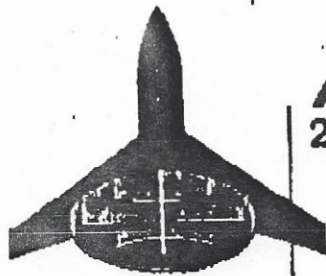


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AIR ROUTING INTERNATIONAL CORPORATION

2925 Briarpark Dr., Suite 610
Houston, Texas 77042

HEADQUARTERS:

2925 Briarpark Dr.,
Suite 610
Houston, Texas 77042

WHITE PLAINS:
Hangar "D-3," 2nd Floor
Westchester County
Airport
White Plains, N.Y. 10604

CANADA:
Air Routing International
Corporation (Canada)
Toronto, Ontario

OPERATIONS:

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DATE: 25 JUNE 1988

PLEASE DELIVER THE FOLLOWING PAGE(S) TO:

HEMMETER AVIATION
(COMPANY)

NAME: MR. BOB FISHMAN

FROM: AIR ROUTING INTERNATIONAL - HOUSTON

NAME: R. WILKENS

TOTAL NUMBER OF PAGES 12
(INCLUDING THIS PAGE)

IF YOU DO NOT RECEIVE ALL THE PAGES, PLEASE CALL
BACK AS SOON AS POSSIBLE.

PHONE: (713) 977-1020 OR TOLL FREE INSIDE U.S.
(800) 231-5787.

REMARKS:

**BUSINESS PLAN DRAFT LESS CASH FLOW
STATEMENT**

DRAFT**BUSINESS PLAN FOR AIR ROUTING INTERNATIONAL CORPORATION
GANDER VENTURE: GENERAL AVIATION TERMINAL (GANDER)****NATURE OF THE BUSINESS:**

Air Routing International Corporation is a world-wide network of weather, aircraft-handling and fuel-procurement and delivery agents, with its headquarters at Houston, Texas. One of its principal activities involve weather advisory services employing the most sophisticated, state-of-the-art technologies and probably what is the world's most experience expert team of private sector meteorologists and weather professionals. Another principal function of the company is aircraft routing and facilitating, world-wide. This involves comprehensive tracking and liaison services in 150 countries on all continents, ranging from simple flight planning to the most complex of government permits and special requests. Over more than ten years of operation, Air Routing International Corporation has handled more than three hundred operators of intercontinental aircraft of every conceivable size and type. For these operators, Air Routing has served as a "lifeline" on trips to all locations on the globe.

Fuel
Weather
Faculty
Tracks

Air Routing International is excited about the opportunity to lease, manage and maintain a modern, multi-purpose general aviation terminal building on Gander International Airport, bringing to it the finest of its own reputation and that of members of its international network of professionals.

DEMONSTRATED BUSINESS OPPORTUNITIES:

- 1) Resurrect an important airport structure into a functioning, profitable, diversified aviation service center.
 - 2) Introduce a leading, "world-class" gateway-type fixed base operator onto Gander International Airport, upgrading the quality and type of service rendered to corporate general aviation.
 - 3) Provide opportunity for convenient, office, classroom, warehouse, shop, hangar and ramp space to airport-oriented business activities at an affordable rate.
- JV*

DEMONSTRATED COMMUNITY SERVICE OPPORTUNITIES:

Air Routing International Corporation and its principals have always subscribed to the "good citizen" attitude of doing business. This presumes an unswerving commitment to honesty, excellence in all things, and a belief that business ought to be sensitive to the community around it, returning loyalty and friendship, and contributing whenever possible.

BUSINESS PLAN DRAFT: GENERAL AVIATION TERMINAL (GANDER)
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Specifically, Air Routing's identity on the airport, both directly as well as through its agents and lessee, Hemmeter Aviation, will address at least these demonstrated community service opportunities: *see*

- 1) Actively participate with the Town of Gander to promote business activity around the airport environment.
- 2) Actively promote safety and aviation service as a member of the airport community.
- 3) Assist in the marketing of Gander as an aviation service and fueling destination internationally whenever possible.

PRINCIPALS OF THE CORPORATION:

A brief biographical sketch of the principals of Air Routing International Corporation and its subsidiary Air Routing International Corporation (Canada) and general information on the company are included in the appendices.

