



Avianca
La Aerolínea De Colombia

Bogota, May 19, 2003
170200000-243-1

TO WHOM IT MAY CONCERN

CONFORMITY STATEMENT

**A/C Boeing 757 Model 757-236 MSN 23227 Registration N227AN
Engine Rolls Royce Model RB211-535C-37 EMSN 1: 30046 EMSN 2: 30097**

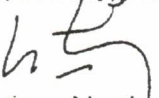
This is to certify that during the period of operation in Avianca Airlines, the above aircraft and engines have been maintained in accordance with an FAA Approved Maintenance Program.

Except for special approved exceptions, does not have a mandatory requirement such as Airworthiness Directives (AD's). Mandatory documents or hard Time items due.

The aircraft and engines have not been involved in any accident, crash, fire or major incident during period of operation in Avianca Airlines.

In addition, all relevant Maintenance records, logbooks, lists of documents incorporated and components status are updated and available.

Respectfully yours.


Santiago Martin.
Quality Director (E)

Aeropuerto Internacional Eldorado, Hangar 2 Bogotá, Colombia.
FAX 571- 413 8340. PH. 571- 413 8413/413 9873

MASTER CONSIGNMENT AGREEMENT

This Master Consignment Agreement (this "Agreement") is dated as of March 1, 2006, among Aviation Refinancing Transaction, LLC, a Delaware limited liability company ("ART"), the entities shown on the signature pages hereto as the Aircraft-Owning Entities (the "Aircraft-Owning Entities") (ART and the Aircraft-Owning Entities being hereinafter referred to collectively as "Consignor") and GA Telesis Turbine Technologies, LLC, a Florida limited liability company ("Consignee").

BACKGROUND

Consignor and Consignee are parties to that certain Servicing Agreement dated as of the date hereof (the "Servicing Agreement", capitalized terms not defined herein being used as defined therein);

As Servicer pursuant to the Servicing Agreement, Consignee has agreed to manage the Airframes, Engines and Parts belonging to Consignor, including the lease, sale and other disposition of such assets;

Certain of Consignor's Airframes and Engines will be parted-out from time to time and the Parties have agreed pursuant to the Servicing Agreement that such assets will be placed on consignment with the Consignee pursuant to 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 Parts derived from the Airframes and Engines specified in each schedule in the form of Schedule A as agreed between the parties and attached hereto from time to time (each an "Equipment Schedule"), including those Parts specified in any list attached to any such Equipment Schedule, in accordance with the terms and conditions of this Agreement. Except as otherwise expressly specified on an Equipment Schedule, the Airframes, the Engines, all Parts, and all items taken in exchange therefor, shall be subject to this Agreement and referred to as the "Consigned Goods." Consignee hereby accepts such engagement and agrees to comply with the Services Standard and to use its commercially reasonable best efforts in its performance hereunder, including the sale of the Consigned Goods on then current market terms and conditions. Consignee will prepare a sales model, in the form attached as Schedule B hereto, to reflect the revenue potential of the Consigned Goods listed on each Equipment Schedule. All Consigned Goods 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."

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

Consignor:

By [Signature]

Title _____

WILLIAM A. KIVELA

Consignee:

MANAGER
BATELESTIS TURBINE TECHNOLOGIES, LLC

By [Signature]

Title _____

SENIOR VP AND CEO

Consignment Agreement ART

SCHEDULE A-1
TO CONSIGNMENT AGREEMENT

Aircraft and Engines as described below with all available records:

Aircraft:

Boeing 757-236, msn 23227, N227AN

Engines:

Rolls Royce RB211-535-C, esn 30046 and 30097

GAT Initials _____

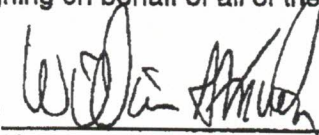
A handwritten signature in black ink, consisting of a large, stylized 'G' followed by a large, stylized 'A'.

