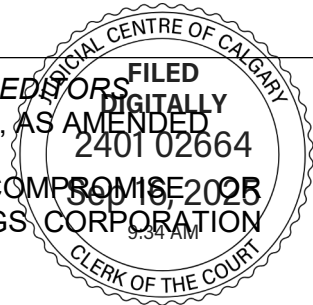


Clerk's Stamp

COURT FILE NUMBER 2401-02664
COURT COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY

IN THE MATTER OF THE COMPANIES' CREDITORS' AS AMENDED
ARRANGEMENT ACT, R.S.C. 1985, c. C-36, 2401 02664
AND IN THE MATTER OF THE COMPROMISE OF
ARRANGEMENT OF LYNX AIR HOLDINGS CORPORATION
and 1263343 ALBERTA INC. dba LYNX AIR



DOCUMENT **APPLICATION**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT: McCarthy Tétrault LLP
4000, 421 – 7th Avenue SW
Calgary, Alberta T2P 4K9
Attention: Sean Collins, KC / Pantelis Kyriakakis / Nathan Stewart
Tel: 403-260-3531 / 3536 / 3534
Fax: 403-260-3501
Email: scollins@mccarthy.ca / pkyriakakis@mccarthy.ca / nstewart@mccarthy.ca

NOTICE TO RESPONDENT(S)

This application is made against you. You are a respondent.

You have the right to state your side of this matter before the judge.

To do so, you must be in Court when the application is heard, as shown below:

Date: September 24, 2025
Time: 3:00 p.m.
Where: Edmonton Courts Centre (Virtual Courtroom via WebEx – see Schedule “A” hereto)
Before Whom: The Honourable Justice Gill

Go to the end of this document to see what else you can do and when you must do it.

Remedy claimed or sought: FTI Consulting Canada Inc., in its capacity as the court-appointed monitor (the “**Monitor**”) of Lynx Air Holdings Corporation (“**Lynx Holdco**”) and 1263343 Alberta Inc. dba Lynx Air (“**Lynx Air**”, Lynx Holdco and Lynx Air are collectively referred to as, the “**Applicants**”) pursuant to the Initial Order granted under the *Companies’ Creditors Arrangement Act* (Canada) (the “**CCAA**”) on February 22, 2024, as subsequently amended and restated on

March 1, 2024 (the “**ARIO**”), in the within proceedings (the “**CCAA Proceedings**”), applies for an order (the “**Discharge, Fee Approval, and Termination Order**”), substantially in the form attached as Schedule “**B**” hereto:

1. Declaring that the time for service of this application (the “**Application**”), the Ninth Report of the Monitor, dated September 15, 2025 (the “**Ninth Monitor’s Report**”), and all supporting materials (collectively, the “**Application Materials**”), is abridged, if necessary, that the Application is property returnable on September 24, 2025, that service of the Application Materials, on the service list maintained by the Monitor in these CCAA Proceedings (the “**Service List**”), is good and sufficient, and that no persons other than those on the Service List are entitled to service of the Application Materials, or any orders arising therefrom.
2. Approving:
 - (a) the final fees and disbursements of the Monitor, for the period of February 22, 2024 to August 31, 2025 (the “**Monitor Fee Period**”), together with the estimated fees and disbursements of the Monitor in connection with the completion of the administration of the Applicants’ estates, as set out in the Ninth Report; and,
 - (b) the following reports of the Monitor and the activities of the Monitor as set out therein:
 - (c) the First Report of the Monitor, dated February 28, 2024 (the “**First Monitor’s Report**”);
 - (d) the Second Report of the Monitor, dated March 27, 2024 (the “**Second Monitor’s Report**”);
 - (e) the Confidential Supplement to the Second Report of the Monitor, dated March 27, 2024;
 - (f) the Third Report of the Monitor, dated April 11, 2024 (the “**Third Monitor’s Report**”);
 - (g) the Fourth Report of the Monitor, dated May 15, 2024 (the “**Fourth Monitor’s Report**”);

- (h) the Fifth Report of the Monitor, dated June 21, 2024 (the “**Fifth Monitor’s Report**”);
 - (i) the Sixth Report of the Monitor, dated September 9, 2024 (the “**Sixth Monitor’s Report**”);
 - (j) the Seventh Report of the Monitor, dated November 29, 2024 (the “**Seventh Monitor’s Report**”);
 - (k) the Eighth Report of the Monitor, dated February 3, 2025 (the “**Eighth Monitor’s Report**”); and,
 - (l) the Ninth Monitor’s Report,
- (collectively, the “**Monitor’s Reports**”).

3. Approving the final fees and disbursements incurred by counsel to the Monitor, McCarthy Tétrault LLP (“**McCarthy**”), for the period from February 23, 2024 to August 31, 2025 (the “**MT Fee Period**”, the MT Fee Period and the Monitor’s Fee Period are collectively referred to as the “**Fee Period**”), together with the estimated fees and disbursements of McCarthy in connection with the completion of the administration of the Applicants’ estates, as set out in the Ninth Report of the Monitor.
4. Authorizing and empowering the Monitor to retain the following holdbacks:
 - (a) the amount of \$84,000 (Eighty-Four Thousand Canadian Dollars) (the “**CUPE Holdback**”), in respect of: (i) the CUPE Claimed Amount (as such term is defined in the Ninth Monitor’s Report), pending a determination by Service Canada regarding the corresponding amended claims under the *Wage Earner Protection Program Act*, S.C. 2005, c. 47 (“**WEPPA**” and the “**WEPPA Claims**”); and, (ii) any WEPPA claims which have not yet been submitted by former employees of the Applicants. Upon determination of the WEPPA Claims or any other claims under WEPPA, as applicable, and any resulting priority claims, authorizing the Monitor to distribute the CUPE Holdback, in respect of the WEPPA priority claims, with the balance, if any, to be held and distributed as part of the Applicants’ estate;
 - (b) the amount of \$75,000 (Seventy-Five Thousand Canadian Dollars) (the “**Professional Fees Holdback**”), in respect of the estimated fees and

disbursements of the Monitor and its counsel, to be incurred in connection with the exercise, by the Monitor, of any residual powers and the completion of the administration of the Applicants' estates. Upon the filing of the Monitor's Termination Certificate, authorizing and empowering the Monitor to distribute the Professional Fees Holdback, in respect of the professional fees and disbursements of the Monitor and its counsel, with the balance, if any, to be held and distributed as part of the Applicants' estate; and,

