CANADIAN ARROWSPACE INC.

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Keywords: Repair overhaul and modify Canadian aircraft.

Product & Company Information: Repair, overhaul and modify Boeing 727-100 aircraft and including the following:

- installation of Boeing designed cargo doors.
- manufacturing these doors in Canada under license.
- installation of the Federal Express Stage III hush kits.
- manufacturing the hush kits in Canada under license.
- completion of a heavy 'C' check on each aircraft.
- completion of extensive avionics modifications.
- completion of extensive interior modifications.

Capability: Canadian Arrowspace is a new commercial aircraft company and capabilities in the following areas:

Commercial Aircraft Overhaul - specializing in Boeing 727, 707, 737 includes 'C' & 'D' level inspections, 'SSID' inspections.

Commercial Aircraft Modifications - Boeing 727-100 includes cargo door manufacturing and installations, stage III hush kit installation, avionics upgrades; and

Capability to provide extensive overhaul and maintenance to commuter and corporate aircraft, based on the certification of our staff.

Current Market Activity: We intend to concentrate most of our efforts on the civilian international commercial aircraft operators. Working with military organization is not currently under consideration.

Our focus will be on Boeing products but a considerable number of the technical staff available to us have experience on McDonnell Douglas, Fokker, Airbus, Convair and Lockheed aircraft.

We will have completed the first aircraft in October of 1992 and will subsequently receive formal Transport Canada Approval of our facilities. This approval is recognized worldwide.

Plant Size: 200,000 square feet.