



Schedule 1

Scheduled Documents

FORM OF NON-INCIDENT STATEMENT

December 24, 2008

To Whom It May Concern,

Reference:

- (1) Boeing 767-204 MSN 24013 Reg S7-EXL
- (2) GE CF6-80A2 ESN 580368 and 580377
- (3) APU P-325C

This letter is to certify that the above referenced Aircraft, Engines, APU and associated components were sub-leased from XL Airways to Air Seychelles on October 15, 2007.

During the period of Air Seychelles operation, the above referenced Aircraft, Engines, APU and associated components were not involved in any accident / incident or subjected to severe impact, stress, heat or fire and they were not operated by governmental or military entities, nor have any parts which may have been installed during operation been acquired from any government or military source. The Engines have not been immersed in salt water or otherwise exposed to corrosive agents outside normal operation.

All maintenance and technical records were maintained by XL Airway UK Limited.

The Aircraft and Engines ceased operation by Air Seychelles on September 12, 2008. During the Air Seychelles operation, the Aircraft and Engines flew 2176:19:19 Hours and 527 Cycles.

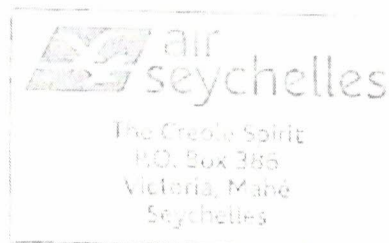
Sincerely,

AIR SEYCHELLES LIMITED

By: 

Name: DR. A. BISSECK

Title: C.F.O.



Air Seychelles Ltd
The Creole Spirit
P.O. Box 386,
Victoria, Mahé
Seychelles

Tel: (248) 38 44 00
Fax: (248) 38 43 00
SITA: SEZZZ IM
E-mail: info@airseychelles.com
Web: www.airseychelles.com

International Airport
Pointe Larue
P.O. Box 389,
Victoria, Mahé
Seychelles

Tel: (248) 38 44 00
Fax Cargo: (248) 38 43 50
Fax Engineering: (248) 38 4
Fax Ground Services
(248) 38 42 30

THIS SUB-SUB-LEASE AGREEMENT is made the 15th day of October 2007

BETWEEN:

- (1) **XL AIRWAYS UK LIMITED** (formerly known as Excel Airways Limited), a company incorporated under the laws of England whose registered office is at Explorer House, Fleming Way, Crawley, West Sussex RH10 9EA, England ("**XL**"), and
- (2) **AIR SEYCHELLES LIMITED**, a company incorporated under the laws of the Republic of Seychelles whose address and principal place of business is at the Creole Spirit, Victoria, Mahé Island, Republic of Seychelles ("**Air Seychelles**").

WHEREAS:

- A. The Aircraft is owned by the Owner and the Owner leases the Aircraft to Head Lessor under the terms of the Head Lease.
- B. The Head Lessor leases the Aircraft to XL under the terms of the Intermediate Lease.
- C. Air Seychelles has requested that XL lease the Aircraft to it which XL has agreed to do in consideration of, and subject to, the covenants, terms and conditions contained in this Sub-Sub-Lease Agreement.

NOW IT IS HEREBY AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Agreement the following expressions shall, unless the context otherwise requires, have the following respective meanings:

- Affiliate** of any Person means any Person directly or indirectly controlling, controlled by, or under common control with, such Person and for this purpose "control" in relation to any body corporate means the power of a Person to ensure:
- (a) by means of the holding of shares or the possession of voting power in or in relation to that or any other body corporate; or
 - (b) by virtue of any powers conferred by the articles of association or other document regulating that or any other body corporate;

SCHEDULE 1

PART 1 - AIRCRAFT SPECIFICATION

General Data:

Model :	B767-204EM
Registration :	G-BNYS
Serial Number :	24,013
Year of Manufacture :	Apr-88

Powerplant Data:


Engine Type and Model :	CF6-80A2
Thrust rating :	48,670 lbs
Present Approved Engine TBO :	On Condition
No 1 Engine Installation Date :	20-Apr-06
No 1 Engine Serial Number :	580368

No 2 Engine Installation Date:	21-Jun-06	No 2 Engine Serial Number :
580377		

APU Type and Model :	GTCP331-200ER
APU Serial Number :	P-235C

IN WITNESS whereof the parties hereto have executed this Agreement on the date shown at the beginning of this Agreement.

