

COURT FILE NUMBER

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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 A PLAN OF COMPROMISE OR
ARRANGEMENT OF LYNX AIR HOLDINGS CORPORATION
and 1263343 ALBERTA INC. dba LYNX AIR



DOCUMENT

**NINTH REPORT OF FTI CONSULTING CANADA INC., IN
ITS CAPACITY AS MONITOR OF LYNX AIR HOLDINGS
CORPORATION and 1263343 ALBERTA INC. dba LYNX
AIR**

September 15, 2025

ADDRESS FOR SERVICE AND
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NINTH REPORT OF THE MONITOR

TABLE OF CONTENTS

| | |
|---|----|
| INTRODUCTION..... | 2 |
| PURPOSE | 7 |
| TERMS OF REFERENCE..... | 8 |
| ACTIVITIES OF THE MONITOR..... | 9 |
| SOURCES AND USES OF CASH | 13 |
| RELIEF SOUGHT BY THE APPLICANTS AND MONITOR | 15 |
| RECOMMENDATIONS | 19 |

INTRODUCTION

1. On February 22, 2024 (“**Initial Filing Date**”), Lynx Air Holdings Corporation (“**Lynx Holdco**”) and 1263343 Alberta Inc. dba Lynx Air (“**Lynx Opco**”, together with Lynx Holdco, “**Lynx Air**” the “**Applicants**” or the “**Company**”), sought and obtained an initial order (“**Initial Order**”) by the Court of King’s Bench of Alberta (“**Court**”) to commence proceedings (“**CCAA Proceedings**”) under the *Companies’ Creditors Arrangement Act*, RSC 1985, c C-36, as amended (the “**CCAA**”).
2. The Initial Order, among other things, established a stay of proceedings (the “**Stay of Proceedings**”) in favour of the Applicants until March 4, 2024, and appointed FTI Consulting Canada Inc. as monitor (the “**Monitor**”) of the Applicants in these CCAA Proceedings.
3. On March 1, 2024, this Honourable Court granted an Amended and Restated Initial Order (the “**ARIO**”) which, among other things, provided the following relief:
 - (a) declared that the Applicants are companies to which the CCAA applies;
 - (b) authorized the Applicants to remain in possession and control of their current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situated including all proceeds thereof (the “**Property**”) and to continue to carry on business in a manner consistent with the preservation of their business (the “**Business**”) or their Property;
 - (c) extended the Stay of Proceedings, until and including April 15, 2024, (the “**Stay Period**”), concerning all proceedings and remedies against the Applicants or their business or Property, except as otherwise set forth in the Initial Order or otherwise permitted by law;

- (d) granted a charge in favour of the Monitor, its legal counsel, and the Applicants' legal counsel in respect of their fees and disbursements in the amount of \$500,000 under section 11.52 of the CCAA (the "**Administrative Charge**");
 - (e) granted a \$500,000 charge in favour of the Applicants' directors and officers ("**Directors' Charge**") as security for any obligations and liabilities that they may incur as directors and officers of the Applicants after the commencement of these CCAA Proceedings;
 - (f) increased the amount available to the Applicants under an interim financing term sheet ("**Term Sheet**") made as of February 21, 2024, with Indigo Northern Ventures LP (the "**Interim Lender**" or "**Indigo**") from approximately \$1.0 million (US\$750,000) to approximately \$5.0 million (as same is denominated in USD, the "**Interim Facility**") and a corresponding increase to the court-ordered priority charge on the Property of the Applicants to secure the Interim Facility (the "**Interim Lender's Charge**");
 - (g) granted a charge against the Applicants' Property for a key employee retention plan ("**KERP**") in the maximum amount of \$1.2 million (the "**KERP Charge**");
 - (h) sealed the Confidential Affidavit of Michael Woodward in accordance with the terms of a restricted court access order granted by the Court; and
 - (i) 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.
4. On June 28, 2024, this Honourable Court granted an order (the "**Interim Approval Order**") which, among other things, approved the following reports of the Monitor and the conduct and activities of the Monitor as described therein:

- (a) the First Report of the Monitor, dated February 28, 2024;
- (b) the Second Report of the Monitor, dated March 27, 2024;
- (c) the Confidential Supplement to the Second Report of the Monitor, dated March 27, 2024;
- (d) the Third Report of the Monitor, dated April 11, 2024;
- (e) the Fourth Report of the Monitor, dated May 15, 2024; and
- (f) the Fifth Report of the Monitor, dated June 21, 2024.