- (c) the amount of \$50,000 (Fifty Thousand Canadian Dollars) (the "**Contingent Holdback**") in respect of contingencies, to be utilized and distributed by the Monitor, as may be required during the exercise, by the Monitor, of any residual powers and the completion of the administration of the Applicants' estates, with the balance, if any, to be held and distributed as part of the Applicants' estate,

(collectively, the "**Holdbacks**").

- 5. Ordering and declaring that, effective immediately upon the Monitor filing a certificate confirming that all remaining steps required to complete these CCAA Proceedings have been completed (the "**Monitor's Termination Certificate**") (as set out in Schedule "A" to the proposed form of Discharge, Fee Approval, and Termination Order), the Monitor shall be discharged as monitor of the Applicants and relieved of all further duties and obligations, in respect of the Applicants, and these CCAA Proceedings shall be terminated.
- 6. Declaring that, as of the date of the Ninth Monitor's Report and based on the evidence that is currently before the Court:
 - (a) the actions and conduct of the Monitor are approved;
 - (b) the Monitor has satisfied all of its duties and obligations as Monitor of the Applicants, honestly, in good faith, and in a commercially reasonable manner;
 - (c) the Monitor and the Monitor's counsel shall not be liable for any act, omission, or representation including, without limitation, any act, omission, or representation pertaining to the discharge of the Monitor's duties as monitor of the Applicants or in connection with these CCAA Proceedings, save and except for any liability

arising out of fraud, gross negligence, or wilful misconduct, on the part of the Monitor or the Monitor's counsel;

- (d) any and all claims against the Monitor or the Monitor's counsel, arising from, relating to, or in connection with the performance of the Monitor's duties and obligations, as monitor of the Applicants or in connection with these CCAA Proceedings, save and except for any claims based on fraud, gross negligence, or wilful misconduct, on the part of the Monitor or the Monitor's counsel, shall be forever barred and extinguished;
 - (e) declaring that no action or proceeding arising from, relating to, or in connection with, the performance of the Monitor's duties and obligations, as monitor of the Applicants, may be commenced or continued, without prior leave of this Honourable Court, on notice of the Monitor, and on such terms as this Honourable Court may direct; and,
 - (f) declaring that, notwithstanding the discharge of the Monitor, the Monitor remains empowered with residual jurisdiction to take such steps and actions as it deems necessary to address any ancillary or incidental matters, as required in connection with its capacity as Monitor following the termination of the CCAA Proceedings, and in completing or addressing any such ancillary or incidental matters, FTI Consulting Canada Inc., shall continue to have the benefit of the provisions of the CCAA and the provisions of all Orders made in the CCAA Proceedings in relation to its capacity as Monitor.
- 7. Extending the Stay Period, as defined in paragraph 15 of the ARIO, up to and until the earlier of: (i) January 30, 2026; or, (ii) the filing of the Monitor's Termination Certificate.
 - 8. Ordering and declaring that service of any orders arising from this Application by email, facsimile, registered mail, courier, regular mail, or personal delivery, to the persons listed on the service list, present at the Application, or who were otherwise served with the Application, shall constitute good and sufficient service of such orders and that no persons other than those on the service list are entitled to be served with a copy of such orders.
 - 9. Such further and other relief as counsel for the Monitor may advise and this Honourable Court considers to be just and appropriate in the circumstances.

Grounds for Making this Application: The grounds for the Application are as follows:

Background

10. Capitalized terms used but not defined herein have the same meaning given to them in the Ninth Monitor's Report.

Initial Order and ARIO

11. The Initial Order, issued by the Honourable Justice J.J. Gill on February 22, 2024 (the "**Initial Order**"), among other things: (i) granted an initial stay of proceedings up to and including March 4, 2024 (the "**Stay Period**"); (ii) appointed the Monitor, as monitor of the Applicants in these CCAA Proceedings; (iii) authorized and empowered the Applicants to obtain and borrow under a credit facility from Indigo (in such capacity, the "**Interim Lender**") pursuant to an interim financing term sheet (the "**Term Sheet**"); and, (iv) approved certain priority charges over the Applicants' current and future assets, undertakings and properties (collectively, the "**Property**"), including:
- (a) a charge, in the amount of \$500,000 (the "**Administration Charge**"), as security for the professional fees and disbursements of the Applicants' counsel, the Monitor, and the Monitor's counsel;
 - (b) a charge, in the amount of \$750,000 (the "**Interim Lender's Charge**"), in favour of the Interim Lender, to secure all obligations under the Term Sheet; and,
 - (c) a charge, in the amount of \$500,000 (the "**Directors' Charge**"), in favour of the directors and officers of the Applicants (the "**Directors and Officers**"), as security for the Applicants' obligation to indemnify the Directors and Officers.
12. The ARIO, among other things: (i) extended the Stay Period until and including April 15, 2024; (ii) declared, pursuant to section 5(5) of the *Wage Earner Protection Program Act* (Canada), S.C. 2005, c. 47, s.1 ("**WEPPA**"), that the Applicants and their former employees meet the criteria prescribed by section 3.2 of the Wage Earner Protection Program Regulations SOR/2008-222 (the "**WEPP Regulations**") and are individuals to whom WEPPA applies, as of the date of the Initial Order; (iii) increased the amount that the Applicants were authorized to borrow under the Term Sheet, from \$750,000 to \$5,013,000; (iv) approved a key employee retention plan in respect of certain employees

