

SUPERIOR COURT
(Commercial Division)

CANADA
PROVINCE OF QUEBEC
DISTRICT OF MONTREAL

No.: **500-11-058645-207**

DATE: April 6th 2021

BY THE HONOURABLE MICHEL A. PINSONNAULT, J.S.C.

IN THE MATTER OF THE PLAN OF ARRANGEMENT AND COMPROMISE OF:

FLIGHTHUB GROUP INC.

-and-

FLIGHTHUB SERVICE INC.

-and-

SSFP CORP.

-and-

JUSTFLY INC.

-and-

JUSTFLY CORP.

-and-

11644670 CANADA INC.

Debtors/Applicants

-and-

MNP LTD

Monitor

JUDGMENT

ON READING the Debtors/Applicants' (collectively, the "**Applicants**" or the "**Debtors**")
Application for the Issuance of a Sanction Order (the "**Application**") pursuant to the *Companies'*

Creditors Arrangement Act, R.S.C. 1985, C-36 (as amended; the “**CCAA**”) and the affidavit of Christopher Cave filed in support thereof, relying upon the submissions of counsel and being advised that the interested parties, including secured creditors, were given prior notice of the presentation of the Application;

GIVEN the order rendered by this Court in the present matter on May 8, 2020, which was amended and restated on May 19, 2020 (the “**Initial Order**”);

GIVEN the Report of April 1, 2021 (**R-4**) filed by the Monitor and the testimony of its representative;

GIVEN the Claims Procedure Order issued by this Court on June 19, 2021;

GIVEN the Meeting Procedure Order issued by this Court on March 9, 2021;

GIVEN the provisions of the CCAA;

WHEREFORE, THE COURT:

[1] **GRANTS** the Application.

A. DEFINITIONS

[2] **ORDERS** that any capitalized terms not otherwise defined in this Order shall have the meaning ascribed thereto in the Applicants *Amended Plan of Arrangement and Compromise* dated March 10, 2021 (the “**Plan**”), and filed as Exhibit R-2 in support of the Application, or in the Meeting Procedure Order, as the case may be.

B. SERVICE AND MEETING

[3] **DECLARES** that the notices given of the presentation of the Application are proper and sufficient, and in accordance with the Meeting Procedure Order.

[4] **DECLARES** that there has been proper and sufficient service and notice of the Meeting Materials to the Applicants’ creditors, and that the Creditors’ Meeting was duly convened, held and conducted in conformity with the CCAA, the Meeting Procedure Order and all other applicable Orders of the Court.

C. SANCTION OF THE PLAN

[5] **DECLARES** that:

- (a) the Plan and its implementation have been approved by the required majority of creditors of the Applicants with Proven Claims, in conformity with the CCAA;
- (b) the Applicants have complied with the provisions of the CCAA and all of the orders made by this Court in the context of these proceedings (the “**CCAA Proceedings**”) in all respects;
- (c) the Court is satisfied that the Applicants have not done or purported to do anything that is not authorized by the CCAA; and
- (d) the Plan (and its implementation) is fair and reasonable, and in the best interests of the Applicants, their creditors and their other stakeholders as well as of all other Persons stipulated in the Plan.

[6] **ORDERS** that the Plan and its implementation are sanctioned and approved entirely pursuant to Section 6 of the CCAA and, as at of the date of this Order (the “**Effective Date**”), such Plan will be effective and will enure to the benefit of and be binding upon the Applicants, their creditors, stakeholders and all other Persons stipulated in the Plan.

D. PLAN IMPLEMENTATION

[7] **DECLARES** that the Applicants and the Monitor, as the case may be, are hereby authorized and directed to take all steps and actions necessary or appropriate, as determined by the Applicants, in accordance with and subject to the terms of the Plan, to implement and effect same, in the manner and the sequence as set forth in the Plan and this Order, and such steps and actions are hereby approved.

