

SUPERIOR COURT
(Commercial Division)

CANADA
PROVINCE OF QUEBEC
DISTRICT OF MONTREAL

No: 500-11-039418-104

DATE: NOVEMBER 16, 2010

PRESIDING: THE HONOURABLE BRIAN RIORDAN, J.S.C.

IN THE MATTER OF THE JUDICIAL REORGANIZATION PROCEEDINGS OF:

COMPANIA MEXICANA DE AVIACION, S.A. DE C.V.
Insolvent Debtor

and

MARU E. JOHANSEN
Foreign Representative

and

SAMSON BELAIR DELOITTE & TOUCHE INC.
Information Officer

and

INTERNATIONAL AIR TRANSPORT ASSOCIATION
Petitioner

**ORDER AUTHORIZING THE INSOLVENT DEBTOR AND THE PETITIONER
TO GIVE EFFECT TO AN AGREEMENT ON THE REFUND OF TICKETS**

- [1] **CONSIDERING** Petitioner's Motion to Approve an Agreement Between the Petitioner and the Insolvent Debtor and to Rescind Certain Provisions of the Order of Recognition of Foreign Proceedings dated August 5, 2010 (the "**IATA Motion**");

- [2] **CONSIDERING** the Order of this Court dated October 13, 2010 that partially grants the IATA Motion and suspends the hearing on the balance of that motion in order to allow the Mexican Court reasonable opportunity to review and rule on the Agreement on the Refund of Tickets entered into by the Petitioner and the Insolvent Debtor on August 17, 2010 (the "**Agreement**");
- [3] **CONSIDERING** the facts alleged in the Supplemental Affidavit of Maru E. Johansen dated November 9, 2010 and sworn on November 15, 2010 and, in particular, the fact that a motion for approval of the Agreement has been filed before the Mexican Court and that the Mexican Court has not yet made a final determination on such motion;
- [4] **CONSIDERING** that the Insolvent Debtor takes the position that it cannot consent to the approval by this Court of the Agreement prior to receiving the abovesaid determination of the Mexican Court;
- [5] **CONSIDERING** that this Court recognizes the jurisdiction of the Mexican Court over the Concurso Proceedings, as defined in the original motion;
- [6] **CONSIDERING**, however, that this Court has sole jurisdiction over the Initial Order rendered in this file on August 5, 2010, as well as over any modifications, clarifications, revocations or renewals of it;
- [7] **CONSIDERING** that the Initial Order has expired and that the Insolvent Debtor is now seeking its renewal in order to extend the Stay Period imposed under it until January 14, 2011;
- [8] **CONSIDERING** the timeline agreed upon in the Agreement and, in particular, the steps required to be taken by the Insolvent Debtor by December 15, 2010;
- [9] **CONSIDERING** the order rendered on November 8, 2010 by Mr. Justice Martin Glenn of the United States Bankruptcy Court of the Southern District of New York, by which that court authorizes the Debtor and the Foreign Representative to perform in accordance with the Industry Agreements, as defined in said order, and this, with no intervention by the Mexican Court;

FOR THESE REASONS, THE COURT:

- [10] **GRANTS** in part Petitioner's Motion to Approve an Agreement Between the Petitioner and the Insolvent Debtor and to Rescind Certain Provisions of the Order of Recognition of Foreign Proceedings;

- [11] **AUTHORIZES** Petitioner and the Insolvent Debtor to give effect to and to perform in accordance with the Agreement on the Refund of Tickets signed between them on August 17, 2010;
- [12] **AUTHORIZES** Petitioner, without limiting the generality of the foregoing, to retain any funds of which the said Agreement on the Refund of Tickets foresees the retention, and this, for the purposes set out in the said Agreement on the Refund of Tickets;
- [13] **RESERVES** the right of the parties to apply to this Court for formal approval of the Agreement on the Refund of Tickets at a later date;
- [14] **THE WHOLE** without costs.



BRIAN RIORDAN, J.S.C.