of the Applicants (the “**KERP**”); (v) granted a charge (the “**KERP Charge**”, the Administration Charge, the Directors’ Charge, the Interim Financing Charge, and the KERP Charge are collectively referred to as, the “**Charges**”) over the Property, in favour of the beneficiaries of the KERP, as security for the Applicants’ obligations under the KERP.

CCAA Proceedings Summary

13. On March 1, 2024, this Honourable Court approved a sale and investment solicitation process (“**SISP**”) and granted an Order (the “**SISP Order**”) authorizing and directing the Applicants and the Monitor to implement the SISP, in accordance with the terms thereof (the “**SISP Procedures**”).
14. On April 2, 2025, this Honourable Court granted certain restricted court access orders and an Order (the “**Termination Approval Order**”) approving a termination agreement and mutual release (the “**Termination Agreement**”), between The Boeing Company and Lynx Opco, in respect of Purchase Agreement No. PA-04427.
15. On April 15, 2024, this Honourable Court granted Orders, among other things: (i) authorizing the Applicants, with the approval of the Monitor, to repay the borrowings owed to the Interim Lender, under the Term Sheet; and, (ii) authorizing the Applicants to make further distributions, to Indigo, up to an amount equal to the secured obligations (collectively, the “**Secured Obligations**”) owing by the Applicants under the terms of the note purchase agreement, dated December 20, 2018, and the five bridge note purchase agreements, as amended.
16. On May 21, 2024, this Honourable Court granted Orders, among other things: (i) authorizing and approving a transaction contemplated by the asset purchase and sale agreement between Lynx Opco and BOC Aviation (Cayman) Limited, dated May 13, 2024 (the “**BOCA Transaction**”); and, (ii) authorizing and approving a transaction contemplated by the asset purchase and sale agreement contemplated by an asset purchase and sale agreement between Lynx Opco and AERO3 Inc., dated May 10, 2024 (the “**AERO Transaction**”, the BOCA Transaction and the AERO Transaction are collectively referred to as, the “**Transactions**”).

17. The AERO Transaction closed on May 30, 2024. The BOCA Transaction closed on June 7, 2024.
18. On June 28, 2024, this Honourable Court granted, among other things:
 - (a) an Order: (i) approving a procedure for the solicitation, determination and resolution of claims against the current and former directors and officers of the Applicants (the “**D&O Claims Process**”); and, (ii) enhancing the Monitor’s powers with respect to the Applicants; and,
 - (b) an Order (the “**Interim Approval Order**”) which, among other things, approved the professional fees and disbursements of: (i) the Monitor, for the period February 22, 2024 to May 31, 2024 (the “**Monitor Interim Approval Period**”), in the amount of \$883,184.46; and, (ii) McCarthy, as the Monitor’s independent legal counsel, for the period February 23, 2024 to May 31, 2024 (the “**Monitor’s Counsel Interim Approval Period**”, the Monitor Interim Approval Period and the Monitor’s Counsel Interim Approval Period are collectively referred to as, the “**Interim Approval Period**”)), in the amount of \$226,972.32. The Interim Approval Order also approved the Monitor’s Reports, up to the Fifth Monitor’s Report, and the activities of the Monitor as reported therein.
19. All amounts owing under the KERP Charge have been paid and satisfied, in full.

US Government Trust Claims

20. On May 7, 2024, the Applicants and the Monitor received notice from counsel to the U.S. Transportation Security Administration, U.S. Customs and Border Protection, U.S. Department of Agriculture and US Department of Homeland Security, Customs and Border Protection (the “**US Government**”) asserting that the US Government has trust claims in the amount of USD\$1,085,773.91, in respect of certain fees consisting of: (i) a fee to cover the cost of agricultural quarantine and inspection, in the amount of USD\$196,126.24; (ii) a civil aviation security service fee to pay for the costs of providing security services at United States airports, in the amount of USD\$66,731.67; (iii) immigration fees collected by Lynx Air, in the amount of USD\$465,997.00; and, (iv) fees for certain customs services collected by Lynx Air, in the amount of USD\$356,919.00 (collectively, the “**US Claims**”).

21. Since the date of the Eighth Report, the Monitor, the Monitor Counsel, and counsel to the US Government engaged in settlement discussions and ultimately reached a settlement agreement, effective August 26, 2025 (the “**Settlement Agreement**”). The amounts owing under the Settlement Agreement were paid to counsel to the US Government on September 9, 2025.
22. U.S. Customs and Border Protection was also the beneficiary of the International Carrier Bond #9909AS230 in the amount of USD\$100,000 (the “**Bond**”), issued by the Western Surety Company (the “**Surety**”), as surety, with Lynx Air as the bond principal.
23. Pursuant to the Settlement Agreement, the US Government, on behalf of its agencies, agreed to the termination of the Bond and released any and all claims thereunder, effective immediately upon the payment by Lynx Air of USD\$100,000, to the US Government, which occurred on September 9, 2025.
24. The Bond is cash collateralized in one of the Applicants’ bank accounts, in the amount of USD\$200,000. Following the termination of and release of all the claims under or against the Bond, the Monitor has requested the release of the cash collateral from the Surety.