Also, information concerning Hemmeter Aviation, Inc., and the primary individuals who will oversee their involvement in Gander is provided in the appendices. *A*

SPECIAL CONDITIONS AND OPPORTUNITIES:

Community Support:

Air Routing has been fortunate to enjoy a wide base of support, highly unusual for an entity new to an airport environment. Officials of Transport Canada, the Town of Gander, and the Province of Newfoundland have offered and delivered a vast array of endorsements and support in the launching of this opportunity. This gives any venture, whether new to the town or a long-standing resident enterprise, a strong competitive advantage to succeed.

A Dynamic Aviation Business Profile:

On a worldwide scale, intercontinental general aviation has enjoyed a dynamic business profile, increasing dramatically with new technologies in aircraft and concerns about international terrorism. Government attention to new techniques in airport management, safety and security, and new concepts in the utilization of aircraft of all sizes for community, environmental and business services have all contributed to the brightest of futures for the industry. Air Routing plans and hopes to remain at the leading edge of such industry.

BUSINESS PLAN DRAFT: GENERAL AVIATION TERMINAL (GANDER)

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Benefits of an Ongoing Canadian Entity--Air Routing International Corporation (Canada)

Air Routing has successfully launched a subsidiary, Air Routing International Corporation (Canada), headquartered in Toronto, brilliantly managed by a leading Canadian petroleum consultant, engineer and entrepreneur, Jean-Guy Moore. One of the principal functions of the entity is the promotion and management of Air Routing's worldwide fuel procurement network and Air Routing's close working relationship with the Royal Bank of Canada, the fuel network's financial partner.

Air Routing-Canada also maintains close relationships through Mr. Moore with a variety of Canadian scheduled and charter air carriers, as well as with virtually every petroleum producer in the Dominion.

Benefits of an International Network:

Air Routing International services more than three hundred clients at more than six hundred locations around the globe. Its network reaches into the halls of nearly all corporate aviation offices at one time or another and into the diplomatic channels of nearly every country on earth that has an airport.

This will be the first general aviation terminal undertaken for development by Air Routing, piloting a well-thought-out networking concept that will be both highly successful and unique.

40-Year Lease to be issued by Transport Canada:

Transport Canada has preliminarily approved the issuance of a 40-year aeronautical lease on the hangar and ramp property, with a draft of such document currently being analyzed by Air Routing. This places a new and dramatically enhanced value on all improvements on such real estate, which can be leveraged to improve facilities and enhance services.

Tax Concessions, Government Loan Guarantees and Grants:

Agencies of Canada, Newfoundland, and Gander have made available a variety of previously legislated business encouragement grants, loan guarantees and interest subsidies, as well as certain local tax concessions designed to assist startup enterprises on the road to viability, and to engender a sense of belonging and "social bonding" between new enterprises and community institutions. We plan to utilize such support programs in the spirit they are offered.

BUSINESS PLAN DRAFT: GENERAL AVIATION TERMINAL (GANDER)
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Benefit of Being the Only Suitable Facility on the Airport for this Purpose:

Clearly, no other facility on the airport is available nor is expected to be available in the foreseeable future to provide this service. This offers Air Routing a competitive advantage for a successful business endeavor.

Ample Space Available for a Wide Variety of Uses:

The vast amounts of indoor and outdoor space permits creativity and vision in serving aviation support needs on the airport at affordable rates. In addition, the availability of such space should contribute to attracting aviation support activities to the Gander area, where in the past a location to host such functions was not available. The large amounts of space will allow support services for larger turbojet and turboprop aircraft as well.

COMPETITION

The primary competition for one of the main activities at the facility comes from Allied Aviation, a handling agency which has operated in Gander since 1947. This operation, however, is limited to handling only, that is, providing dispatch and weather data gathering services. No other aviation support services are provided by Allied, i.e., maintenance, towing, etc. Allied operates out of leased space in the main terminal of Gander International Airport and has no hangar space available to it.

Hudson General Ltd. operates the only fixed base operation of similar concept in Newfoundland, this at St. Johns. Competition from this operation will be limited. There is virtually no other operation of this magnitude at Gander.

The facility which Air Routing will own is the only hangar space on the airport available to additional aviation opportunities. This facility has ample indoor and outdoor space for every requirement for larger corporate, commercial and military aircraft. Additionally, there is more than sufficient indoor space for support operations such as storage, maintenance, offices, kitchens - whatever might be required to support any aviation operation housed in the facility.