[8] **ORDERS** that, from and after the Effective Date, and conditional upon the performance of the Applicants’ obligations set forth in the Plan, all Persons stipulated in the Plan shall be deemed to have waived any and all defaults or alleged defaults of the Applicants, then existing or previously committed by the Applicants or caused by the Applicants, directly or indirectly, or non-compliance with any covenant, undertaking, positive or negative pledge, warranty, representation, term, provision, condition or obligation, express or implied, in any contract, credit document, agreement for sale, lease, deed, instrument, license, permit, or other agreement of whatever nature, written or oral, and any and all amendments or supplements thereto, existing between such Person and the Applicants, or any of them, arising directly or indirectly from the filing by the Applicants under the CCAA or the implementation of the Plan, and any and all notices of default and demands for payment under any Instrument, including any guarantee arising from such default, shall be deemed to have been rescinded and shall be of no further force or effect.

- [9] **DECLARES** that the determination of Proven Claims in accordance with the Claims Procedure Order shall be final and binding on the Applicants and all of their respective creditors.
- [10] **ORDERS** that upon fulfillment or waiver of the Conditions Precedent set forth in the Plan, the Monitor shall deliver and file with this Court, as soon as reasonably practicable, in accordance with the terms of the Plan, a Certificate declaring that all of the conditions set forth in the Plan have been met or waived, and shall post a copy of such certificate, once filed, on the Monitor's website.

E. RELEASES AND DISCHARGES

- [11] **ORDERS** and **DECLARES** that each of the releases contemplated by Article 7 of the Plan, including those in favour of the Sponsors, as set forth in Sub-Article 7.1(b) of the Plan, are approved and shall be enforceable as against all parties as of the Plan Implementation Date.
- [12] **ORDERS** and **DECLARES**, except as otherwise provided herein or in the Plan, that on the Plan Implementation Date, all Claims (excluding the Excluded Claims) shall be fully, finally, irrevocably and forever compromised, released, discharged, cancelled and barred.
- [13] **ORDERS** that, without limitation to the terms set forth in the Claims Procedure Order, any holder of a Claim who did not file a Proof of Claim Form in accordance with the provisions of the Claims Procedure Order, shall be and is hereby forever barred from making any Claim against the Applicants and its directors and officers, and any of their respective successors and assigns, as well as against the Sponsors, and shall not be entitled to any distribution under the Plan, and that such their respective Claims is and shall be forever extinguished.
- [14] **PRECLUDES**, except as otherwise provided herein or in the Plan, the prosecution against the Applicants, its directors or officers or their respective successors and assigns, as well as against the Sponsors, whether directly, derivatively or otherwise, of any claim, obligation, suit, judgment, damage, demand, debit, right, cause of action, liability or interest released, discharged or terminated pursuant to the Plan.
- [15] **SEEING** that discussions are ongoing between the Debtors and the Department of Transportation of the United States of America with the purpose of concluding a Consent Order (the "**DOT Consent Order**"), the Court **TAKES ACT** of the Debtors' undertaking to duly execute a mutually agreed DOT Consent Order and, comply with and abide by all terms and conditions set forth in the said DOT Consent Order, including its order to cease-and-desist from further violations of law referenced in the DOT Consent Order.

F. MONITOR

- [16] **ORDERS** that all Monitor's reports filed with this Court (the "**Monitor's Reports**") be and are hereby approved, that all actions and conduct of the Monitor in connection with the

Claims, the CCAA Charges, the Plan and the CCAA Proceedings, including the actions and conduct of the Monitor disclosed in the Monitor's Reports, are hereby approved, and that the Monitor has satisfied all of its obligations up to and including the date of this Order.