5. The Interim Approval Order also approved:

- (a) the Monitor's accounts for proessional fees and disbursements for the period of February 22, 2024, to May 31, 2024; and
- (b) the accounts for professional fees and disbursements of the Monitor's legal counsel, McCarthy Tétrault LLP (the "**Monitor's Counsel**"), for the period of February 23, 2024, to May 31, 2024.

6. 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 stating that 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 (the “**Alberta Rules**”) 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 (the “**BIA**”).
7. 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 agreement.
8. On January 8, 2025, the Monitor provided the information required under the CUPE Cabin Crew Employee Order to CUPE.
9. On March 27, 2025, the decision of the Honourable Justice R.W. Armstrong dismissed the relief sought by CUPE at the December 4 Application with respect to the Group Termination Notice.
10. At an application on June 24, 2024, 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 Lynx Opco and the Airport Authorities (the “**AIF Trust Claims**”).
11. On August 26, 2024, the reasons for decision of the Honourable Justice B.E. Romaine dismissed the relief sought by the Airport Authorities however, determined that the GTAA did have a valid trust claim. On October 30, 2024, the Monitor paid approximately \$1.7 million in full and final satisfaction of the AIF Trust Claim of the GTAA.

12. On November 22, 2024, the Airport Authorities sought and obtained leave to appeal Justice Romaine’s decision. On April 2, 2025, the Court of Appeal dismissed the Airport Authorities’ appeal.
13. As part of these CCAA Proceedings, this Honourable Court has granted various Orders, including:
- (a) 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;
 - (b) on April 15, 2024, this Honourable Court granted, among other things, Orders: (i) authorizing the Applicants, with the approval of the Monitor, to repay the borrowings to the Interim Lender, in an amount equal to the amounts owing 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 and amounts owing by the Applicants under the terms of the note purchase agreement dated December 20, 2018 (the “**Initial Notes**”), and the five bridge note purchase agreements, as amended (the “**Bridge Notes**” and collectively with the Initial Notes, the “**Secured Obligations**”);
 - (c) 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; and, (ii) authorizing and approving a transaction contemplated by the asset purchase and sale agreement between Lynx Opco and AERO3 Inc., dated May 10, 2024 (collectively, the “**Transactions**”); and,
 - (d) various Orders extending the Stay Period, from time to time, which Stay Period currently expires on September 30, 2025.

14. Subject to the remaining administrative matters referenced herein, all remaining assets, properties, and undertakings of the Applicants have been sold or otherwise dealt with.
15. Electronic copies of all materials filed in connection with these CCAA Proceedings and other statutory materials are available on the Monitor's website at: <http://cfcanada.fticonsulting.com/lynxair/>.

PURPOSE

16. The purpose of this Ninth report (this “**Report**” or the “**Ninth Report**”) is to provide this Honourable Court and the Company's stakeholders with information and the Monitor's comments with respect to the following:
 - (a) the activities of the Monitor since its eighth report dated February 3, 2025;
 - (b) the proposed sources and uses of the remaining cash on hand in the CCAA Proceedings;
 - (c) the Monitor's application seeking, among other things:
 - (i) an extension of the Stay Period to the earlier of (i) the filing of the Monitor's Termination Certificate or (ii) January 30, 2026; and
 - (ii) a CCAA Termination Order, among other things, approving the Monitor's conduct and activities, approving the Monitor's and the Monitor's legal counsel's fees and disbursements, and terminating these CCAA Proceedings and discharging the Monitor effective upon completing certain actions and filing a certificate with the Court; and
 - (d) the Monitor's recommendations with respect to the above.

TERMS OF REFERENCE

17. Capitalized terms used but not defined herein have the same meaning ascribed to them in the ARIIO, as the context may require.
18. In preparing this Report, the Monitor has relied upon unaudited financial information, other information available to the Monitor and, where appropriate, the Company's books and records and discussions with various parties (collectively, the "**Information**").
19. Except as described in this Report:
 - (a) the Monitor has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Generally Accepted Assurance Standards pursuant to the *Chartered Professional Accountants of Canada Handbook*;
 - (b) the Monitor has not examined or reviewed financial forecasts and projections referred to in this Report in a manner that would comply with the procedures described in the *Chartered Professional Accountants of Canada Handbook*; and
 - (c) future oriented financial information reported or relied on in preparing this Report is based on assumptions regarding future events; actual results may vary from forecast and such variations may be material.
20. The Monitor has prepared this Report in connection with its application scheduled for September 24, 2025 (the "**September 24 Application**"). This Report should not be relied on for other purposes.