SIGNED on behalf of
XL AIRWAYS UK LIMITED

By: 
Name: JONATHAN BOUSFIELD
Title: DIRECTOR

EXECUTED AND DELIVERED AS A DEED)	
by)
and)	
for and on behalf of)	
AIR SEYCHELLES LIMITED)

THIS LEASE AGREEMENT is made the 23 day of March 2006

BETWEEN:

- (1) **AVION GROUP HF**, a company incorporated under the laws of Iceland whose principal place of business is at Hlidasmari 3, 102 Kopavogur, Iceland (the "Sublessor"), and
- (2) **EXCEL AIRWAYS LIMITED**, a company incorporated under the laws of England and Wales whose registered office is at Explorer House, Fleming Way, Crawley, West Sussex RH10 9EA, England (the "Sublessee").

WHEREAS:

The Sublessee has requested the Sublessor lease the Aircraft to it which the Sublessor has agreed to do in consideration of, and subject to, the covenants, terms and conditions contained in this Agreement.

NOW IT IS HEREBY AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Agreement the following expressions shall, unless the context otherwise requires, have the following respective meanings:

Affiliate of any Person means any Person directly or indirectly controlling, controlled by, or under common control with, such Person and for this purpose "control" in relation to any body corporate means the power of a Person to ensure:

(a) by means of the holding of shares or the possession of voting power in or in relation to that or any other body corporate; or

(b) by virtue of any powers conferred by the articles of association or other document regulating that or any other body corporate;

that the affairs of the first mentioned body corporate are conducted in accordance with the wishes of that Person.

After-Tax Basis

a basis whereby any payment required to be made on such basis shall, if necessary, be supplemented by a further payment so that the aggregate of the two payments, after deduction

SCHEDULE 1

PART 1

AIRCRAFT SPECIFICATION

AIRFRAME

Manufacturer:	The Boeing Company
Model:	Boeing 767-204
Serial Number:	24239

ENGINES

Manufacturer and Model:	General Electric CF6-80A2
Thrust Rating:	50,000lbs
Serial Numbers:	580376 and 580377

AUXILIARY POWER UNIT

Manufacturer and Model:	Allied Signal GTCP331-200ER
Serial Numbers:	P1381

LANDING GEAR

Nose Gear Type and Model Number:	162T0000-231
Serial Number:	BFG 3739

Left Main Gear Type and Model Number:	161T0000-169
Serial Number:	BFG 3732

Right Main Gear Type and Model Number:	161T0000-170
Serial Number:	BFG 3731

GENERAL DESCRIPTION

Date of Manufacture:	1988
Galleys:	Atlas Standard
Lavatories:	F1,MS1,MS2,M-11,M-12 (vacuum flush)
Certification Standard:	FAA / JAA
Noise Certification:	ICAO, Annex 16, Chapter 3/FAR Part 36, Stage 3
Landing Category:	ILS Category 3B
ETOPS Certification:	180 minutes

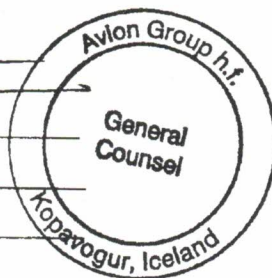
IN WITNESS whereof the parties hereto have executed this Agreement on the date shown at the beginning of this Agreement.

SIGNED on behalf of
AVION GROUP HF

By:

Name: _____ Magnus G. Thorstenn _____

Title: _____ General Counsel _____



EXECUTED AND DELIVERED AS A DEED)

by)

and)

for and on behalf of)

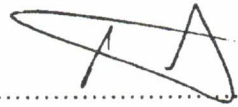
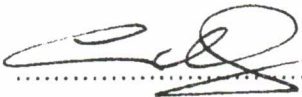
EXCEL AIRWAYS LIMITED)

IN WITNESS whereof the parties hereto have executed this Agreement on the date shown at the beginning of this Agreement.

