which the claim is based)

Instructions
(continued)

G

5. That, to the best of my knowledge, I am (or the above-named creditor is) (or am not or is not) related to the debtor within the meaning of section 4 of the Act, and have (or has) (or have not or has not) dealt with the debtor in a non-arm's-length manner.

6. That the following are the payments that I have received from, the credits that I have allowed to, and the transfers at undervalue within the meaning of subsection 2(1) of the Act that I have been privy to or a party to with the debtor within the three months (or, if the creditor and the debtor are related within the meaning of section 4 of the Act or were not dealing with each other at arm's length, within the 12 months) immediately before the date of the initial bankruptcy event within the meaning of subsection 2(1) of the Act: (provide details of payments, credits and transfers at undervalue)

H

Dated at _____, this _____ day of _____.

Witness

Creditor

Creditor

Telephone No.: _____

Fax No.: _____

Email address: _____

Notes: If an affidavit is attached, it must have been made before a person qualified to take affidavits.

If a copy of this form is sent electronically by means such as email, the name and contact information of the sender, prescribed in Form 1.1, must be added at the end of the document.

Warnings: A trustee may, pursuant to subsection 128(3) of the Act, redeem a security on payment to the secured creditor of the debt or the value of the security as assessed, in a proof of security, by the secured creditor.

Subsection 201(1) of the Act provides severe penalties for making any false claim, proof, declaration or statement of account.