- [17] **APPROVES** all conduct of the Monitor in relation to the Applicants and bars all Claims against the Monitor arising from or relating to the present CCAA Proceedings, save and except any liability or obligation arising from a breach of its duties to act honestly and in good faith.
- [18] **DECLARES** that the protections afforded to MNP Ltd, as Monitor and as officer of this Court pursuant to the terms of the Initial Order and the other Orders made in the CCAA Proceedings shall not expire or terminate on the Effective Date and, subject to the terms hereof, shall remain effective and in full force and effect.
- [19] **ORDERS** that as of the Effective Date, the Monitor shall be authorized and directed to administer and finally determine the Proven Claims of the Applicants' creditors and to manage the distribution of the Contribution in accordance with the Claims Procedure Order and the Plan.
- [20] **ORDERS** and **DECLARES** that the Monitor shall not incur any liability under the Tax Statutes in respect of its making of any payments, ordered or permitted herunder, and is thereby forever released, remised and discharged from any Claims against it under or pursuant the Tax Statutes arising in respect of payments made under the Plan and this Order and any Claims of such nature are thereby forever barred.
- [21] **ORDERS** and **DECLARES** that the Monitor, the Applicants and their successors and assigns, as necessary, are authorized to take any and all actions as may be necessary or appropriate to comply with applicable Tax withholding and reporting requirements. All amounts withheld on account of Taxes shall be treated for all purposes as having been paid to the Affected Creditors in respect of which such withholding was made, provided such withheld amounts are remitted to the appropriate Governmental Authority.
- [22] **DECLARES** that notwithstanding:
- (a) the pendency of the CCAA Proceedings and declarations of insolvency made therein;
 - (b) the pendency of any applications for bankruptcy orders hereafter issued pursuant to the BIA in respect of the Debtors and any bankruptcy orders issued in respect of the Debtors; or
 - (c) the provisions of any Federal or Provincial statute, including section 36.1 of the CCAA and sections 95 to 101 of the BIA;

the distributions, payments, releases and compromises contemplated to be performed or effected pursuant to the Plan, do not and shall not constitute settlements, fraudulent preferences, fraudulent conveyances or other challengeable or reviewable transactions, or conduct giving rise to an oppression remedy under any applicable law, nor will they

constitute a distribution of property requiring the Monitor, the Applicants, or any officer or director thereof to seek and obtain a certificate or authorization of any nature whatsoever, including with respect to Crown Claims.

- [23] **DECLARES** that the Plan, including the transactions contemplated therein, shall be binding upon any trustee in bankruptcy or receiver that may be appointed in respect of any of the Applicants and shall not be void or voidable by their creditors.

G. AID AND RECOGNITION OF OTHER COURTS

- [24] **REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body in any Province of Canada and any Canadian federal court or in the United States of America and any court or administrative body elsewhere, to give effect to this Order and to assist the Applicants, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are respectfully requested to make such orders and to provide such assistance to the Applicants and the Monitor as may be necessary or desirable to give effect to this Order, and to act in aid of and to be complementary to this Court, in carrying out the terms of this Order.

- [25] **DECLARES** that FlightHub Group Inc., as foreign representative of the Debtors, shall be authorized to apply for the closing of the proceedings instituted before the United States Bankruptcy Court for the District of Delaware in respect of the Applicants under Chapter 15 of the United States Bankruptcy Code.

H. GENERAL PROVISIONS

- [26] **ORDERS** that all orders made in the CCAA Proceedings shall continue in full force and effect in accordance with their respective terms, except to the extent that such Orders are varied by, or inconsistent with, this Order, the Claims Procedure Order, the Meeting Procedure Order, or any further Order of this Court.
- [27] **DECLARES** that any of the Applicants or the Monitor may, from time to time, apply to this Court for directions concerning the exercise of their respective powers, duties and rights hereunder or in respect of the proper execution of this Order on notice to the service list.
- [28] **DECLARES** that this Order shall have full force and effect in all provinces and territories in Canada.
- [29] **ORDERS** the provisional execution of this Order notwithstanding appeal and without security.

[30] WITHOUT COSTS.

MICHEL A. PINSONNAULT, J.S.C.

Hearing date: April 6th 2021