ART Initials _____

THE AIRCRAFT-OWNING
ENTITIES:

ART 19985 LLC	ART 21986 LLC
ART 20521 LLC	ART 21987 LLC
ART 20571 LLC	ART 22164 LLC
ART 20634 LLC	ART 22166 LLC
ART 20640 LLC	ART 22269 LLC
ART 20728 LLC	ART 22441 LLC
ART 20765 LLC	ART 22449 LLC
ART 20879 LLC	ART 22450 LLC
ART 20880 LLC	ART 22451 LLC
ART 20951 LLC	ART 22452 LLC
ART 21054 LLC	ART 22474 LLC
ART 21202 LLC	ART 22604 LLC
ART 21343 LLC	ART 22606 LLC
ART 21352 LLC	ART 22982 LLC
ART 21496 LLC	ART 23227 LLC
ART 21498 LLC	ART 23789 LLC
ART 21631 LLC	ART 45789 LLC
ART 21633 LLC	ART 46944 LLC
ART 21662 LLC	ART 46950 LLC
ART 21688 LLC	ART 47110 LLC
ART 21689 LLC	ART 47219 LLC
ART 21690 LLC	ART 47281 LLC
ART 21798 LLC	ART 47409 LLC
ART 21799 LLC	ART 47765 LLC
ART 21823 LLC	ART 47867 LLC
ART 21852 LLC	ART 48123 LLC
ART 21856 LLC	ART 48124 LLC
ART 21938 LLC	ART 49229 LLC
ART 21952 LLC	ART ENGINE LLC
ART 21967 LLC	ART ENGINE I LLC
ART 21969 LLC	ART ENGINE II LLC
ART 21971 LLC	ART ENGINE III LLC
ART 21983 LLC	ART ENGINE IV LLC
ART 21984 LLC	ART ENGINE V LLC
ART 21985 LLC	

Signing on behalf of all of the above:

By: 

Name:

Title:

**WILLIAM A. KIVELA
MANAGER**

Consignment Agreement ART

REDELIVERY AND LEASE TERMINATION AGREEMENT [23227 & 30097]

Date: July 14th, 2003

1. AEROVIAS NACIONALES DE COLOMBIA S.A. AVIANCA ("Lessee") and ART 23227, LLC ("Aircraft Lessor") have entered into an International Aircraft Lease Agreement dated as of March 30, 2001 (as amended and supplemented, the "Aircraft Lease") and Lessee and ART ENGINE, LLC (the "Spare Engine Lessor") have entered into an International Engine Lease Agreement dated as of May 1, 2001 (the "Spare Engine Lease"). Reference is made to the Letter Agreement, dated as of July 14, 2003 (the "Letter Agreement"), by and among, *inter alia*, Lessor and Lessee. The Lessor and Lessee have caused that certain Memorandum of Understanding, dated as of May 23, 2003, to be executed and delivered, and stipulated and agreed pursuant to that STIPULATION AND ORDER BETWEEN THE DEBTORS AND PEGASUS AVIATION, INC. RESOLVING DEBTORS' MOTION TO REJECT PEGASUS LEASES, CERTAIN OTHER MOTIONS, AND GRANTING RELATED RELIEF in *In re AEROVIAS NACIONALES DE COLOMBIA S.A. AVIANCA, F.E.I.N. 52-1439926, and AVIANCA, INC., F.E.I.N. 13-1868573, Chapter 11 Case Nos. 03-11678 (ALG) and 03-11679 (ALG)* (the "Bankruptcy") Jointly Administered, Judge Allan L. Gropper (collectively hereinafter, the "Memorandum"). Pursuant to the Memorandum, it was agreed that the Aircraft Lease and the Spare Engine Lease were to be early terminated and the Aircraft and the Spare Engine returned to Lessor. Words used herein with capital letters and not otherwise defined will have the meanings set forth in the Aircraft Lease and the Spare Engine Lease.

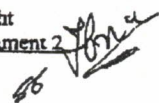
2. Lessor has this 14th day of July, 2003 (Time: 1300 a.m./p.m. (EDT)) (the "Return Time") at [Timco, Goodyear, Phoenix, AZ] completed its redelivery inspection of the Aircraft and the Spare Engine, and has received from Lessee possession of:

(a) One (1) Boeing 757-200 aircraft bearing manufacturer's serial number 23227, together with one (1) Rolls-Royce RB211-535C engine bearing manufacturer's serial numbers 30046, and all Parts attached thereto and thereon or otherwise returned therewith which are in the return condition required by the Aircraft Lease except with respect to the discrepancies identified in Attachment 4 hereto; and

(b) One (1) Rolls-Royce RB211-535C engine bearing manufacturer's serial numbers 30097 (the "Spare Engine"), which is in the return condition required by the Spare Engine Lease except with respect to the discrepancies identified in Attachment 4 hereto

(c) All Aircraft Documentation, including the manuals, logbooks, flight records and historical information regarding the Aircraft, Engines and Parts, as listed in Attachment 1 attached hereto which are in the return condition required by the Aircraft Lease except with respect to the discrepancies identified in Attachment 4 hereto.