SIGNED on behalf of
AVION GROUP HF

By: _____
Name: _____
Title: _____

EXECUTED AND DELIVERED AS A DEED)
by *Paul Roberts*)
and *Eamonn Mullaney*)
for and on behalf of)
EXCEL AIRWAYS LIMITED)


.....

.....

THIS LEASE AGREEMENT is made the 26th day of March 2001

BETWEEN:

- (1) **LONDON 28 LIMITED**, a company incorporated under the laws of the Cayman Islands whose registered office is at Ugland House, P.O. Box 309, George Town, Grand Cayman, Cayman Islands, British West Indies (the "**Lessor**"), and
- (2) **FLUGFELAGID ATLANTA HF.**, a company incorporated under the laws of Iceland whose principal place of business is at Atlanta House, 270 Mosfellsbaer, Iceland (the "**Lessee**").

WHEREAS:

The Lessee has requested the Lessor to purchase the Aircraft and lease it to the Lessee which the Lessor has agreed to do in consideration of, and subject to, the covenants, terms and conditions contained in this Agreement.

NOW IT IS HEREBY AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Agreement the following expressions shall, unless the context otherwise requires, have the following respective meanings:

Affiliate

of any Person means any Person directly or indirectly controlling, controlled by, or under common control with, such Person and for this purpose "control" in relation to any body corporate means the power of a Person to ensure:

(a) by means of the holding of shares or the possession of voting power in or in relation to that or any other body corporate; or

(b) by virtue of any powers conferred by the articles of association or other document regulating that or any other body corporate;

that the affairs of the first mentioned body corporate are conducted in accordance with the wishes of that Person.

After-Tax Basis

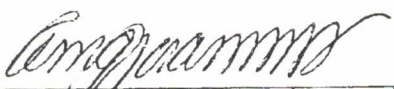
a basis whereby any payment required to be made on such basis shall, if necessary, be supplemented by a further payment so that the aggregate of the two payments, after deduction

IN WITNESS whereof the parties hereto have executed this Agreement on the date shown at the beginning of this Agreement.

SIGNED on behalf of
LONDON 28 LIMITED


By: _____
Name: _____
Title: _____

SIGNED on behalf of
FLUGFELAGID ATLANTA HF.

By:  _____
Name: R. JOHANNESSEN.
Title: CHAIRMAN. C.E.O.

IN WITNESS whereof the parties hereto have executed this Agreement on the date shown at the beginning of this Agreement.

SIGNED on behalf of
LONDON 28 LIMITED

By: _____

Name: _____

Title: _____

SIGNED on behalf of
FLUGFELAGID ATLANTA HF.

By: _____

Name: _____

Title: _____

SCHEDULE 1

PART 1

AIRCRAFT SPECIFICATION

AIRFRAME

Manufacturer:	The Boeing Company
Model:	Boeing 767-204
Serial Number:	24239

ENGINES

Manufacturer and Model:	General Electric CF6-80A2
Thrust Rating:	50,000lbs
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AUXILIARY POWER UNIT

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Serial Numbers:	P1381

LANDING GEAR

Nose Gear Type and Model Number:	162T0000-231
Serial Number:	BFG 3739

Left Main Gear Type and Model Number:	161T0000-169
Serial Number:	BFG 3732

Right Main Gear Type and Model Number:	161T0000-170
Serial Number:	BFG 3731

GENERAL DESCRIPTION

Date of Manufacture:	1988
Galleys:	Atlas Standard
Lavatories:	F1,MS1,MS2,M-11,M-12 (vacuum flush)
Certification Standard:	FAA / JAA
Noise Certification:	ICAO, Annex 16,Chapter 3/FAR Part 36, Stage 3
Landing Category:	ILS Category 3B
ETOPS Certification:	180 minutes

THIS SUPPLEMENTAL AGREEMENT is made the 17th day of March 2006

BETWEEN

- (1) **LONDON 27 LIMITED**, a company incorporated under the laws of the Cayman Islands whose registered office is at Ugland House, P.O. Box 309, George Town, Grand Cayman, Cayman Islands, British West Indies ("**London 27**"), and
- (2) **AVION GROUP HF** (formerly known as Flugfélagid Atlanta HF), a company incorporated under the laws of Iceland whose principal place of business is at Hlíðasmári 3, 201 Kópavogur, Iceland ("**Avion**").