AIF Trust Claims

25. The Greater Toronto Airport Authority (“**GTAA**”) and the Vancouver Airport Authority, Calgary Airport Authority, Edmonton Regional Airport Authority, Winnipeg Airport Authority Inc. and Halifax International Airport Authority (collectively, the “**Airport Authorities**”) asserted trust claims for unpaid Airport Improvement Fees (“**AIF**”) pursuant to various agreements between the Lynx Opco and the Airport Authorities (the “**AIF Trust Claims**”).
26. On August 26, 2024, the Honourable Justice B.E. Romaine released reasons for decision (the “**August 26 Decision**”) concerning the AIF Trust Claims, that held, in respect of:
 - (a) the GTAA, that it had a valid trust claim and was entitled to apply the proceeds from a letter of credit it held, leaving approximately \$1.7 million owing to the GTAA on account of the AIF Trust Claims; and,
 - (b) the remaining Airport Authorities, that they do not have a valid trust claim, in respect of their respective AIF Trust Claims.

27. The Airport Authorities obtained leave to appeal the August 26 Decision (the “**Airport Authorities Appeal**”) on November 22, 2024.
28. On April 2, 2025, the Alberta Court of Appeal dismissed the Airport Authorities Appeal, with costs.
29. On October 30, 2024, the Monitor distributed \$1.7 million to the GTAA, in full and final satisfaction of the AIF Trust Claim.

D&O Claims Process

30. The D&O Claims Process established a claims procedure to identify and determine the quantum, validity and enforceability of all claims against the Applicants’ officers and directors.
31. The Monitor received the following two claims in advance of the Claims Bar Date (as defined in the D&O Claims Process):
 - (a) a claim from the Canada Revenue Agency, in the amount of \$386,716.89 (the “**CRA Claim**”); and,
 - (b) claims from the GTAA and Airport Authorities, with respect to the AIF Trust Claims.
32. The CRA Claim was resolved, upon the application of certain credits on the Applicants’ accounts. As noted above, the AIF Trust Claim of the GTAA has been paid.
33. There are no further claims to be adjudicated under the D&O Claims Process.

WEPPA Group Termination Notice

34. On November 25, 2024, the Canadian Union of Public Employees (“**CUPE**”) on behalf of the cabin crew employees (the “**Cabin Crew Employees**”), filed and served notices of application returnable on December 4, 2024 (the “**December 4 Application**”), seeking, among other things, the following orders:
 - (a) an order that certain terminated “**Cabin Crew Employees**” who were members of CUPE Local 5558 and have a claim for severance pay, termination pay, and/or pay in lieu of notice of termination, are entitled to an additional amount

representing 16 weeks of termination pay (“**Group Termination Notice**”) under the group termination provisions contained at section 212 of the *Canada Labour Code*, R.S.C. 1985, c. L-2; and,

- (b) a representation order appointing CUPE as representative to the Cabin Crew Employees under Rule 2.16 of the *Alberta Rules of the Court*, Alta. Reg. 124/2010 in this proceeding, or in connection with any other proceeding in respect of Lynx Air that may be commenced under the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c B-3.
35. On December 4, 2024, this Honourable Court granted an Order (the “**CUPE Cabin Crew Employees Order**”) that authorized and permitted the Monitor to provide personal information of the members of CUPE Local 5558, to CUPE. CUPE’s application for it to be appointed the Representative of the Cabin Crew Employees was dismissed by consent.
36. The Court reserved judgment on the issue of the Group Termination Notice. On March 27, 2025, the Court issued a decision dismissing CUPE’s application in relation to the Group Termination Notice.

WEPP Priority Claims

37. On January 14, 2025, the Monitor received an updated statement from Employment and Social Development Canada advising the amount of the subrogated super-priority claim (“**WEPP Priority Claim**”) is \$740,359.93.
38. On January 16, 2025, the Monitor paid the existing WEPP Priority Claim in the amount of \$740,359.93.
39. On August 26, 2025, the Monitor’s Counsel received an email from counsel to CUPE, advising that they had been contacted by former Cabin Crew Members with additional questions about their WEPP entitlements.
40. CUPE advised that while the Monitor’s calculations of termination pay included pay in lieu of termination notice, it did not include an amount for the employees’ unpaid benefit contributions and that the WEPPA calculation of eligible wages for Cabin Crew Members should have included an entitlement for unpaid benefit contributions.

41. CUPE has calculated the amount of unpaid benefit contributions to be approximately \$40,000 ("**CUPE Claimed Amount**") for 247 former Cabin Crew Members. The Monitor and the Monitor's Counsel have determined that the claims underlying the CUPE Claimed Amount constitute wages under WEPPA, and are in the process of reviewing whether the quantum of the CUPE Claimed Amount is supported by the Applicants' records. Following confirmation of the CUPE Claimed Amount, the Monitor will assist the Cabin Crew Members with submitting amended claims under WEPP. The Monitor is proposing to hold back the CUPE Holdback, which is sufficient to cover to the full amount of the CUPE Claimed Amount, pending resolution of the matter.

D&O Trust

42. Prior to the commencement of the CCAA Proceedings, the Applicants established a \$2.0 million trust (the "**D&O Trust**") in favour of the Directors and Officers, pursuant to a D&O Trust Indenture, dated September 20, 2023, as subsequently amended (collectively, the "**D&O Indenture**").
43. The trust funds are held by the TSX Trust Company, in its capacity as trustee (the "**Trustee**").
44. The D&O Trust will automatically terminate on December 31, 2025 (or such earlier date as provided for under the D&O Indenture).
45. The D&O Trust requires four signatures from current and/or former directors of the Applicants, in order to provide an earlier termination notice to the Trustee. The Monitor understands that certain current and former directors are working to terminate the D&O Trust and return the remaining funds to the Applicants.