21. Information and advice described in this Report that has been provided to the Monitor by the Monitor's Counsel, was provided to assist the Monitor in considering its course of action, is subject to solicitor client privilege, not intended as legal or other advice to, and may not be relied upon, by any other person.
22. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian Dollars.

ACTIVITIES OF THE MONITOR

23. The Monitor's activities since the date of the Eighth report include the following:
- (a) monitoring the Applicants' finances (including cash flows);
 - (b) working with the Applicants remaining consultants to complete the wind-down of the Applicants business;
 - (c) monitoring the ongoing proceedings with respect to the Airport Authorities AIF Trust Claims;
 - (d) distributing approximately US\$3.0 million to Indigo in partial satisfaction of its secured claim from the proceeds that were held back pending resolution of the AIF Trust Claims from the Airport Authorities;
 - (e) facilitating settlement discussions and negotiations with 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 Boarder Protection (the "**US Government**") asserting that the US Government has trust claims in the amount of USD\$1,085,773.91, in respect of: (i) a fee to cover the cost of agricultural quarantine and inspection, from each passenger aboard a commercial aircraft arriving from a location outside the United States, 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 from each passenger aboard commercial aircraft arriving in an airport in the United States, in the amount of USD\$465,997.00; and, (iv) fees for certain customs services collected by Lynx Air from each passenger aboard commercial aircraft arriving in an airport in the United States, in the amount of USD\$356,919.00 (collectively, the “**US Claims**”);
- (f) addressing the termination of the D&O Trust (as defined below);
 - (g) correspondence with various of the Applicants’ creditors and stakeholders, including counsel to CUPE in respect of certain proposed amendments to the WEPPA claims of Cabin Crew Employees to account for additional amounts covered by WEPPA; and
 - (h) preparing this Report.

Status of Operations and Business

- 24. As of the date of this Report, the liquidation of Lynx Air’s Property and wind-down of the business is substantially complete.
- 25. The Monitor continues to provide communication to former employees and other stakeholders on the status of the CCAA Proceedings and post relevant materials to the Monitor’s website.

Correspondence from Counsel to CUPE

- 26. 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.
- 27. CUPE’s email states 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.

28. 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 are reviewing the matter including whether the \$40,000 amount agrees with the Company’s records. The Monitor is proposing to hold back funds equal to the full amount of the CUPE Claimed Amount pending resolution of the matter to account for all corresponding priority claims.

US Claims

29. 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 Boarder Protection (the “**US Government**”) asserting the US Claims in the amount of USD\$1,085,773.91.
30. 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 amounts owing under the Settlement Agreement were paid to counsel to the US Government on September 9, 2025.
31. U.S. Customs and Border Protection was 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. 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.

32. The Bond is cash collateralized in one of the Applicants bank accounts, in the amount of US\$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.

D&O Claims Process

33. On June 28, 2024, this Honourable Court granted various Orders, including an Order 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**”).
34. The D&O Claims Process provided a mechanism to establish a claims procedure to identify and determine the quantum, validity and enforceability of all claims against the Applicants’ officers and directors.
35. 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.
36. The CRA Claim has been resolved upon the application of certain credits on the Applicants’ accounts. As noted above, the AIF Trust Claim of the GTAA has been paid.
37. No further or late claims have been received under the D&O Claims Process.

D&O Trust

38. The Monitor notes that, prior to the commencement of the CCAA Proceedings, the Applicants established a \$2.0 million trust in favour of Lynx’s directors and officers, as memorialized by a

D&O Trust Indenture, dated September 20, 2023, as amended by an Amendment to Trust Indenture, dated September 6, 2024 and a Second Amendment to Trust Indenture, dated 2025 (collectively, the “**D&O Trust**”). The trusts created by the D&O Trust will expire on December 31, 2025 (or such earlier date as provided for under the D&O Trust). The trust funds are held by the TSX Trust Company, in its capacity as trustee (the “**Trustee**”).

39. The D&O Trust requires four signatures from current and/or former director to provide the Termination Notice to the Trustee. The Monitor understands that certain current and former directors are working towards completing a Termination Notice. Upon termination, all remaining trust funds will be returned to the Applicants.