WHEREAS

- (A) London 27 and Avion have entered into an Aircraft Lease Agreement dated 26 March 2001, as amended by a Supplemental Agreement of the same date between and among the same parties (the "**Lease**") in respect of a Boeing 767-204 Aircraft bearing manufacturer's serial number 24013 and bearing United Kingdom Registration Mark G-BNYS ("**Aircraft**").
- (B) On the 29 day of December 2004 Avion changed its name from Flugfélagid Atlanta HF to Avion Group hf.
- (C) Avion desires to terminate the existing Sublease Agreement of the Aircraft dated 8 May 2003 and made between Avion and Air Atlanta Europe Limited (the "**Existing Sublease**") and enter into a new Sublease Agreement of the Aircraft with Excel Airways Limited (the "**New Sublease**").
- (D) This Supplemental Agreement is entered into pursuant to clause 17.14 of the Lease.

NOW IT IS HEREBY AGREED as follows:

I. Definitions and Interpretation

Definitions

Save as otherwise defined herein, words and expressions defined in the Lease shall, mutatis mutandis, be deemed incorporated herein.

Interpretation

- (a) In this Supplemental Agreement, unless the contrary intention is stated, a reference to:
 - (i) each of "**Avion**" and "**London 27**" or any other Person includes without prejudice to the provisions of this Supplemental Agreement any successor in title to it and any permitted assignee;
 - (ii) words importing the plural shall include the singular and vice versa;
 - (iii) any document shall include that document as amended, novated or supplemented;

SIGNED on behalf of)
LONDON 27 LIMITED)

By: _____

Name: Kei Kato _____

Title: Director _____

SIGNED on behalf of)
AVION GROUP HF)

By: _____

Name: _____

Title: _____

SIGNED on behalf of
LONDON 27 LIMITED

)
)

By: _____

Name: _____

Title: _____

SIGNED on behalf of
AVION GROUP HF

)

By: _____

Name: _____ Magnus G. Thorstenn _____

Title: _____ General Counsel _____



BILL OF SALE

KNOW ALL MEN BY THESE PRESENTS:

THAT for and in consideration of good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, London 28 Limited ("Seller") does, on the date hereof, grant, convey, transfer, bargain, sell, deliver and set over to London 27 Limited ("Buyer"), all of Seller's right, title and interest in and to the one General Electric CF6-80A2 engine bearing manufacturer's serial number 580377, together with (i) all equipment or property incorporated, installed in or on or attached to said Engine and (ii) all Records and Operative Documents (collectively, the "Engine").

TO HAVE AND TO HOLD said Engine unto Buyer, its successors and assigns, for its and their own use forever.

THAT Seller hereby warrants to Buyer, its successors and assigns, that it is the holder of title to the Engine and has the right to sell the same as aforesaid and that this Bill of Sale conveys to Buyer on the date hereof, good title to the Engine, free and clear of all liens, encumbrances and rights of others created by Seller, and that Seller will warrant and defend such title forever against all claims and demands whatsoever.

