

Service Offer Professional Consulting Services Prospectus for Investors Preparation

Niagara District Airport

January 29th, 2016



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1. Nature of the mandate

The Niagara District Airport (YSN) is looking for a specialized consultant to prepare an “Investor Prospectus” to support funding requirement for airport growth. The Prospectus is a follow-up mandate to the work done by Explorer Solutions over the last year and should consider all airport revenues sources. The prospectus will serve to evaluate ROI over the entire airport property and how airport leaders can entice private funding to support growth projects.

2. Scope of work

To achieve this mandate, Explorer Solutions will devote its resources and make use of its network of contacts and expertise in the aerospace and aviation markets to:

- 2.1 The mandate will begin with a kick-off meeting with the client. The purpose of the meeting is to discuss and review the objectives, tasks and deliverables of the mandate. We will also discuss the timeline and other key element that can impact the preparation of the business case.
- 2.2 Our team will proceed to read, evaluate and estimate the various information's already available. From this work we will prepare a list of next steps questions for discussion with YSN. Our work will include in-depth research to validate all the key assumptions, costs and market data.
- 2.3 At the same time, we will proceed to define and write the table of content and the general terms of the Prospectus for discussion with YSN.
- 2.4 We will proceed to prepare the full prospectus. Our team will prepare a complete Financial Analysis for the project. The analysis will include the costing of the infrastructure, equipment, overhead and other expenses. It will also define the various sources of revenues and establish a 10-Year forecast.

The prospectus will include a review of various ownership models (airport owned, private developer, condominium style, joint venture) the advantages, opportunities and challenges of each model.

- 2.5 We will organize and coordinate a preliminary report meeting (on week 4) to present, discuss, challenge and validate the draft business case and financial analysis to YSN. The preliminary report will include recommendations based on the findings and a work plan with integrated triggers to move the project forward.
- 2.6 From the comments received during the preliminary report meeting and subsequent conversation, our team will conduct the necessary research and follow-ups and modify the business case to its final version.
- 2.7 We will organize and coordinate a final report presentation meeting (web conference) which will include all of the updates, recommendations and the adjusted work plan and triggers.

3. Work methodology

- This mandate will be fully executed by Explorer Solutions staff. No outsourcing.
- The client will provide a room free of charge if needed
- The client will provide copies of engineering documents already produce related to this project

4. Duration of mandate and meetings

This mandate is scheduled for a five (5) week period from February 1st to March 5th, 2016. Here is the proposed meeting schedule:

Meeting	Location	Week
Launch meeting	Web conference	1
Update meeting	Web conference	3
Preliminary report	Web conference	4
Final report meeting	Web conference	5

5. Project Team

The team detailed for this project will be composed of three senior partners, one senior project manager and one research analysis. Christian Perreault will act as lead project manager.

Christian Perreault, MMI, BSc – Senior Partner & Managing Director



Christian Perreault holds a Bachelor's of Science and a Master's degree in International Management from University of Québec in Montreal. Christian has been involved in economic development for over eighteen years and was previously Vice-President – International Business Development for Longueuil Economic Development and CEO of the Haut-Richelieu Economic Council.

He is the driving force behind many aerospace-related projects such as the Aerospace Technology Road Map, the Canadian GNSS Institute, the Longueuil Aerospace Zone and is actively involved on the Canadian aerospace scene. He's an active member of the Aerospace Industries Association of Canada, of the Canadian Association of Defence and Security Industries, the Canadian Business Aviation Association and the Quebec Aerospace Association. Christian has led the creation of many aerospace clusters such as the Upper Michigan Green Aviation Coalition, the Unmanned Aerial System Center of Excellence and the Green Military Aircraft and Vehicle Research and Test Center.