SOURCES AND USES OF CASH

40. The Applicants were previously authorized by this Honourable Court, pursuant to an Order granted on April 15, 2024, to distribute funds to Indigo, on account of the terms of the note purchase agreement dated December 20, 2018 (the “**Initial Notes**”), and the five bridge note purchase agreements, as amended (the “**Bridge Notes**” and collectively with the Initial Notes, the “**Secured Obligations**”), as applicable.
41. As at April 11, 2024, Indigo was owed approximately \$140 million inclusive of interest and fees under the Secured Obligations. To date, Indigo has received distributions in the approximate amount of \$94 million on account of the Secured Obligations. Indigo is expected to incur a significant shortfall in excess of \$45 million on the remaining amount owing under the Secured Obligations, as a result, there will not be any distributions to unsecured creditors, nor will there be a claims process to determine payment of claims subordinate to Indigo’s Secured Obligations.

42. The table below outlines the Monitor's estimate of the remaining sources and uses of cash on hand and the estimated available funds for distribution to Indigo.

| Illustrative Sources and Uses of Cash (C\$ 000s) | |
|---|-----------------|
| Sources | |
| Cash on Hand | \$ 2,652 |
| Uses | |
| Professional Fees | 75 |
| WEPPA holdback | 84 |
| Contingency | 50 |
| Total - Uses of cash | 209 |
| Total - Available for distribution | \$ 2,443 |

- (a) cash on hand includes the amount remaining in the Monitor's CAD and USD trust accounts (US\$1.6 million converted to CAD\$2.3 million). The cash on hand does not include the amounts held by the Trustee in respect of the D&O Trust or any cash collateral recovered in respect of the Bond;
- (b) professional fees include estimates for the Monitor and Monitor's counsel to complete the administration of the CCAA proceedings;
- (c) WEPPA holdback relates to the correspondence from counsel to CUPE in paragraphs 26 to 28 above and estimated super-priority amount for WEPP claims calculated by the Monitor for which former employees have not submitted claims; and
- (d) contingency to complete the administration of the CCAA proceedings.
43. As noted above, prior to the commencement of the CCAA Proceedings, the Applicants established the D&O Trust and the trust funds are held by the TSX Trust Company, in its capacity as Trustee. Additionally, the Surety is holding cash collateral in respect of the Bond. If and when those funds (or any portion thereof) are paid to the Applicants, the Monitor will add such funds to the distributable funds to be distributed in the fashion noted in paragraph 40.

RELIEF SOUGHT BY THE APPLICANTS AND MONITOR

Extending the Stay Period

44. The current Stay Period expires on September 30, 2025. The Monitor is seeking an extension to the Stay Period to the earlier of (i) the filing of the Monitor's Termination Certificate and (ii) up to and including January 30, 2026. The Monitor has the following comments with respect to the proposed extension to the Stay Period:
- (a) there will be no material prejudice to Applicants' creditors and other stakeholders resulting from the extension of the Stay of Period;
 - (b) the Applicants are continuing to act in good faith and with due diligence; and
 - (c) if the proposed Stay Extension is granted, the only remaining tasks for the Monitor to complete are administrative in nature. The proposed extension of the Stay of Period is expected to provide sufficient time for the Monitor to conclude the administration of the CCAA Proceedings, including the termination of the D&O Trust and distribution of any resulting funds, attending to the remaining WEPPA claims, and finalizing distributions to Indigo.

Approval of Monitor's Report and Activities and Fee Approval

45. The Monitor has undertaken its duties, as prescribed by the CCAA, in good faith and with due diligence, to facilitate these CCAA proceedings. In the Monitor's view, it is just and appropriate for the Monitor's Reports and the activities referred to therein to be approved by this Court.
46. Pursuant to paragraph 31 of the ARIQ, the Monitor and Monitor's Counsel are required to pass their accounts from time to time. The proposed CCAA Termination Order seeks to approve the fees of the Monitor and Monitor's Counsel.

47. This Honourable Court previously approved the fees and disbursements of the Monitor and the Monitor's Counsel up to May 31, 2024.
48. The professional fees and disbursements incurred for the Monitor for the period of June 1, 2024, to August 31, 2025, total \$226,854.35 (exclusive of GST). If the relief sought by the Monitor is granted at the September 24 Application, the Monitor anticipates having additional fees and disbursements of approximately \$50,000
49. The professional fees and disbursements incurred for Monitor's Counsel for the period of June 1, 2024, to August 31, 2025, total \$248,174 (exclusive of GST). If the relief sought by the Monitor is granted at the September 24 Application, Monitor's Counsel anticipates having additional fees and disbursements of approximately \$25,000.
50. Copies of the invoices of the Monitor and Monitor's Counsel are available to this Court upon request.
51. The Monitor considers that the fees and disbursements charged by the Monitor and the Monitor's Counsel have been necessarily incurred and that hours and rates charged are fair and reasonable in light of the complexity and length of the CCAA Proceedings, which been ongoing for approximately 19 months. The Monitor has reviewed the accounts of the Monitor and the Monitor's counsel and confirms that the work detailed therein: (i) in the case of the Monitor's accounts, was carried out by the Monitor and was necessary in carrying out the Monitor's obligations pursuant to the ARIO and the provisions of the CCAA; and, (ii) in the case of the Monitor's counsel's accounts, was undertaken by the Monitor's counsel at the request of the Monitor and was necessary in carrying out the Monitor's obligations pursuant to the ARIO and the provisions of the CCAA.