Distributions

46. Following the satisfaction of the above-noted claims, the Monitor holds approximately \$2,652,000 in proceeds, of which approximately \$2,443,000 is currently available for distribution to Indigo.
47. Subject to and following the resolution of the various matters in respect of the proposed Holdbacks, all remaining funds of the Applicants will be distributed to Indigo, on account of the Secured Obligations.

48. To date, Indigo has received distributions in the approximate amount of \$94 million on account of the Secured Obligations. Indigo is expected to suffer a shortfall in excess of \$45 million with respect to its Secured Obligations.

Activities of the Monitor

49. The Monitor's Reports outline the activities taken by the Monitor in the CCAA Proceedings for which the Monitor seeks approval by this Honourable Court. A detailed description of such activities are set out in the Ninth Monitor's Report and the other Monitor's Reports and confidential supplements filed in these CCAA Proceedings.

Fees of the Monitor and Counsel to the Monitor

50. Pursuant to the ARIO, the Monitor, and counsel to the Monitor, among others, are to be paid their reasonable fees and disbursements, in each case at their standard rates and charges, by the Applicants.
51. The ARIO provides that the Monitor and its legal counsel shall pass their accounts from time to time.
52. In accordance with CCAA practices, the Monitor seeks approval of the interim and final fees, conduct, and activities of the Monitor and the interim and final fees of counsel to the Monitor for the applicable Fee Period.
53. As set forth above, the Interim Approval Order approved the professional fees and disbursements of: (i) the Monitor, for the Monitor Interim Approval Period, in the amount of \$883,184.46; and, (ii) McCarthy, as the Monitor's independent legal counsel, for the Monitor's Counsel Interim Approval Period, in the amount of \$226,972.32
54. During the balance of the Monitor's Fee Period (commencing June 1, 2024), the total fees and disbursements incurred by the Monitor, at their standard rates and charges during the relevant period, are approximately \$226,854.35 (exclusive of GST).
55. The details of the Monitor's fees and disbursements are set out in the Ninth Monitor's Report.

56. During the balance of the MT Fee Period (commencing June 1, 2024), the total fees and disbursements incurred by McCarthy, at their standard rates and charges during the relevant period, of approximately \$248,174.00 (exclusive of GST).
57. The details of McCarthy's fees and disbursements are set out in the Ninth Monitor's Report.
58. The Monitor is of the view that its fees and the fees of the Monitor's Counsel are fair and reasonable in the circumstances, and that the time spent was necessary in the circumstances and the work was delegated to the appropriate professional within each firm. The Monitor has reviewed the accounts rendered by McCarthy and confirms that all services described in the accounts were rendered to the Monitor.

Stay Extension

59. The Stay Period, as granted by the ARIO, was extended on numerous occasions and will expire on September 30, 2025, unless otherwise extended.
60. Extending the Stay Period will allow the Monitor to address the remaining matters required to complete the administration of the Applicants' estates and these CCAA Proceedings. As a result, it is just and convenient that the Stay Period be extended to the earlier of: (i) January 30, 2026; or, (ii) the filing of the Monitor's Termination Certificate.

Termination of CCAA Proceedings & Discharge of the Monitor

61. The liquidation of the Applicants' Property is complete.
62. At this time, there remain limited matters to be completed in these CCAA Proceedings, including addressing the amended WEPP claims, administering the remaining funds in the Applicants' estates (including any funds received from the Surety or in respect of the D&O Trust), and making final distributions to Indigo.
63. The proposed order sought by the Monitor provides for an effective and appropriate process to terminate these proceedings. Upon the Monitor filing a certificate confirming that such remaining matters have been completed, the Monitor will be discharged as Monitor and the CCAA Proceedings will be terminated.

- 64. This process will avoid the cost and time of a further application to seek the termination of these CCAA Proceedings once the limited remaining matters have been completed.
- 65. Such further and other considerations, as counsel may advise and this Honourable Court considers just and appropriate in the circumstances.

Affidavit or other Evidence and Materials to be used in Support of this Application:

- 66. The First Monitor's Report, dated February 28, 2024.
- 67. The Second Monitor's Report, dated March 27, 2024.
- 68. The Confidential Supplement to the Second Monitor's Report, dated March 27, 2024.
- 69. The Third Monitor's Report, dated April 11, 2024.
- 70. The Fourth Monitor's Report, dated May 15, 2024.
- 71. The Fifth Monitor's Report, dated June 21, 2024.
- 72. The Sixth Monitor's Report, dated September 9, 2024.
- 73. The Seventh Monitor's Report, dated November 29, 2024.
- 74. The Eighth Monitor's Report, dated February 3, 2025.; and,
- 75. The Ninth Monitor's Report, dated September 15, 2025.
- 76. All such further reports, confidential reports, supplements, appendices, affidavits, and pleadings filed in the within proceedings.
- 77. Such further and other evidence or materials as counsel may advise and this Honourable Court may permit.

Applicable Rules:

- 78. Rule 6.3, 6.9, 6.28, and 11.27 of the *Alberta Rules Of Court*, Alta. Reg. 124/2010.
- 79. Such further and other rules as counsel may advise and this Honourable Court may permit.

Applicable Acts and Regulations:

80. The *Companies' Creditors Arrangement Act*, RSC 1985, c C-36, as amended.
81. Such further and other acts and regulations as counsel may advise and this Honourable Court may permit.