BUSINESS PLAN DRAFT: GENERAL AVIATION TERMINAL (GANDER)

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Also, the support of Air Routing itself cannot be underestimated. Air Routing which has the responsibility of routing its clients' aircraft to destinations and transit stops, will be able to direct its customers to Gander, fully confident of the level of services that they will receive from this Venture. The ability to direct customers to this facility will be most beneficial to the early success of this Venture.

FINANCIAL PLAN

Revenue sources for the hangar will come primarily in the form of rental for hangar space and office or storage space from within the facility. The primary tenant, holding a long term lease, will be Hemmeter Aviation, who will also be the manager of the facility responsible for acquiring other tenants for the facility. Air Routing has developed a list of prime potential users for this space, both commercial and military, and is actively pursuing, with Hemmeter, these opportunities.

Although the primary direct revenue source for the hangar will come in the form of rent, Air Routing itself will benefit economically in other ways, specifically from participation in profits in the operations of the prime tenant and from fuel sales participation through its Canadian subsidiary. It is anticipated that the sales to corporate aviation will be substantial, but that there is even greater opportunities available from sales of fuel to commercial, charter and military operators.

A financial plan for the Venture is presented in the appendices. This plan represents the cash flow anticipated from the Venture during the initial three year period, based on certain assumptions explained in the plan. The initial sales price of the facility, \$100,000 Canadian, is not included in the cash flow figures.

FINANCIAL REQUIREMENTS

As indicated in the attached cash flow figures, it is anticipated that the Venture will quickly generate a net positive cash flow, resulting in gradually increasing profits from this activity to Air Routing. The cash flow represented here is based on an initial investment, beyond the purchase, of \$600,000 Canadian which will be required to perform minor repairs to the hangar, and construct a VIP lounge and support facilities. An estimate of such costs is enclosed. P

BUSINESS PLAN DRAFT: GENERAL AVIATION TERMINAL (GANDER)
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It is anticipated that additional financing may be required in the near future, depending upon discussions now in progress with Come By Chance Marketing Limited regarding the supply of fuel produced by their refinery to certain operators at Gander, corporate, commercial and operators. Depending upon the outcome of such discussions, and the result of decisions made by Gander airport officials concerning the current hydrant system, a fuel storage facility may be required near to the hangar to insure the adequate supply for customers of the refinery. If such becomes necessary and certain contractual arrangements are put into effect, an additional funding of \$600,000 to \$800,000 Canadian may be necessary.

Although the success of the Venture may not require the application of funds and grants, other than those made available by the Town of Gander and the airport, it is anticipated that application for such funding or grants will be made, and to the extent that they are available, will be utilized. Applications from ACOA are being reviewed at this time for this purpose.

Because of the reputation of the Royal Bank of Canada in the community, as well as throughout the world, Air Routing wishes to establish a financial relationship with the Bank concerning this Venture. This desire is furthered by the ongoing relationship with the Bank in Air Routing's AirFuel program for which the Bank provides a Business-to-Business Cash Management and Payment Reporting system. Both Air Routing and the Bank foresee a tremendous opportunity for the AirFuel program, and it appears that this opportunity will grow even more through the establishment of the Venture in Gander.

Air Routing International Corporation
2925 Briarpark Suite 610
Houston, Texas U.S.A. 77042

July 25, 1988

Appendix #1

BIOGRAPHICAL SKETCHES
 AIR ROUTING INTERNATIONAL CORPORATION
 PRINCIPALS

RODOLFO H. FABRE

President, Director, Co-owner, Air Routing International Corporation, 1978 -
 Vice President, Air Routing International Corporation (Canada), 1982-
 Vice President - Operations, Universal Weather & Aviation, Inc., Houston, 1974-1978.
 Partner, Aviaciones Ejecutiva, Acapulco 1974-1983
 District Sales Manager, AeroMexico, Houston, 1971-1974
 Manager, AeroMexico, Houston, 1968-1971
 Supervisor, Canadian Pacific Airlines, Mexico City, 1966-1967

Born Mexico, 1946. U.S. Citizen. Single.

RICHARD B. WILKENS

Executive Vice President, Director, Co-owner, Air Routing International Corporation, 1978-
 President, Wilkens Weather Technologies, Inc., Houston, 1977-1983.
 Vice President, Universal Weather & Aviation, Inc., Houston, 1972-1977
 Captain, 111th Weather Flight, Texas Air National Guard, Ellington AFB, Texas, 1969-1975.