52. The activities undertaken by the Monitor and the Monitor's counsel included, among other things:
- (a) working in consultation with the Applicants' management and critical operations staff at the outset of these proceedings;
 - (b) notifying terminated employees of the existence of WEPP and working with the Applicants, terminated employees, and later CUPE, to coordinate filing claims under the WEPP;
 - (c) preparing and issuing the required notices under the CCAA and the Initial Order;
 - (d) administering a sale and investment solicitation process and negotiating various transactions which required balancing the interest of many different stakeholders and being granted enhanced powers by this Honourable Court;
 - (e) assisting the Applicants in the preparation of cash flow statements and monitoring the Applicants' business and financial affairs;
 - (f) administering the D&O Claims Process;
 - (g) attending to the Settlement Agreement with the US Government and related negotiations;
 - (h) attending to matters in connection with the D&O Trust;
 - (i) attending to various court applications, including in respect of claims by CUPE, GTAA, and the Airport Authorities, as described herein;
 - (j) completing distributions to Indigo and other applicable stakeholders, including the GTAA; and,
 - (k) preparing nine (9) Monitor's reports

Discharge and Termination of CCAA Proceedings

53. The Monitor is seeking a CCAA Termination Order, which includes the following:
- (a) upon filing of the Monitor's Termination Certificate, the CCAA proceedings shall be terminated;
 - (b) discharge of the Charges;
 - (c) discharge of the Monitor;
 - (d) approval of the Monitor's reports in the CCAA proceedings, and the activities of the Monitor set out therein;
 - (e) approval of the fees and disbursements of the Monitor and the Monitor's Counsel; and
 - (f) release (the "**CCAA Releases**") of the Monitor and the Monitor's Counsel, from all present and future claims for which they may be liable for and any act, omission or representations in such capacities, with the exception of claims arising from, fraud, gross negligence, or willful misconduct.
54. In the Monitor's view the CCAA Releases are appropriate as the parties covered by the CCAA Releases were intimately involved in the CCAA Proceedings, ensuring compliance with the ARIO, completing the approved Transactions, and completing the administration of the CCAA Proceedings.
55. With respect to the Monitor and its counsel, the Monitor is of the view that such parties significantly contributed to these CCAA Proceedings, including by assisting in the completion of the SISF and the closing of the Transactions, and by taking the various steps described herein to complete the administration of the Applicants' CCAA Proceedings. The proposed CCAA Releases

are limited in scope (as described above) and will provide certainty and finality, in the interest of all parties. The Monitor is not aware of any person asserting a claim against the Monitor or its counsel.

56. At this time, there remain limited matters to be completed in these CCAA Proceedings, include addressing the amended WEPPA 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. 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 these remaining matters have been completed, the Monitor will be discharged as Monitor and the CCAA Proceedings will be terminated.
57. 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.

RECOMMENDATIONS

58. Based on the foregoing, the Monitor recommends this Honourable Court approve;
- (a) an extension of the Stay Period to the earlier of (i) the filing of the Monitor's Termination Certificate and (ii) January 30, 2026;
 - (b) the activities and conduct of the Monitor, along with the fees and disbursements of the Monitor and the Monitor's legal counsel for the period of February 22, 2024 (in the case of the Monitor) or February 23, 2024 (in the case of the Monitor's legal counsel), to August 31, 2025, and the estimated fees to complete the administration of the CCAA Proceedings;
 - (c) the CCAA Releases; and

- (d) the termination of the CCAA Proceedings and discharge of the Monitor upon filing of the Monitor's Termination Certificate.

All of which is respectfully submitted this 15th day of September 2025.

FTI Consulting Canada Inc.,
Licensed Insolvency Trustee in its capacity as
Monitor of Lynx Air and not in its personal or
corporate capacity.



Name: Dustin Olver, CPA, CA, CIRP, LIT
Title: Senior Managing Director
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