Alexandre-Thierry Girard – Director Project Management



Alexandre-Thierry holds a Master's degree in International Management from HEC Montréal. He is a passionate of innovation strategy, technological cluster creation, business development and management. Former sales and operations forecasting Leader at Aveos Fleet Performance, and commercial and business development Analyst at Skyservice Business Aviation, he managed several key business projects, developed new financial tools to assess the profitability, and improved the budget process and Key Performance Indicators of several business units. He also has a solid experience in sales and maintenance planning, FBO management, charter operations and aircraft management solutions. His great leadership, analytical capacities and business acumen allow him to manage and deliver in timely manner complex projects with a high standard of quality while respecting scope, time and budget. He joined Explorer Solutions in 2011 as Director, Project Management.

Julien Verona – Lead Market Analyst



Julien Verona holds a Master's degree in International Management from HEC Montréal, and has acquired multidisciplinary experience favoring the development of analytical skills. Recipient of a scholarship from HEC, he is an economic development enthusiast and a specialist in innovative strategies. He is the author behind a development model on open innovation in the space sector, and co-author of the report, 'How to stimulate creativity within industrial clusters', on behalf of the Consortium for Research and Innovation in Aerospace in Québec (CRIAQ). As marketing manager for various companies, Julien was involved in the drafting and the implementation of several business plans, as well as different communication strategies for social media. He has worked for companies such as Fonkoze USA, ESIC, in addition to SMEs of various industry groups. Since joining Explorer Solutions, Julien has been actively involved in the development of industrial clusters, at a time when new international trends drive companies to innovate through new strategies.

Kenneth Boudreau - Market Analyst



Kenneth holds a Master's degree in International Management from HEC Montréal and has been passionate of aviation since a very young age. Throughout his studies and experience he has developed an extensive background in analytical thinking and has been recognized as someone who understands what it takes for a group to succeed.

While working as an external consultant on an HEC Montréal project, he developed and diversified a Brazilian company's current product offering and internationalized their marketing efforts while receiving a scholarship for his work. Experience with multiple government agencies and crown corporations have allowed Kenneth to solidify his multidisciplinary project management skills.

At Explorer Solutions, Kenneth will be involved with economic and market development projects. His proven track record in marketing and agility in governing complex projects makes him a great addition to the Explorer Solutions team.

6. Contact persons

Contact person for the Client: Len O'Connor
Contact person for the Supplier: Christian Perreault

7. Budget

7.1 Fixed price compensation:

Our professional fees are set at \$4,200 CDN plus applicable taxes. This amount is inclusive of all labour, materials and administration fees.

7.2 Travel Expenses

Any travel expenses will need to be previously approved in written by the client. Once approved travel expenses (airfare, car rental, hotel, meals) will be charge to the client at face price. Airfare are in economy class, car rental are for a standard size vehicle, hotel are in 4 stars (Holiday Inn style) and meals are a 75\$/daily per Diem. Travel expenses will be invoice separately with all justification receipts.

7.3 Invoicing and payment:

The fees will be invoiced in two instalments. The first instalment will be invoiced at the beginning of the mandate and the second one on acceptance by the client of the final report.

8. Confidentiality

Explorer Solutions undertakes to consider and treat as strictly confidential all information that will be communicated to it as such by the Client and Contracting Authority in the scope of executing the present Contract, particularly manufacturing or business secrets, industrial, commercial or financial specifications relating directly or indirectly to the Client of the services covered in proposal.

Explorer Solutions shall as a result refrain throughout the duration of the present Contract, and without limitation in duration after its termination, for whatever reason, unless the above mentioned information comes into common knowledge, from divulging the said information, in whatever form, for any reason and to any person whatsoever.

Explorer Solutions shall make all efforts in relation to the Client and Contracting Authority of the services to ensure fulfilment of these confidentiality undertakings by the members of its personnel who will be involved with the Client in performance of the present contract. All parties shall make all efforts to protect each other's Intellectual Property which may be disclosed to each other directly, or indirectly, as a result of work performed under this contract.

9. Signatures

For Niagara District Airport,



Len O'Connor, Airport Manager

Date

For Explorer Solutions

Christian Perreault, Senior Partner

Date