B.A., Physics, The University of the South, Sewanee, TN
 M.S., Atmospheric Science, The University of Texas, Austin, TX

Certified Consulting Meteorologist, American Meteorological Society
 Trustee, The University of the South, Sewanee, TN
 Vestry, St. Martins Episcopal Church, Houston, TX
 Member, Rotary Club of Houston, TX
 Executive Committee, Jerry Lewis Muscular Dystrophy Telethon, Houston area 1986-87

Born Galveston, Texas, 1947. U. S. Citizen, Married.

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THOMAS J. BALOUSEK

Vice President, Director, Co-Owner, Air Routing International Corporation, 1979-
Vice President, Universal Weather & Aviation, Inc., Houston, 1974-1979

B. S., Meteorology, The University of Wisconsin

Born Richland Center, Wisconsin, 1951. U. S. Citizen. Married

JEAN-GUY MOORE

President, Owner, Quebec Inc., Fuel Consultant, 1978-
Fuel Management Consultant to large users of petroleum products, i.e., airlines, industrial companies, governmental agencies, 1970-1978

Executive Vice President, Director, Co-owner, Air Routing International Corporation (Canada), 1987-
Imperial Oil Limited, Manager, 1956-1969

Mechanical Engineering Degree, Laval 1956

Born 1934. Married

APPENDIX 2

BACKGROUND INFORMATION

AIR ROUTING INTERNATIONAL CORPORATION

Air Routing International Corporation was formed as a closely held, private company in 1976, organized to provide specialized services to the aviation community. The primary thrust of its operations was, and is, directed to the corporate aviation community, but also included those operators licensed for charter operations. The organizers of Air Routing and all of the officers and directors of the company today have strong backgrounds in the fields of endeavor in which Air Routing is associated. A summary of their professional backgrounds is enclosed.

Air Routing began with only five employees and four or five accounts. In 1987, Air Routing has nearly fifty employees, nearly over three hundred clients and contracts with 600 agents worldwide to provide local services for its clients. It counts among its clients many of the Fortune 500 companies, plus the aviation interests of many private organizations and governments. The growth of Air Routing has been attributable to its reputation for providing unsurpassed services as marketing has been accomplished largely by word of mouth rather than direct sales.

SERVICES OF AIR ROUTING

The individual services that Air Routing offers to aviation are designed to be part of a total service package, a package that continues to grow as the needs of private aviation expand. These services fall under the following general categories:

1. Handling - arranging for all services required by a particular aircraft on a particular trip: i.e., ground handling, overnight parking, customs and immigration for passengers and crew, catering, ground transportation, diplomatic clearances such as landing and overflight permits, hotel accommodations, special passenger services, etc.
2. Weather - providing pre-flight outlooks, flight forecasts, enroute weather updates, verbal pre-flight and inflight briefings; delivery of weather data and weather charts to the crew at home bases and at enroute destinations.

TOTAL P. 5

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3. Flight

following- Maintaining communication with the aircraft and agents handling the flight throughout the course of the flight so that agents may be updated on the flight's progress, updated weather information or routing information may be forwarded to the pilot and that the home office and families may be notified of the various arrival and departure times.

4. Computer
flight
plans -

providing computerized flight planning information necessary to calculate fuel consumption, enroute flight times, preferred alternate routings and destinations.

The above services are possible because Air Routing functions as a communications center, with multiple private and commercial high speed teletype circuits, linked point to point by satellite, as well as other telecommunications systems such as VHF and HF radio, telephone, etc. Air Routing's membership in ARINC and SITA, the airline communications organizations, and AFTN, the intergovernmental and diplomatic aviation circuit, afford Air Routing instantaneous contact with its agents anywhere around the world.

Non-aviation oriented services include providing forecasts for marine and offshore interests worldwide, storm warning services to industry, short range and long range forecasts and outlooks for the energy industry, and forensic services to the legal profession.

Recently Air Routing has embarked on new concepts in the provision of weather information and flight management. These are encompassed in our "WeatherPix" and "Flight Manager" computer programs, compatible with most any IBM-PC type systems.

Both of these computer programs enhance Air Routing's commitment to offer to its clients a total services package, making available to them an in-house computer accessed information retrieval system and flight management program, utilizing equipment commonly used in an office environment. Our clients can now access our information computer-to-computer, allowing them to retrieve more information more rapidly and more economically than is available through conventional means.