(d) All Engine Documentation, including the manuals, logbooks, flight records and historical information regarding the Spare Engine, as listed in Attachment 2

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attached hereto which are in the return condition required by the Spare Engine Lease except with respect to the discrepancies identified in Attachment 4 hereto.

3. The Airframe, Engine and Parts had the following hours/cycles at return:

(a) Airframe:

Total Hours 48,486.47 Total Cycles 22,916
 7.33 hours/ 2 cycles since last "C" Check
 4,492.67 hours/ 466 day to next "C" Check

(b) Engines:

Position	Serial No.	Total Hrs	Total Cycles	Hrs/Cycles since Last shop visit
1	30046	38,613.16	20,511	4,375.61 / 3,436
2 (Spare)	30097	34,538.09	16,152	3,345.02 / 2,055

Time remaining to next Life Limited Part removal:

msn 30046: LPC Blade (1SWG) hours N/A ; cycles 56

Spare Engine: LPC Disk (STDK3453/A) hours N/A; cycles 1,848

(c) APU:

On the date hereof the APU has the following characteristics:

APU:

msn_P1204__

Total Hours 26,057.86__

Total Cycles 20,287__

(d) Landing Gears:

Position	Serial No.	Total Hrs/Cycles	Hrs/Cycles since last overhaul	Hrs/Cycles since Last shop visit
Nose	M0049N0045	34,274.25 / 19,441	9,133.47 / 7,278	Same as OVH
Right Main	97-177048	34,274.25 / 19,441	9,133.47 / 7,278	Same as OVH

So John

Left Main 97-177047 34,274.25 / 19,441 | 9,133.47 / 7,278 [Same as OVH

(c) Status of components or Parts with time/cycle and calendar limits shall be set forth in Attachment 3 hereto.

4. Except with respect to the Spare Engine, the above specified Aircraft, engines and related documentation are hereby accepted by Aircraft Lessor for all purposes of the Aircraft Lease as at the Return Time set forth herein. Without limiting the foregoing, as at the Return Time there has been transferred to Aircraft Lessor possession and risk of loss of the Aircraft, engines, documentation and other items delivered to Aircraft Lessor by Lessee or its agents and identified herein and Aircraft Lessor acknowledges that Lessee's insurance obligations under the Aircraft Lease with respect thereto to the extent not earlier terminated are terminated effective as of the Return Time. The above specified Spare Engine and related documentation are hereby accepted by the Spare Engine Lessor for all purposes of the Spare Engine Lease as at the Return Time set forth herein. Without limiting the foregoing, as at the Return Time there has been transferred to Spare Engine Lessor possession and risk of loss of the Spare Engine and related documentation and other items delivered to Spare Engine Lessor by Lessee or its agents and identified herein and Spare Engine Lessor acknowledges that Lessee's insurance obligations under the Lease with respect thereto to the extent not earlier terminated are terminated effective as of the Return Time.

5. The leasing of the Aircraft by Aircraft Lessor to Lessee pursuant to the Aircraft Lease is hereby terminated effective at the Return Time. The leasing of the Spare Engine by Spare Engine Lessor to Lessee pursuant to the Spare Engine Lease is hereby terminated effective at the Return Time.

6. Subject to the Memorandum and the Bankruptcy, the provisions of the Aircraft Lease with respect to governing law, jurisdiction and venue, and service of process are incorporated in this Redelivery and Lease Termination Agreement [23227 & 30097] by this reference as if such provisions were set forth herein.



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Jul-16-03 10:38am From-Pegasus Aviation

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T-864 P.004/014 F-281

IN WITNESS WHEREOF, the parties hereto have caused this Redelivery and Lease Termination Agreement [23227 & 30097] to be executed in their respective corporate names by their duly authorized representatives as of the date and year first above written.

PEGASUS AVIATION, INC., in its capacity as Servicer
Under the respect Servicing Agreements with each of
PALS, Inc., ART 23227, LLC and ART Engine, LLC

By: 

Name: Sergio L. Gonzalez

Title: MANAGER OF AIRCRAFT INTERNATIONAL

AEROLIAS NACIONALES DE
COLOMBIA S.A. AVIANCA, as Lessee

By: 

Name: Heliodoro Novoa Alonso

Title: B757 A/P Systems Engineer