THE ENGINE IS SOLD TO BUYER "AS IS, WHERE IS, WITH ALL FAULTS" AND, EXCEPT AS TO THE WARRANTY OF TITLE, IS WITHOUT ANY WARRANTY WHATSOEVER. THE REPRESENTATIONS SET FORTH HEREIN AS TO TITLE ARE EXCLUSIVE AND IN SUBSTITUTION FOR, AND BUYER HEREBY WAIVES, RELEASES AND RENOUNCES, ANY AND ALL OTHER WARRANTIES, OBLIGATIONS AND LIABILITIES, EXPRESS OR IMPLIED, OF SELLER AND ITS OFFICERS, AGENTS, DIRECTORS, AFFILIATES, EMPLOYEES AND ASSIGNS. BUYER ALSO HEREBY WAIVES, RELEASES AND RENOUNCES ANY AND ALL RIGHTS, CLAIMS AND REMEDIES, EXPRESS OR IMPLIED, OF BUYER AGAINST SELLER AND ITS OFFICERS, AGENTS, DIRECTORS, AFFILIATES, EMPLOYEES AND ASSIGNS, ARISING BY LAW OR OTHERWISE, WITH RESPECT TO ANY NONCONFORMANCE OR DEFECT IN THE ENGINE, WHETHER LATENT, HIDDEN OR OTHERWISE UNDISCOVERABLE, INCLUDING BUT NOT LIMITED TO: (A) ANY WARRANTY AS TO THE AIRWORTHINESS OR CONDITION OF THE ENGINE; (B) ANY IMPLIED WARRANTY OF MERCHANTABILITY OF THE ENGINE OR FITNESS OF THE ENGINE FOR A PARTICULAR PURPOSE; (C) STRICT LIABILITY WITH RESPECT TO THE ENGINE; (D) ANY IMPLIED WARRANTY WITH RESPECT TO THE ENGINE ARISING FROM COURSE OF PERFORMANCE, COURSE OF DEALING OR USAGE OF TRADE; (E) ANY OBLIGATION, LIABILITY, RIGHT, CLAIM OR REMEDY IN TORT WITH RESPECT TO THE ENGINE, WHETHER OR NOT ARISING FROM THE ACTUAL OR IMPUTED NEGLIGENCE OF SELLER OR ITS OFFICERS, AGENTS, DIRECTORS, AFFILIATES, EMPLOYEES AND ASSIGNS; AND (F) ANY OBLIGATION, LIABILITY, RIGHT, CLAIM OR REMEDY FOR LOSS OF OR DAMAGE TO ANY TANGIBLE OR INTANGIBLE THING, FOR LOSS OF USE, REVENUE OR PROFIT, OR FOR ANY OTHER DIRECT, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES RELATING TO THE ENGINE OR ITS CONDITION; IT BEING AGREED THAT NEITHER SELLER NOR ITS OFFICERS, AGENTS, DIRECTORS, AFFILIATES, EMPLOYEES, SUCCESSORS OR ASSIGNS SHALL HAVE ANY RESPONSIBILITY OR LIABILITY WITH RESPECT TO ANY OF

THE FOREGOING MATTERS AND THAT ALL RISKS OF ANY NATURE INCIDENT THERETO ARE TO BE BORNE BY BUYER.

This Bill of Sale shall be governed by the laws of the State of New York, United States, without giving effect to its conflicts-of-laws principles.

IN WITNESS WHEREOF, Seller has caused this Bill of Sale to be executed by its duly authorized officers this 7th day of January, 2009.

London 28 Limited

A handwritten signature in black ink, appearing to read "Stephen James", is written over a horizontal line.

By: _____

Its: _____

for: **INTEGRA LIMITED**
Director

UNITED STATES OF AMERICA
U.S. DEPARTMENT OF TRANSPORTATION FEDERAL AVIATION ADMINISTRATION

FORM APPROVED
OMB NO. 2120-0042

AIRCRAFT BILL OF SALE

FOR AND IN CONSIDERATION OF \$ 10.00 THE
UNDERSIGNED OWNER(S) OF THE FULL LEGAL AND
BENEFICIAL TITLE OF THE AIRCRAFT DESCRIBED
AS FOLLOWS:

UNITED STATES
REGISTRATION NUMBER **N** 767HS

AIRCRAFT MANUFACTURER & MODEL
Boeing 767-200

AIRCRAFT SERIAL No.
24013

DOES THIS DAY OF January, 2009
HEREBY SELL, GRANT, TRANSFER AND
DELIVER ALL RIGHTS, TITLE, AND INTERESTS
IN AND TO SUCH AIRCRAFT UNTO:

Do Not Write in This Block
FOR FAA USE ONLY

PURCHASER

NAME AND ADDRESS

(IF INDIVIDUAL(S), GIVE LAST NAME, FIRST NAME, AND MIDDLE INITIAL.)