Any Irregularity Complained of or Objection Relied On:

82. There are no irregularities complained of or objections relied on.

How the Application is Proposed to be Heard or Considered:

83. The Monitor proposes that this Application be heard via WebEx with one, some, or all of the parties present.

AFFIDAVIT EVIDENCE IS REQUIRED IF YOU WISH TO OBJECT.

WARNING

If you do not come to Court either in person or by your lawyer, the Court may give the applicant(s) what they want in your absence. You will be bound by any order that the Court makes. If you want to take part in this application, you or your lawyer must attend in Court on the date and at the time shown at the beginning of the form. If you intend to rely on an affidavit or other evidence when the application is heard or considered, you must reply by giving reasonable notice of the material to the applicant.

SCHEDULE "A" TO THE APPLICATION WEBEX INSTRUCTIONS

Virtual Courtroom 86 has been assigned for the above noted matter:

Virtual Courtroom Link:

<https://albertacourts.webex.com/meet/virtual.courtroom86>

Instructions for Connecting to the Meeting

1. Click on the link above or open up Chrome or Firefox and cut and paste it into your browser address bar.
2. If you do not have the Cisco Webex application already installed on your device, the site will have a button to install it. Follow installation instructions. Enter your full name and email address when prompted
3. Click on the **Open Cisco Webex Meeting**.
4. You will see a preview screen. Click on **Join Meeting**.

Key considerations for those attending:

1. Please connect to the courtroom **15 minutes prior** to the start of the hearing.
2. Please ensure that your microphone is muted and remains muted for the duration of the proceeding, unless you are speaking. Ensure that you state your name each time you speak.
3. If bandwidth becomes an issue, some participants may be asked to turn off their video and participate by audio only.
4. **Note: Recording or rebroadcasting of the video is prohibited.**
5. **Note: It is highly recommended you use headphones with a microphone or a headset when using Webex. This prevents feedback.**

If you are a non-lawyer attending this hearing remotely, **you must** complete the undertaking located here:

<https://www.albertacourts.ca/qb/resources/announcements/undertaking-and-agreement-for-non-lawyers>

For more information relating to Webex protocols and procedures, please visit:
<https://www.albertacourts.ca/qb/court-operations-schedules/webex-remote-hearings-protocol>

You can also join the meeting via the "Cisco Webex Meetings" App on your smartphone/tablet or other smart device. You can download this via the App marketplace and join via the link provided above.

SCHEDULE "B"
FORM OF DISCHARGE, FEE APPROVAL, AND TERMINATION ORDER

[See attached]

COURT FILE NUMBER 2401-02664
COURT COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY

IN THE MATTER OF THE *COMPANIES' CREDITORS
ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF THE COMPROMISE OR
ARRANGEMENT OF LYNX AIR HOLDINGS CORPORATION
and 1263343 ALBERTA INC. dba LYNX AIR

DOCUMENT **ORDER (DISCHARGE, FEE APPROVAL, AND
TERMINATION OF CCAA PROCEEDINGS)**

ADDRESS FOR SERVICE AND CONTACT
INFORMATION OF PARTY
FILING THIS DOCUMENT
McCarthy Tétrault LLP
4000, 421 – 7th Avenue SW
Calgary, AB T2P 4K9
Attention: Sean Collins, KC / Pantelis Kyriakakis / Nathan
Stewart
Tel: 403-260-3531 / 3536 / 3534
Fax: 403-260-3501
Email: scollins@mccarthy.ca / pkyriakakis@mccarthy.ca /
nstewart@mccarthy.ca

DATE ON WHICH ORDER WAS PRONOUNCED: September 24, 2025

LOCATION OF HEARING: Edmonton, Alberta

NAME OF JUDGE WHO MADE THIS ORDER: Justice Gill

UPON the application (the “**Application**”) of FTI Consulting Canada Inc., in its capacity as court-appointed monitor (the “**Monitor**”) of Lynx Air Holdings Corporation and 1263343 Alberta Inc. dba Lynx Air (collectively, the “**Applicants**”), pursuant to the initial order granted under the *Companies' Creditors Arrangement Act* (Canada) (the “**CCAA**”) on February 22, 2024, as subsequently amended and restated on March 1, 2024 (the “**ARIO**”), in the within proceedings (the “**CCAA Proceedings**”); **AND UPON** reading the Ninth Report of the Monitor, dated September 15, 2025 (the “**Ninth Monitor's Report**”), filed; **AND UPON** reading all other reports and confidential appendices submitted by the Monitor in these CCAA Proceedings, including, the First Report of the Monitor, dated February 28, 2024, the Second Report of the Monitor, dated March 27, 2024, the Confidential Supplement to the Second Report of the Monitor, dated March 27, 2024, the Third Report of the Monitor, dated April 11, 2024, the Fourth Report of the Monitor, dated May 15, 2024, the Fifth Report of the Monitor, dated June 21, 2024, the Sixth Report of the

Monitor, dated September 9, 2024, the Seventh Report of the Monitor, dated November 29, 2024, and the Eighth Report of the Monitor, dated February 3, 2025 (collectively, the “**Prior Monitor’s Reports**”, the Ninth Monitor’s Report and the Prior Monitor’s Reports are collectively referred to as, the “**Monitor’s Reports**”), all filed; **AND UPON** reading the Affidavit of Service of Katie Hynne, sworn on September ___, 2025 (the “**Service Affidavit**”), filed; **AND UPON** hearing counsel for the Monitor and for any other parties who may be present;

IT IS HEREBY ORDERED AND DECLARED THAT:

SERVICE

1. The time for service of the Application, the Ninth Monitor’s Report, and all supporting materials (collectively, the “**Application Materials**”) is abridged, if necessary, the Application is properly returnable today, service of the Application Materials, on the service list (the “**Service List**”) attached as an exhibit to the Service Affidavit, in the manner described in the Service Affidavit, is good and sufficient, and no other persons other than those listed on the Service List are entitled to service of the Application Materials.