Bank of Utah, not in its individual capacity but solely as owner trustee
under that certain Trust Agreement dated as of January 12, 2009
200 E. South Temple, Suite 210
Salt Lake City, Utah 84111

DEALER CERTIFICATE NUMBER

AND TO its EXECUTORS, ADMINISTRATORS, AND ASSIGNS TO HAVE AND TO HOLD
SINGULARLY THE SAID AIRCRAFT FOREVER, AND WARRANTS THE TITLE THEREOF:

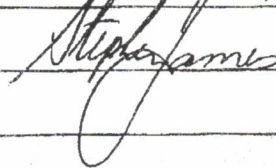
IN TESTIMONY WHEREOF I HAVE SET MY HAND AND SEAL THIS DAY OF January 2009

SELLER

NAME(S) OF SELLER
(TYPED OR PRINTED)

London 27 Limited

SIGNATURE(S)
(IN INK (IF EXECUTED FOR
CO-OWNERSHIP, ALL MUST SIGN.))



TITLE
(TYPED OR PRINTED)

for: INTEGRA LIMITED
Director

ACKNOWLEDGMENT (NOT REQUIRED FOR PURPOSES OF FAA RECORDING; HOWEVER, MAY BE REQUIRED BY LOCAL LAW FOR
VALIDITY OF THE INSTRUMENT.)

ORIGINAL: TO FAA:

AC Form 8050-2 (9/92) (NSN 0052-00-629-0003) Supersedes Previous Edition

CONSIGNMENT AGREEMENT

This Consignment Agreement (this "Agreement") is dated as of January 12, 2009, between Bank of Utah, not in its individual capacity but solely as owner trustee, a Utah corporation ("Consignor") and GA Telesis, LLC, a Delaware limited liability company ("Consignee").

BACKGROUND

Consignor is the owner of the Aircraft specified on Schedule A (the "Airframe") including those parts and components thereof which are specified in any component list attached thereto (each Airframe collectively shall be referred to as the "Aircraft"). Except as otherwise expressly specified on Schedule A, the Airframes, all parts, components, equipment, material, assemblies, sub-assemblies, avionics, instruments, controls, interior fixtures, equipment, materials and other elements of all kinds currently attached to, installed on, or incorporated, associated or delivered hereunder to Consignee with the Aircraft ("Parts") and all items taken in exchange therefor, shall be subject to this Agreement and referred to as the "Consigned Goods."

Consignee is in the business of marketing aircraft, aircraft engines, aircraft parts, components, and material substantially similar to the Consigned Goods, and Consignor would like to engage Consignee to market for lease, sale or exchange, and to manage and repair the Consigned Goods in accordance with the terms and conditions of this Agreement.

AGREEMENT

A. Engagement; Sales.

1. Sales. Consignor hereby engages Consignee on an exclusive basis to receive, maintain in inventory, market and sell the Consigned Goods in accordance with the terms and conditions of this Agreement. Consignee hereby accepts such engagement and agrees to use its commercially reasonable best efforts in its performance hereunder, including the sale of the Consigned Goods at then current market terms and conditions. All Consigned Goods leased, sold or exchanged by Consignee under this Agreement shall be referred to as "Sold Goods" and the parties acquiring Sold Goods shall be referred to as "Customers."

2. Delivery. Consignee will take possession of each Aircraft at 5400 NW 35th Ave., Ft. Lauderdale, FL 33309 (the "Delivery Location") on one or more dates specified on Schedule A (each a "Delivery Date"). If the Delivery Location is other than the Consignee's Facility (as specified in Section A.4 hereof), Consignee will be responsible for arranging for shipment of the Consigned Goods from the Delivery Location to Consignee's Facility as hereinafter specified at Consignee's sole cost and expense and shall be reimbursed pursuant to Section B. 2 herein. Notwithstanding anything to the contrary contained in this Agreement, for purposes of the Uniform Commercial Code as

IN WITNESS WHEREOF, the parties hereto have executed this Agreement effective as of the date first appearing above.

Consignor:

By

Title Michael Hoggan
Vice President

Consignee:

By

Title SVR & CFO JACK PORTLOCK

SCHEDULE A
TO CONSIGNMENT AGREEMENT

<u>Aircraft Serial Number</u>	<u>Aircraft Model</u>
<u>24013</u>	<u>Boeing 767-204</u>

<u>Engine Serial Number</u>	<u>Engine Model</u>
580368	General Electric CF6-80A2
580377	General Electric CF6-80A2