HOLDBACKS

2. The Monitor is hereby authorized and empowered to retain the following holdbacks from the residual funds in the Applicants’ estate (the “**Estate Funds**”):
 - (a) the amount of \$84,000 (Eighty-Four Thousand Canadian Dollars) (the “**CUPE Holdback**”), in respect of: (i) the CUPE Claimed Amount (as such term is defined in the Ninth Monitor’s Report), pending a determination by Service Canada regarding the corresponding amended claims under the *Wage Earner Protection Program Act*, S.C. 2005, c. 47 (“**WEPPA**” and the “**WEPPA Claims**”); and, (ii) any WEPPA claims which have not yet been submitted by former employees of the Applicants. Upon the determination of the WEPPA Claims or any other claims under WEPPA, as applicable, the Monitor is hereby authorized and empowered to distribute the CUPE Holdback, in respect of the priority claims related thereto, with the balance, if any, to be held and distributed as part of the Estate Funds;
 - (b) the amount of \$75,000 (Seventy-Five Thousand Canadian Dollars) (the “**Professional Fees Holdback**”), in respect of the estimated fees and disbursements of the Monitor and its counsel, to be incurred in connection with the

exercise by the Monitor of any residual powers and the completion of the administration of the Applicants' estates. Upon the filing of the Monitor's Termination Certificate, the Monitor is hereby authorized and empowered to distribute the Professional Fees Holdback, in respect of the professional fees and disbursements of the Monitor and its counsel, with the balance, if any, to be distributed as part of the Estate Funds; and,

- (c) the amount of \$50,000 (Fifty Thousand Canadian Dollars) (the "**Contingent Holdback**") in respect of contingencies, to be utilized and distributed by the Monitor, as may be required during the exercise by the Monitor of any residual powers and the completion of the administration of the Applicants' estates, with the balance, if any, to be distributed as part of the Estate Funds,

(collectively, the "**Holdbacks**").

APPROVAL OF ACTIVITIES AND REPORTS

- 3. The Monitor's activities and actions, as set out in the Ninth Monitor's Report and in all of the other Monitor's Reports, confidential reports, supplemental reports, all supplements thereto, and as otherwise filed in these proceedings, are hereby ratified and approved.
- 4. Based upon the evidence before the Court, and as at the date of the Ninth Monitor's Report, the Monitor has satisfied all of its obligations up to and including the date of this Order. The Monitor has exercised its powers and performed its duties and functions in respect of the Applicants, including, but not limited to, those under the CCAA, the ARIO, and all other Orders issued in the within CCAA Proceedings, honestly, in good faith, and in a commercially reasonable manner.

APPROVAL OF FEES AND DISBURSEMENTS

- 5. The Monitor's accounts for its fees and disbursements, including unbilled accrued fees and disbursements, as set out in paragraphs 47-48 and 51 of the Ninth Monitor's Report, be and are hereby approved, without the necessity of a formal passing of such accounts.
- 6. The accounts of the Monitor's legal counsel, McCarthy Tétrault LLP, for its fees and disbursements, including unbilled accrued fees and disbursements, as set out in paragraphs 47, 49 and 51 of the Ninth Monitor's Report, be and are hereby approved, without the necessity of a formal passing of accounts.

7. The estimated future legal fees of the Monitor and the Monitor's legal counsel, McCarthy Tétrault LLP, for their fees and disbursements, as set out in paragraphs 48 and 49 of the Ninth Monitor's Report, be and are hereby approved, without the necessity of a formal passing of accounts.

DISCHARGE OF THE MONITOR AND TERMINATION OF CCAA PROCEEDINGS

8. Upon the Monitor filing with the Clerk of the Court a certificate in the form attached hereto as Schedule "A" (the "**Monitor's Termination Certificate**") confirming that all matters required to complete these CCAA proceedings have been completed and all remaining funds of the Applicants have been distributed or otherwise dealt with:
 - (a) FTI Consulting Canada Inc. shall be discharged as Monitor of the Applicants and these CCAA Proceedings, and shall have no further duties, obligations, or responsibilities, as Monitor, from and after such time, save and except as contemplated under paragraph 12 of this Order;
 - (b) these CCAA Proceedings will be deemed terminated, without further Order of this Court;
 - (c) based upon the evidence before the Court, and as at the date of the Ninth Monitor's Report, the Monitor and the Monitor's counsel shall not be liable for any act, omission, or representation including, without limitation, any act, omission, or representation pertaining to the discharge of the Monitor's duties as monitor of the Applicants or in connection with these CCAA Proceedings, save and except for any liability arising out of fraud, gross negligence, or wilful misconduct, on the part of the Monitor or the Monitor's counsel; and,
 - (d) based upon the evidence before the Court, and as at the date of the Ninth Monitor's Report, any and all claims against the Monitor or the Monitor's counsel, arising from, relating to, or in connection with the performance of the Monitor's duties and obligations, as monitor of the Applicants or in connection with these CCAA Proceedings, are hereby stayed, released, extinguished, and forever barred, save and except for any claim or liability based on fraud, gross negligence, or willful misconduct, on the part of the Monitor or the Monitor's counsel.

9. The Monitor shall serve a copy of the Monitor's Termination Certificate to the Service List maintained in the CCAA Proceedings, following the filing of the Monitor's Termination Certificate.
10. No actions or other proceedings shall be commenced against the Monitor, which in any way arise from or relate to these CCAA Proceedings or its capacity as monitor of the Applicants, except with the prior leave of this Court, on at least seven days' prior written notice to the Monitor and upon such terms as this Court may direct.
11. Notwithstanding any provision of this Order and the termination of these CCAA Proceedings, nothing herein shall affect, vary, derogate from, limit, or amend any of the protections in favour of the Monitor at law or pursuant to the CCAA, the ARIO, this Order, or any other Orders granted in these CCAA Proceedings.
12. Notwithstanding the discharge of the Monitor and the termination of these CCAA Proceedings, upon the Monitor filing the Monitor's Termination Certificate, this Court shall remain seized of any matter arising from these CCAA Proceedings, and FTI Consulting Canada Inc. shall have the authority from and after the date of this Order to apply to this Court to address matters ancillary or incidental to these CCAA Proceedings, notwithstanding the termination thereof. FTI Consulting Canada Inc., in its capacity as Monitor, is authorized to take such steps and actions as it deems necessary to address ancillary or incidental matters, following the termination of the CCAA Proceedings, and in completing or addressing any such ancillary or incidental matters, FTI Consulting Canada Inc. shall continue to have the benefit of all of the provisions of the CCAA and of all Orders made in these CCAA Proceedings, in relation to its capacity as Monitor, including all approvals, protections, and stays of proceedings in favour of FTI Consulting Canada Inc., in its capacity as Monitor.

STAY EXTENSION

13. The Stay Period, as ordered and defined in paragraph 15 of the ARIO, is hereby extended up to, until, and including, the earlier of: (i) the date on which the Monitor's Termination Certificate is filed; or, (ii) January 30, 2026.

MISCELLANEOUS MATTERS

14. This Court hereby requests the aid and recognition of any Court, tribunal, regulatory or administrative body having jurisdiction in Canada, to give effect to this Order and to assist the Monitor in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such Orders and to provide such assistance to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Monitor and its agents in carrying out the terms of this Order.
15. Service of this Order shall be deemed good and sufficient by:
- (a) Serving same on:
 - (i) the persons listed on the Service List created in these proceedings;
 - (ii) any other person served with notice of the Application for this Order;
 - (iii) any other parties attending or represented at the Application for this Order;and,
 - (b) Posting a copy of this Order on the Monitor's website at <http://cfcanada.fticonsulting.com/jmb/>
- and service on any other person is hereby dispensed with.
16. Service of this Order may be effected by facsimile, electronic mail, personal delivery, or courier. Service is deemed to be effective the next business day following transmission or delivery of this Order.

Justice of the Court of Queen's Bench of Alberta

**SCHEDULE “A” TO THE ORDER (DISCHARGE, FEE APPROVAL, AND TERMINATION OF
CCAA PROCEEDINGS)**

Clerk's Stamp

COURT FILE NUMBER 2401-02664
COURT COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY

IN THE MATTER OF THE *COMPANIES' CREDITORS
ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF THE COMPROMISE OR
ARRANGEMENT OF LYNX AIR HOLDINGS CORPORATION
and 1263343 ALBERTA INC. dba LYNX AIR

DOCUMENT MONITOR'S TERMINATION CERTIFICATE

ADDRESS FOR SERVICE McCarthy Tétrault LLP
AND CONTACT 4000, 421 – 7th Avenue SW
INFORMATION OF PARTY Calgary, AB T2P 4K9
FILING THIS DOCUMENT Attention: Sean Collins, KC / Pantelis Kyriakakis / Nathan
 Stewart
 Tel: 403-260-3531 / 3536 / 3534
 Fax: 403-260-3501
 Email: scollins@mccarthy.ca / pkyriakakis@mccarthy.ca /
 nstewart@mccarthy.ca

RECITALS

- A. FTI Consulting Canada Inc. (“**FTI**”) was appointed as the Monitor of Lynx Air Holdings Corporation and 1263343 Alberta Inc. dba Lynx Air (collectively, the “**Applicants**”) pursuant to the Initial Order granted under the *Companies' Creditors Arrangement Act* (Canada) (the “**CCAA**”) on February 22, 2024, as subsequently amended and restated on March 1, 2024 (the “**ARIO**”), in the within proceedings (the “**CCAA Proceedings**”).
- B. Pursuant to an Order of this Court dated September 24, 2025 (the “**Discharge, Fee Approval, and Termination Order**”), among other things, FTI shall be discharged as Monitor, and the Applicants' CCAA Proceedings shall be terminated, upon the filing of this Monitor's Certificate confirming that all remaining matters required to complete these CCAA Proceedings have been completed, in accordance with the terms of the Discharge, Fee Approval, and Termination Order.

- C. Unless otherwise indicated herein, capitalized terms used in this Monitor's Certificate shall have the meanings given to them in the Discharge, Fee Approval, and Termination Order.

THE MONITOR CERTIFIES the following:

1. All remaining matters required to complete these CCAA Proceedings have been completed, including, without limitation:
 - (a) all funds in relation to the D&O Trust (as defined in the Ninth Monitor's Report), and the cash collateral in respect of the Bonds (as defined in the Ninth Monitor's Report), have been received by the Monitor;
 - (b) the WEPPA Claims, with respect to the CUPE Claimed Amount, have been completed;
 - (c) all Holdbacks have been distributed to the beneficiaries thereof; and,
 - (d) all remaining Estate Funds have been distributed to Indigo.

ACCORDINGLY, the Monitor's Termination Certificate is filed as of the date set forth below.

DATED at Calgary, Alberta this ____ day of _____, 202_.

FTI CONSULTING CANADA INC., in its
capacity as Monitor of the Applicants, and not
in its personal capacity

Per: _____
Name:
Title: