



INFORMATION NOTICE TO SHAREHOLDERS OF GLOBAL CROSSING AIRLINES GROUP INC. RESPECTING CANADA JETLINES OPERATIONS LTD.

Global Crossing Airlines Group Inc. (“**Global Crossing**”) and Canada Jetlines Operations Ltd. (“**Canada Jetlines**”), a wholly owned subsidiary of Global Crossing, have entered into an arrangement agreement under which Global Crossing intends to transfer 75% of the shares of Canada Jetlines to shareholders (“**GC Shareholders**”) of Global Crossing (“**the Arrangement**”).

GC Shareholders as of a record date (the “**Record Date**”) to be announced by news release will receive 0.5 common shares in Jetlines (“**CJ Shares**”) for each share held in Global Crossing. Immediately after the Arrangement, GC Shareholders will collectively hold 75% and Global Crossing will hold 25% of the issued and outstanding CJ Shares.

Canada Jetlines intends to operate as a Canadian charter airline once applicable regulatory approvals are in place. The Arrangement is essential to achieve compliance with foreign ownership and control restrictions applicable to Canadian airlines. The Arrangement provides further benefits to Global Crossing and GC Shareholders, including allowing Global Crossing to monetize Canada Jetlines assets, lease aircraft to Canada Jetlines, cost share with Canada Jetlines, and transfer financial liabilities to Canada Jetlines.

This Arrangement is the most efficient method of transferring CJ Shares to GC Shareholders from securities and tax law perspectives.

Upon completion of the Arrangement, Canada Jetlines will be a Canadian reporting issuer without a stock exchange listing. Subsequent to the completion of the Arrangement, Canada Jetlines intends to complete a private placement financing and seek a listing of the CJ Shares on the TSX Venture Exchange, but no assurance can be provided that such financing will be completed or that a listing will be obtained.

Canada Jetlines and Global Crossing will operate as separate companies with different boards and management teams. Canada Jetlines has identified an experienced management team and board of directors to lead its business (see “*The Arrangement - Management Team of Canada Jetlines*”).

Completion of the Arrangement is subject to the approval of the British Columbia Supreme Court at the hearing of the application to obtain the final order authorizing the Arrangement (the “**Final Hearing**”). The Final Hearing will be held on **Friday, June 18, 2021 at 9:45 a.m.**, or as soon thereafter as the application to obtain the final order authorizing the Arrangement can be made or such other date and time as the Court may direct.

Any GC Shareholder has the right to appear, in person or otherwise, and make submissions at the Final Hearing. The method and prerequisites to attendance are set out in the NOTICE OF HEARING OF PETITION FOR FINAL ORDER attached as Appendix D.

Upon completion of the Arrangement, there is expected to be 29,952,843 CJ Shares outstanding, with 7,458,258 CJ Shares held by Global Crossing and 22,464,632 CJ Shares held by GC Shareholders. The number of CJ Shares outstanding will be increased to the extent that Global Crossing issues additional shares prior to the Record Date, provided that in all cases immediately after the Arrangement GC Shareholders will collectively hold 75% and Global Crossing will hold 25% of the issued and outstanding CJ Shares. GC Shareholders will continue to own the same number of shares in Global Crossing as they do today.

The Arrangement remains subject to the satisfaction of certain conditions including the court approval and such other approvals as may be required from time to time from applicable authorities or regulatory bodies.

A more detailed description of the Arrangement is set out below.

You are urged to read this information carefully and, if you require assistance, to consult your own legal, tax, financial or other professional advisor. If you have any questions or require more information about the spin-out or any other matter discussed herein, please contact Ryan Goepel at ryan.goepel@globalxair.com.

TABLE OF CONTENTS

INFORMATION NOTICE TO SHAREHOLDERS OF GLOBAL CROSSING AIRLINES GROUP INC. RESPECTING CANADA JETLINES OPERATIONS LTD.	1
GLOSSARY OF TERMS	6
THE ARRANGEMENT	10
Summary and Effect of Arrangement.....	10
Background to the Arrangement.....	10
Details of the Arrangement	12
Capital Structure of Canada Jetlines Upon Arrangement.....	14
Management Team of Canada Jetlines	16
Board of Directors of Canada Jetlines	17
Arrangement Agreement	18
PROCEDURE FOR THE ARRANGEMENT TO BECOME EFFECTIVE	21
Procedural Steps	21
Court Approval and Completion of the Arrangement	22
Right to Attend Court Hearing	22
Timing	23
CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS.....	23
Currency Conversion.....	24
Holders Resident in Canada	24
Holders Not Resident in Canada	27
Non-Resident Holders whose CJ Shares are taxable Canadian property should consult their own tax advisors.....	28
Eligibility for Investment	28
CERTAIN UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS	28
U.S. Holders	30
Non-U.S. Holders	32
Information Reporting and Backup Withholding.....	33
U.S. Foreign Account Tax Compliance Act.....	33
RISK FACTORS.....	34
BOARD APPROVAL.....	35

APPENDICES

APPENDIX "A"	Global Crossing Arrangement Resolution	A-1
APPENDIX "B"	Arrangement Agreement	B-1
APPENDIX "C"	Interim Order	C-1
APPENDIX "D"	Notice of Hearing of Petition for Final Order	D-1
APPENDIX "E"	Amended Petition	E-1

All capitalized terms used in this Information Notice (excluding the Appendices hereto unless stated otherwise) but not otherwise defined herein have the meanings set forth herein under “**Glossary of Terms**”. Information contained in this Information Notice is given as of May 21, 2021, unless otherwise specifically stated. Information contained in the documents incorporated by reference is given as at the respective dates stated therein

All summaries of, and references to, the Arrangement Agreement and the Plan of Arrangement in this Information Notice are qualified in their entirety by reference to the complete text of the Arrangement Agreement and the Plan of Arrangement (which is attached to the Arrangement Agreement as Schedule “A”). You are urged to carefully read the full text of the Arrangement Agreement and the Plan of Arrangement.

No Person has been authorized to give any information or make any representation in connection with the Arrangement other than those contained in this Information Notice, and if given or made, any such information or representation must not be relied upon as having been authorized. This does not apply to any statement, representation, or information provided by Ryan Goepel or other members of the Board in response to questions or inquiries from GC Shareholders in relation to matters contained in this Information Notice.

GC Shareholders should not construe the contents of this Information Notice as legal, tax or financial advice and should consult with their own legal, tax or financial advisors in considering the relevant legal, tax and financial matters contained in this Information Notice.

Forward-Looking Statements

This Information Notice contains certain forward-looking information and statements within the meaning of applicable Canadian Securities Laws. All statements other than statements of present or historical fact are forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as “anticipate”, “seek”, “believe”, “plan”, “intend”, “objective”, “continuous”, “ongoing”, “estimate”, “predict”, “expect”, “could”, “may”, “will”, “project”, “should” or similar words suggesting future outcomes.

In particular, this Information Notice contains forward-looking statements relating to:

- the perceived benefits of the Arrangement;
- the structure and effect of the Arrangement;
- the timing of the Final Order;
- the completion of the Arrangement and the anticipated Effective Date;
- the treatment of GC Shareholders under Canadian Securities Laws, U.S. Securities Laws, and Tax Laws; and

- treatment of the Arrangement under government regulatory regimes.

By their very nature, forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. Global Crossing believes the expectations reflected in those forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this Information Notice should not be unduly relied upon. These statements speak only as of the date of this Information Notice, or as of the date indicated in the applicable document incorporated by reference herein, as the case may be.

Some of the risks that could cause results to differ materially from those expressed in the forward-looking statements include:

- inability to obtain required consents, permits or approvals, including Court approval of the Arrangement; and
- inability to satisfy the other conditions to the Arrangement Agreement prior to the Outside Date.

Readers are cautioned that the above list of factors that may affect future results is not exhaustive. The forward-looking information and statements contained in this Information Notice are made as of the date hereof and Global Crossing does not undertake any obligation to update publicly or revise any of such information and statements, except as required by applicable Canadian Securities Laws. The forward-looking information and statements contained herein are expressly qualified by the foregoing statements.

GLOSSARY OF TERMS

“Amended Petition” means the amended petition to the Court filed by Canada Jetlines on May 19, 2021 and attached as Appendix E to this Information Notice, which supersedes a petition filed May 17, 2021 and originates the court approval process to obtain the Interim Order and Final Order;

“arm’s length” has the meaning ascribed to it in the Tax Act;

“Arrangement” means the arrangement pursuant to section 192 of the CBCA as contemplated by the provisions of this Arrangement Agreement;

“Arrangement Agreement” means the Second Amended and Restated Arrangement Agreement dated May 19, 2021 between Global Crossing and Canada Jetlines, as may be amended from time to time and including all schedules and all amendments or restatements as permitted;

“Arrangement Provisions” means section 192 of the CBCA;

“Articles of Arrangement” means the articles of arrangement of Canada Jetlines in respect of the Arrangement, to be filed with the Director after the Final Order is made, in substantially the form attached as “Attachment 1” to the Plan of Arrangement;

“Board” means the board of directors of Global Crossing;

“Bridge Loan Agreement” means a bridge loan agreement to be entered into between Global Crossing, as lender, and Canada Jetlines, as borrower, pursuant to which Global Crossing shall make Bridge Loans which will be designed to mature and be repaid at such time Canada Jetlines successfully completes the private placement financing it intends to seek after the completion of the Arrangement, and which will be on such other terms and conditions mutually agreeable by the parties;

“Bridge Loans” means one or more loans to be made available by Global Crossing to Canada Jetlines pursuant to the terms of the Bridge Loan Agreement in at least such amounts as sufficient to ensure that Canada Jetlines is able to pay its liabilities as they become due;

“Business Day” means any day which is not a Saturday, Sunday or statutory holiday in the Province of British Columbia on which the principal commercial banks are generally open for the transaction of commercial banking business during regular business hours;

“Canada Jetlines” means Canada Jetlines Operations Ltd., a corporation incorporated under the CBCA;

“Canadian Securities Laws” means the securities legislation or ordinance and regulations thereunder of each province and territory of Canada and the rules, instruments, policies and orders of each Canadian Securities Regulatory Authority made thereunder;

“Canadian Securities Regulatory Authority” means the applicable Canadian provincial and territorial securities commissions and regulatory authorities;

“**CBCA**” means the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44, as amended, including the regulations promulgated thereunder;

“**CJ Shares**” means, as of the date hereof, the unlimited common voting shares without par value which Canada Jetlines is authorized to issue and, as of the completion of the Arrangement, shall mean the unlimited common voting shares without par value and the unlimited variable voting shares without par value which Canada Jetlines shall then be authorized to issue;

“**Closing Date**” means the last Business Day preceding the Effective Date;

“**Code**” means the United States Internal Revenue Code of 1986, as amended;

“**Constituting Documents**” means, with respect to any corporation, its corporate governance documents, including any articles of incorporation, certificate of incorporation, by-laws, etc., as may be applicable, and in each case inclusive of all amendments thereto;

“**Court**” means the Supreme Court of British Columbia;

“**CTA**” means the *Canada Transportation Act*, S.C. 1996, c. 10, as amended, including the regulations promulgated thereunder;

“**Delaware Law**” means the *General Corporation Law* (Delaware), as amended;

“**Director**” means the Director appointed pursuant to section 260 of the CBCA;

“**Effective Date**” means the date shown on the certificate of arrangement to be issued by the Director after the Articles of Arrangement have been filed, which will serve as the effective date of the transactions set out in the Arrangement, and is currently projected to be on or about June 25, 2021 or such other date to be determined by the Board, as the context and administrative procedures so require.

“**Effective Time**” means 12:01 a.m. Pacific Time on the Effective Date;

“**Final Order**” means the final order of the Court approving the Arrangement;

“**GC Shareholders**” means the holders of GC Shares as at the Record Date;

“**GC Shares**” means Global Crossing’s authorized share capital of 200,000,000 shares consisting (i) shares of Common Stock par value \$0.001 per share; and (ii) the shares of Class A Common Stock par value \$0.001 per share, which Global Crossing is authorized to issue as the same are constituted on the date hereof;

“**Global Crossing**” means Global Crossing Airlines Group, Inc., a corporation domesticated under the *General Corporation Law* (Delaware);

“**Governmental Entity**” means any applicable: (a) multinational, national, federal, provincial, state, regional, municipal, local or other government, governmental or public department, minister, central bank, court, tribunal, arbitral body, commission, board, bureau or agency, domestic or foreign; (b)

subdivision, agent, commission, commissioner, board or authority of any of the foregoing; (c) quasi-governmental or private body, including any tribunal, commission, regulatory agency or self-regulatory organization, exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing; or (d) stock exchange;

“Information Notice” means the Information Notice to Shareholders of Global Crossing Airlines Group Inc. Respecting Canada Jetlines Operations Ltd sent to the GC Shareholders as part of the Arrangement;

“Intercompany Debt” means the funds advanced from Global Crossing to Canada Jetlines that were utilized by Canada Jetlines for working capital, general and administrative expenses and to advance its business plan including the completion of the airline licensing process with the Canada Transportation Agency and Transport Canada, which as of March 31, 2021 amounted to \$10,448,778;

“Interim Order” means the interim order of the Court obtained on May 21, 2021 and attached as Appendix C to this Information Notice, which provides advice and directions in connection with the Arrangement, including confirming a right for any GC Shareholder to appear before the Court so long as such GC Shareholder enters an appearance within a reasonable time;

“Law” or **“Laws”** means, with respect to any Person, any and all applicable laws (statutory, common or otherwise), statute, constitution, treaty, convention, ordinance, code, rule, regulation, by-laws, order, injunction, judgment, decree, ruling or other similar requirement, whether domestic or foreign, enacted, adopted, promulgated or applicable by a Governmental Entity that is binding upon or applicable to such Person or its business, undertaking, property, assets or securities, the terms and conditions of any Authorization and to the extent they have the force of law, policies, guidelines, notices and protocols of any Governmental Entity, as amended;

“Notice of Hearing of Petition for Final Order” means the notice of hearing for the application of the final order of the Court approving the Arrangement and attached as Appendix D to this Information Notice;

“parties” means Global Crossing and Canada Jetlines, and **“party”** means either of them;

“Person” includes an individual, partnership, association, company, corporation, body corporate, limited liability company, unincorporated association, unincorporated syndicate, unincorporated organization, trust, trustee, executor, administrator, legal representative, government (including any Governmental Entity) or any other entity, whether or not having legal status;

“Plan of Arrangement” means the plan of arrangement attached as Schedule “A” to the Arrangement Agreement, subject to any amendments, variations or supplements to the Plan of Arrangement made in accordance with its terms, the terms of the Arrangement Agreement or made at the direction of the Court with the consent of the parties hereto, each acting reasonably;

“Record Date” means the record date for determining the holders and holdings of GC Shares to participate in the Arrangement, which is to be set by the Board and is anticipated to be shortly prior to the Effective Date;

“Regulatory Approvals” means any consent, waiver, permit, exemption, review, order, decision or approval of, or any registration and filing with, any Governmental Entity, or the expiry, waiver or termination of any waiting period imposed by Law or a Governmental Entity, in each case, required or advisable under Laws in connection with the Arrangement;

“Representatives” means, collectively, in respect of a Person, its subsidiaries and its affiliates and its and their officers, directors, employees, consultants, advisors, agents or other representatives (including financial, legal or other advisors);

“Section 3(a)(10) Exemption” means the exemption from the registration requirements of the U.S. Securities Act provided by Section 3(a)(10) thereof;

“Tax” or **“Taxes”** has the meaning ascribed thereto in the Arrangement Agreement;

“Tax Act” means the *Income Tax Act*, R.S.C. 1985, c. 1 (5th Supp.), as amended, including the regulations promulgated thereunder;

“TSX-V” means the TSX Venture Exchange;

“United States” means the United States of America, its territories and possessions, any State of the United States and the District of Colombia;

“U.S. Exchange Act” means the *United States Securities Exchange Act of 1934*, as amended;

“U.S. Securities Act” means the *United States Securities Act of 1933*, as amended; and

“U.S. Securities Laws” means federal and state securities legislation of the United States, including but not limited to the U.S. Exchange Act and the U.S. Securities Act.

THE ARRANGEMENT

Summary and Effect of Arrangement

The following description of the Arrangement is qualified in its entirety by reference to the full text of the Plan of Arrangement, as set forth in Schedule “A” to the Arrangement Agreement which is attached as Appendix B to this Information Notice.

The Arrangement Agreement provides for the spin-out of Canada Jetlines by Global Crossing through a court approved plan of arrangement of Canada Jetlines under Section 192 of the CBCA. As a result of the Arrangement, Canada Jetlines will cease to be a wholly owned subsidiary of Global Crossing. Each GC Shareholder will receive 0.5 CJ Shares for each GC Share held, with all GC Shareholders collectively holding 75% of the issued and outstanding CJ Shares. Global Crossing will retain 25% of the issued and outstanding CJ Shares.

The Arrangement will be effective upon the Effective Date, which date will be after all of the conditions precedent to the completion of the Arrangement specified in the Arrangement Agreement and the Final Order have been satisfied or waived, or such other date to be determined by the board of directors of Global Crossing, as the context and administrative procedures so require.

Background to the Arrangement

Global Crossing operates a US Part 121 flag and charter airline using the Airbus A320 family of aircraft. Global Crossing’s business model is to:

- provide services on an aircraft, crew, maintenance and insurance basis along with wet lease contracts to airlines operating within the United States and throughout North and South America; and
- develop aircraft interchanges with leading European charter/tour operators and ad-hoc and track charters for non-airline customers.

Global Crossing will operate charter air service with its primary aircraft and crew based at Miami International Airport and a regional base at Atlantic City Airport, New Jersey. Global Crossing plans to operate flights throughout the United States and to the Caribbean, Canada, and South America.

Canada Jetlines will operate as a Canadian charter airline using the Airbus A320 family of aircraft. Canada Jetlines’ business model is to:

- provide services on an aircraft, crew, maintenance and insurance basis along with wet lease contracts to airlines operating within Canada and throughout North, South America, Caribbean and Mexico; and
- develop aircraft interchanges with leading European charter/tour operators and ad-hoc and track charters for non-airline customers.

Canada Jetlines will operate charter air service with its primary aircraft and crew based at Toronto Pearson International Airport and plans to operate flights throughout Canada and to the United States, Caribbean, and South America.

Canada Jetlines is a wholly owned subsidiary of Global Crossing. On September 8, 2020, Global Crossing announced that it would spin-out Canada Jetlines and provide Canada Jetlines with aircraft and crew to fly vacation charters to Florida, Atlantic City and the Caribbean. Global Crossing and Canada Jetlines entered into the Arrangement Agreement to carry out the previously announced spin-out through the Plan of Arrangement.

Reasons for the Arrangement

A Canadian airline cannot be majority owned by non-Canadians and a US airline cannot be majority owned by a Canadian Company. To satisfy ownership requirements for the proposed businesses under US and Canadian Law, Global Crossing and Canada Jetlines must be separate and independent. In addition, only Canadian airlines are allowed to operate point to point flights within Canada, and Canada Jetlines plans to operate such routes in the future. For the above reasons, the Board has determined that a spin-out of Canada Jetlines is the most ideal solution.

After consultation with tax, legal, and other advisors, the Board believes the Arrangement will be the most efficient way from a Canadian Securities Law and Tax Law perspective to spinout Canada Jetlines. The Arrangement will also be beneficial to GC Shareholder as the spin-out:

- allows GC Shareholders to monetize Canada Jetlines assets acquired in the reverse takeover that was completed in June, 2020;
- gives current GC Shareholders 0.5 CJ Shares for each GC Share held at no cost to GC Shareholders;
- provides an opportunity for Global Crossing to lease aircraft to Canada Jetlines for the Winter of 2021-2022, the peak season for travelling (for the purpose of illustration, the leasing of just one aircraft for three (3) months generates approximately CAD\$2.1 million in revenue, or approximately CAD\$250,000 in earnings before interest, taxes, depreciation and amortization); and
- allows Global Crossing to provide various types of services and training to Canada Jetlines and cost share with Canada Jetlines on software systems, parts, components, purchasing, thereby achieving economies of scale.

Upon the completion of the Arrangement, Canada Jetlines will be a Canadian reporting issuer that is not listed on any stock exchange platform. Canada Jetlines then plans to complete a financing of up to CAD\$10 million in preparation for listing on the TSX-V.

The Board realizes that there are risks associated with the Arrangement, including that some of the potential benefits set forth above may not be realized or that there may be costs associated with realizing

such benefits; however, the Board believes that the factors in favour of the Arrangement outweigh the risks and potential disadvantages, although there can be no assurance in that regard.

The information and factors described above and considered by the Board in reaching its determinations and making its approvals are not intended to be exhaustive but include material factors considered by the Board. In view of the wide variety of factors considered in connection with its evaluation of the Arrangement and the complexity of these matters, the Board did not find it useful to, and did not attempt to, quantify, rank or otherwise assign relative weights to these factors. In addition, individual members of the Board may have given different weight to different factors.

Details of the Arrangement

The following is a summary only of the Plan of Arrangement and reference should be made to the full text of the Arrangement Agreement and the Plan of Arrangement (which is attached to the Arrangement Agreement as Schedule “A”).

The Arrangement

Commencing at the Effective Time, each of the steps set out below will occur in the following order without any further authorization, act or formality, with each step deemed to occur two minutes after the completion of the immediately preceding step except as otherwise expressly provided:

- (a) in substitution for (and, for the avoidance of doubt, not in addition to) each issued and outstanding CJ Share immediately prior to the Effective Time (all of which are held by Global Crossing), Canada Jetlines will issue to Global Crossing that number of CJ Shares calculated pursuant to the following formula at the Effective time:

two-thirds (“2/3”) multiplied by the number of issued and outstanding GC Shares on the Record Date, divided by the number of issued and outstanding CJ Shares immediately prior to the Effective Time

such that upon the completion of this step, the number of issued and outstanding GC Shares is unchanged and the number of issued and outstanding CJ Shares will be two-thirds of that first number (or, in other words, 75% of the number of issued and outstanding CJ Shares is equal to 50% of the number of issued and outstanding GC Shares at the Record Date);

- (b) in order to align the permitted level of non-Canadian ownership and control of its voting shares within the Canada Jetlines Articles with those prescribed by the definition of "Canadian" under the CTA, the authorized capital of Canada Jetlines shall be altered to the structure set out in the section below entitled “**Capital Structure of Canada Jetlines Upon Arrangement**”;
- (c) to effect the transactions set out in subparagraphs (a) and (b) above, in accordance with section 192(1)(a) of the CBCA, the articles of Canada Jetlines shall be amended, and

shall be deemed to be amended, in the form attached as “Attachment 1” to the Plan of Arrangement; and

- (d) an amount of issued and outstanding CJ Shares will be distributed (which will be considered a dividend paid by Global Crossing to the GC Shareholders for the purposes of Delaware Law) to GC Shareholders such that for every 1 GC Share held GC Shareholders receive 0.5 CJ Shares, which will result, in the aggregate, in 75% of the issued and outstanding CJ Shares being held by the GC Shareholders (of which one half of such CJ Shares will remain in escrow with a transfer agent and be automatically released from escrow on the date that is twelve (12) months from the Effective Date) and 25% of the issued and outstanding CJ Shares remaining held by Global Crossing.

Statutory Qualification for Arrangement

In order to ensure that Canada Jetlines satisfies the CBCA statutory requirement of being a corporation that is “not insolvent” upon completion of a plan of arrangement (as set out in section 192(3) of the CBCA), Global Crossing and Canada Jetlines have taken or will take, as the case may be, the following steps prior to the Final Hearing:

- (a) the Intercompany Debt has been extinguished without any repayment thereof;
- (b) the aggregate stated capital (for CBCA purposes) of the CJ Shares has been set at \$1; and
- (c) the Bridge Loan Agreement will be finalized and entered into such that Bridge Loans are available to be advanced thereunder.

No Fractional Shares

No fractional CJ Shares will be distributed to the GC Shareholders and, as a result, all fractional amounts arising under the Plan of Arrangement will be rounded down to the next whole number without any compensation therefor.

Effective Time

In the ***Arrangement*** section referenced to above, the reference to a GC Shareholder will mean a person who is a GC Shareholder at the Record Date.

Deemed Issuance as Fully Paid and Non-Assessable Shares

The Final Order will establish that the creation of new CJ Shares pursuant to the ***Arrangement*** section referenced to above is deemed an issuance of shares and not a change of the issued CJ Shares into a different number of shares of the same class as contemplated, e.g., by Section 173(1)(h) of the CBCA. All CJ Shares issued or deemed to be issued pursuant hereto will be deemed to be validly issued and outstanding as fully paid and non-assessable shares for all purposes of the CBCA.

Arrangement Effectiveness

The Arrangement will become final and conclusively binding on Global Crossing, Canada Jetlines and the GC Shareholders on the Effective Date.

Capital Structure of Canada Jetlines Upon Arrangement

Upon the completion of the Arrangement, the authorized capital of Canada Jetlines will consist of a class of unlimited “Common Voting Shares” and a class of unlimited “Variable Voting Shares”.

Common Voting Shares

Dividends and Distributions

The Common Voting Shares will rank equally with the Variable Voting Shares with respect to dividends and the distribution of assets in the case of liquidation, dissolution or winding-up of Canada Jetlines or other distribution of Canada Jetlines’ assets.

Voting Rights

The Common Voting Shares will carry one vote per share held.

Conversion

Each issued and outstanding Common Voting Share shall be automatically converted into one (1) Variable Voting Share, without any further act on the part of Canada Jetlines or the holder of such Common Voting Share, if such Common Voting Share is or becomes beneficially owned or controlled, directly or indirectly, by a holder who is not a “Canadian” as that term is used in Section 55(1) of the CTA, which may be summarized as follows:

- (a) A Canadian citizen or a permanent resident within the meaning of Subsection 2(1) of the *Immigration and Refugee Protection Act* (Canada),
- (b) A government in Canada or an agent of such a government, or
- (c) A corporation or entity that is incorporated or formed under the laws of Canada or a province, that is controlled in fact by Canadians and of which at least 51 per cent of the voting interests are owned and controlled by Canadians and where
 - (i) no more than 25 per cent of the voting interests are owned directly or indirectly by any single non-Canadian, either individually or in affiliation with another person; and
 - (ii) no more than 25 per cent of the voting interests are owned directly or indirectly by one or more non-Canadians authorized to provide an air service in any jurisdiction, either individually or in affiliation with another person.

In the event that an offer is made to purchase Variable Voting Shares and the offer is one which is required, pursuant to applicable securities legislation or the rules of a stock exchange on which the Variable Voting Shares are then listed, to be made to all or substantially all the holders of Variable Voting Shares, each Common Voting Share shall become convertible at the option of the holder into one

Variable Voting Share at any time while the offer is in effect until one day after the time prescribed by applicable securities legislation for the offeror to take up and pay for such shares as are to be acquired pursuant to the offer. The conversion right may only be exercised in respect of Common Voting Shares for the purpose of depositing the resulting Variable Voting Shares pursuant to the offer and for no other reason, including with respect to voting rights attached thereto, which are deemed to remain subject to the provisions concerning the voting rights for Common Voting Shares notwithstanding their conversion. Canada Jetlines' transfer agent shall deposit the resulting Variable Voting Shares on behalf of the holder.

Should the Variable Voting Shares issued upon conversion and tendered in response to the offer be withdrawn by the shareholders or not taken up by the offeror, or should the offer be abandoned or withdrawn, the Variable Voting Shares resulting from the conversion shall be automatically reconverted, without further intervention on the part of Jetlines or on the part of the holder to Common Voting Shares.

Constraints on Share Ownership

The Common Voting Shares will only be able to be owned and controlled by Canadians. Any Common Voting Share owned or controlled by a person who is not a Canadian is, or must be converted to, a Variable Voting Share.

Variable Voting Shares

Dividends and Distributions

The Variable Voting Shares will rank equally with the Common Voting Shares with respect to dividends and the distribution of assets in the case of liquidation, dissolution or winding-up of Canada Jetlines or other distribution of Canada Jetlines' assets.

Voting Rights

The Variable Voting Shares will carry one vote per Variable Voting Share held, subject to an automatic reduction of the voting rights attached to the Variable Voting Shares in the event any of the applicable limits are exceeded. In such event, the votes attributable to Variable Voting Shares will be affected as follows:

- *first*, if required, a reduction of the voting rights of any single non-Canadian owner (inclusive of any single non-Canadian owner authorized to provide air service) carrying more than 25 per cent of the votes (the "Stage 1 Reduction") to ensure that such non-Canadian owners never carry more than 25 per cent of the votes that holders of CJ Shares cast at any meeting of shareholders;
- *second*, if required and after giving effect to the Stage 1 Reduction, a further proportional reduction of the voting rights of all non-Canadian owners authorized to provide an air service to ensure that such non-Canadian owners authorized to provide an air service (the "Stage 2 Reduction"), in the aggregate, never carry more than 25 per cent of the votes that holders of CJ Shares cast at any meeting of shareholders;
- *third*, if required and after giving effect to the Stage 1 Reduction and the Stage 2 Reduction if any, a proportional reduction of the voting rights for all non-Canadian owners as a class (the "Stage 3 Reduction") to ensure that non-Canadians never carry, in aggregate, more than 49 per cent of the votes that owners of CJ Shares cast at any meeting of shareholders.

Conversion

Each issued and outstanding Variable Voting Share shall be automatically converted into one (1) Common Voting Share, without any further act on the part of Canada Jetlines or the holder of such Variable Voting Share, if (i) such Variable Voting Share is or becomes beneficially owned and controlled, directly or indirectly, by a Canadian, or (ii) the provisions contained in the CTA relating to foreign ownership restrictions are repealed and not replaced with other similar provisions. Each issued and outstanding Common Voting Share shall be automatically converted into one (1) Variable Voting Share, without any further act on the part of Company or the holder of such Common Voting Share, if such Common Voting Share is or becomes beneficially owned or controlled, directly or indirectly, by a holder who is not a Canadian.

In the event that an offer is made to purchase Common Voting Shares and the offer is one which is required, pursuant to applicable securities legislation or the rules of a stock exchange on which the Common Voting Shares are then listed, to be made to all or substantially all the holders of Common Voting Shares in a given province of Canada to which these requirements apply, each Variable Voting Share shall become convertible at the option of the holder into one Common Voting Share at any time while the offer is in effect until one day after the time prescribed by applicable securities legislation for the offeror to take up and pay for such shares as are to be acquired pursuant to the offer. The conversion right may only be exercised in respect of Variable Voting Shares for the purpose of depositing the resulting Common Voting Shares pursuant to the offer, and for no other reason, including with respect to voting rights attached thereto, which are deemed to remain subject to the provisions concerning voting rights for Variable Voting Shares notwithstanding their conversion. Canada Jetlines' transfer agent shall deposit the resulting Common Voting Shares on behalf of the holder.

Should the Common Voting Shares issued upon conversion and tendered in response to the offer be withdrawn by shareholders or not taken up by the offeror, or should the offer be abandoned or withdrawn, the Common Voting Shares resulting from the conversion shall be automatically reconverted, without further intervention on the part of Jetlines or on the part of the holder, into Variable Voting Shares.

Management Team of Canada Jetlines

Eddy Doyle - Chief Executive Officer

Captain Doyle has over 35 years' experience in aviation. He started his career as a pilot in the Canadian Air Force before joining Air Canada in 1989. He has over 11,000 hours flying experience, having flown Airbus and Boeing aircraft domestically and internationally. At Air Canada he was responsible for nearly 4,000 pilots, dispatchers, load agents, and administrative staff. He played a crucial role in the Air Canada restructuring process of 2004, the negotiation with the pilots' union of the agreement that allowed the creation of Rouge and major cost control improvements. He served in many management roles during his career at Air Canada such as: Chief Pilot Member of the management team responsible for the Air Canada bankruptcy restructuring process and Vice President Flight Operations. After retiring from Air Canada, Captain Doyle took the position of Deputy-CEO at Bamboo Airways in Vietnam, where he helped launch the airline. He helped grow the airline to 25 aircraft (A320 & B787) by the end of its first year in operation. Additional accomplishments include obtaining the IATA Operational Safety Audit certificate; achieving the best on-time performance in Vietnam and being recognized by the Vietnam Economic Times as the Best Service Airline in Vietnam.

Vic Charlebois - VP Flight Operations

Vic has over 35 years' experience in the industry and was previously employed by Jetlines as VP Flight Operations for two years. He is the primary author of several of the critical AOC manuals that will be submitted to Transport Canada. He has previously served in the same role with First Air, Zoom Airlines and Canada 3000 after an 18 year career in the Canadian Air Force.

Board of Directors of Canada Jetlines

The Honourable Jean Charest

As the former Deputy Prime Minister of Canada and Premier of Québec, Jean Charest is one of Canada's most recognized political figures. He was first elected to Canada's House of Commons in 1984 and by 1986 he became the youngest person to be named to cabinet when he assumed the role of Minister of State for the Youth. He was notably the initiator of the negotiation for the Canada-European Union Comprehensive Economic Trade Agreement (CETA). As Minister of the Environment, he led Canada's delegation at the 1992 Earth Summit on the economy and the environment in Rio and was praised for his leadership role among G7 countries on climate change and biodiversity. The Charest government has been a world leader on the environment and climate change, and best known for a major initiative for the sustainable development of Northern Québec called "Plan Nord". Furthermore, the Charest government initiated an unprecedented labour mobility agreement between France and Québec. Under his leadership, Québec experienced a sustained period of economic prosperity with stronger economic growth from 2008 to 2012 than the rest of Canada, the U.S and Europe despite a global financial and economic crisis.

In 2017-2018, Jean Charest led a year-long consultation and delivered a report entitled "Vision 2025" about the future of the aerospace industry in Canada on behalf of the Aerospace Industry Association of Canada (AIAC). In 2019, he was named Special envoy for the Canadian Prime Minister in the race to win a seat on the United Nations Security Council. More recently, he joined the Wilson Center border task force which studies the issue of US-Canadian cross border travel restrictions. Jean Charest is a Partner at McCarthy Tétrault LLP.

Ravinder Minhas

Ravinder Minhas has a Bachelor of Science in Oil & Gas Engineering from the University of Calgary. After completing his degree, along with his sister Manjit, he co-founded Minhas Breweries and Distilleries which they grew to a company with sales in five Canadian provinces, 41 states and 19 countries. In 2002, Ravinder and his sister incorporated Mountain Crest Brewing Company in Alberta to create and sell premium beer at discounted prices. In 2006, they became the youngest brewery owners in the world after purchasing the second oldest brewery in the U.S, Joseph Huber Brewing Company in Wisconsin, which they renamed to "Minhas Craft Brewery". The Minhas Craft Brewery is now ranked in the Top 10 breweries largest breweries in America. Ravinder has a passion for the arts and in 2012 he co-founded Spotlight Television & Film, a company that produces scripted, documentary and reality programs with over 480 hours of national and award winning television content. In addition to his passion for arts, Ravinder's strong sense of community and social responsibility led him to serve as a board member of the Calgary Stampede.

David Kruschell

David Kruschell is President & CEO at Frontier Lodging Solutions, a workforce and corporate lodging

company based in Calgary, Alberta. David has an extensive knowledge of the travel industry having held several key executive positions in this sector over his career. Prior to Frontier Lodging, David was Senior Vice President, Client Management & Consulting at Direct Travel, a leader in travel management in north America, employing over 725 travel professionals in Canada. David started his career in travel in 1994 at the Rider BTI Travel Group and held the role of Vice President, Western Canada from 1996 to 2000. David then embarked on an entrepreneurial path acting as partner and President in a series of UNIGLOBE branded businesses. David was able to grow each business through client acquisition and mergers culminating in 2014 with the creation of UNIGLOBE One Travel. By 2018 the company had grown to over 600 corporate clients and over \$300 million in annual sales. In 2018, David and his partners sold Uniglobe One Travel to Direct Travel of Denver, CO.

Ken McKenzie

Ken McKenzie is the Principal of Meridian Blue, LLC., a management consulting firm specializing in the improvement of organizational performance in areas related to strategy, organizational design and operations, within both private and not-for-profit sectors. He is a seasoned airline executive who most recently held roles at Airbus Americas as EVP Customers, SVP Strategy & Corporate Development and SVP Customer Services. Prior to Airbus, Ken served as Chief Operating Officer of Spirit Airlines, EVP Operations for WestJet and Chief Pilot, Regulatory Affairs for Air Canada Jazz.

Ken's not-for-profit experience includes time abroad as Program Director of the West African Flight Program for the United Nations High Commissioner for Refugees, as well as governance board positions held with the Experimental Aircraft Association and Calvary Chapel Fort Lauderdale.

Ken was a pilot in the Royal Canadian Air Force and holds an FAA Airline Transport Pilot's license, Transport Canada Airline Transport Pilot's License and Transport Canada Commercial Helicopter Pilot's License. A native of Sioux Lookout, Ontario, Canada, Ken received his Bachelor of Arts degree from the University of Manitoba, and a Master of Business Administration from Strayer University. He has also completed the Ivey Executive Program of the Richard Ivey School of Business at the University of Western Ontario.

Arrangement Agreement

General

The Arrangement will be effected pursuant to the Arrangement Agreement. The Arrangement Agreement contains covenants of Global Crossing and Canada Jetlines, representations and warranties of and from Global Crossing and Canada Jetlines, and various conditions precedent, mutual or specific to either party.

Unless all of such conditions are satisfied or waived by the party for whose benefit such conditions exist, to the extent they may be capable of waiver, the Arrangement will not proceed.

The following is a summary of certain provisions of the Arrangement Agreement and is qualified in its entirety by the full text of the Arrangement Agreement set forth in Appendix B to this Information Notice.

Exemption Under the U.S. Securities Act

The Arrangement will be carried out with the intention that the CJ Shares issued and then distributed to the GC Shareholders pursuant to the Arrangement will be issued and distributed in reliance on the Section 3(a)(10) Exemption. In order to ensure the availability of the Section 3(a)(10) Exemption, the Arrangement will be carried out on the following basis:

- (a) the Arrangement will be subject to the approval of the Court;
- (b) the Court will be advised as to the intention of the parties to rely on the Section 3(a)(10) Exemption prior to the hearing required to approve the Arrangement (the **“Hearing of Petition for Final Order”**);
- (c) the Court will be required to satisfy itself as to the fairness of the Arrangement to the GC Shareholders to whom securities issued under the Arrangement will be distributed;
- (d) the Final Order will expressly state that the Arrangement is approved by the Court as being fair to the GC Shareholders;
- (e) Global Crossing will ensure that all GC Shareholders entitled to receive CJ Shares on completion of the Arrangement will be given adequate notice advising them of their right to attend the Hearing of Petition for Final Order and providing them with sufficient information necessary for them to exercise that right, which notice will be communicated to the GC Shareholders by the issuance of a news release that will include all appropriate details and posted on SEDAR;
- (f) the GC Shareholders will be advised that the securities issued and being distributed to them in the Plan of Arrangement have not been registered under the U.S. Securities Act and will be so issued and distributed in reliance on the exemption from the registration requirements of the U.S. Securities Act and may be subject to restrictions on resale under the securities laws of the United States, including, as applicable, Rules 144 and 145 under the U.S. Securities Act with respect to affiliates;
- (g) the Interim Order of the Court specifies that each GC Shareholder will have the right to appear before the Court so long as such GC Shareholder files and delivers a Response to Petition by 4:00 p.m. on Monday, June 14, 2021 and
- (h) the Final Order will include a statement to the following effect:

“This Order will serve as a basis of a claim to an exemption, pursuant to section 3(a)(10) of the United States Securities Act of 1933 from the registration requirements otherwise imposed by that Act, regarding the distribution of securities of Canada Jetlines Operations Ltd., pursuant to the Plan of Arrangement.”

Representations and Warranties and Covenants Relating to the Conduct of Business of the Parties

The Arrangement Agreement contains certain customary representations and warranties of Global Crossing and Canada Jetlines relating to, among other things, the organization, capitalization, operations, compliance with laws and regulations and other matters.

For the complete text of the applicable provisions, see Article 3 of the Arrangement Agreement.

In addition, pursuant to the Arrangement Agreement, each of the parties has covenanted, among other things, until the earlier of the completion of the Arrangement or the termination of the Arrangement Agreement, to use commercially reasonable efforts to satisfy the conditions to the Arrangement Agreement.

For the complete text of the applicable provisions, see Article 4 of the Arrangement Agreement.

Conditions Precedent

The respective obligations of the parties to complete the transactions contemplated by the Arrangement Agreement are subject to the fulfillment of each of the following conditions precedent on or before the Effective Date:

- (a) the Interim Order will have been granted in form and substance satisfactory to the parties (this condition has been satisfied, and the Interim Order so granted is attached as Appendix C to this Information Notice);
- (b) Global Crossing will satisfy the directions to notify the GC Shareholders regarding the Arrangement as set out in the Interim Order. This Information Notice is intended to satisfy this requirement under the Interim Order;
- (c) the Arrangement and the Arrangement Agreement, with or without amendment, will have been approved by consent resolution of Global Crossing in its capacity as sole shareholder of Canada Jetlines, and in accordance with the Arrangement Provisions and the Constatting Documents of Canada Jetlines;
- (d) the Final Order will have been obtained in form and substance satisfactory to the parties;
- (e) all other agreements, consents, orders, regulations and approvals, including regulatory and judicial approvals and orders required or necessary or desirable for the completion of the transactions provided for in the Arrangement Agreement and the Plan of Arrangement, and such documents necessary to facilitate a tax efficient transaction, will have been obtained or received from the Persons, authorities or bodies having jurisdiction in the circumstances each in form acceptable to the parties, acting reasonably;
- (f) no law, regulation or policy will have been proposed, enacted, promulgated or applied which interferes or is inconsistent with the completion of the Arrangement and Plan of Arrangement, including any material change to the tax laws of Canada or the United

States, which would reasonably be expected to have a material adverse effect on any of Global Crossing, Canada Jetlines or the GC Shareholders if the Arrangement is completed;

- (g) there will not be in force any order or decree restraining or enjoining the consummation of the transactions contemplated by the Arrangement Agreement and the Arrangement; and
- (h) the Arrangement Agreement will not have been terminated.

For the complete text of the applicable provisions, see Article 6 of the Arrangement Agreement.

Amendment and Termination of the Arrangement Agreement

The Arrangement Agreement may at any time and from time to time prior to the Effective Date be amended by agreement of the parties.

The Arrangement Agreement may at any time before or after the granting of the Final Order, but in any case prior to the Effective Date, be terminated by agreement of the parties hereto.

The right of the parties to amend or terminate the Plan of Arrangement referenced to above will be extinguished upon the occurrence of the Effective Date.

For the complete text of the applicable provisions, see Article 6 of the Arrangement Agreement.

PROCEDURE FOR THE ARRANGEMENT TO BECOME EFFECTIVE

Procedural Steps

The Arrangement is proposed to be carried out pursuant to Section 192 of the CBCA. The following procedural steps are to be taken in order for the Arrangement to become effective:

- (a) application to the Court for the granting of the Interim Order (this step has been completed) and the Interim Order so granted is attached as Appendix C to this Information Notice;
- (b) the distribution of this Information Notice to the GC Shareholders via SEDAR;
- (c) granting of the Final Order; and
- (d) the Final Order, Articles of Arrangement and related documents, in the form prescribed by the CBCA, must be filed with the Director.

Court Approval and Completion of the Arrangement

Petition to the Court

On May 19, 2021, Canada Jetlines filed the Amended Petition in the Court, superseding a petition filed May 17, 2021. The Amended Petition originates the court approval process to obtain the Interim Order and Final Order. The main body of the Amended Petition is attached as Appendix E to this Information Notice.

Interim Order

On May 21, 2021, Canada Jetlines obtained the Interim Order providing for various procedural matters. The Interim Order is attached as Appendix C to this Information Notice.

Final Order

The Arrangement requires Court approval. Subject to the terms of the Arrangement Agreement, Canada Jetlines will make an application to the Court for the Final Order at the Court House, 800 Smithe St, Vancouver, BC V6Z 2E1 **at 9:45 a.m. (Vancouver time) on June 18, 2021** or as soon thereafter as counsel may be heard. At the application, the Court will be requested to consider the fairness of the Arrangement.

The Information Notice of Hearing of Petition for Final Order, filed May 21, 2021 pursuant to the Interim Order, is attached as Appendix D to this Information Notice.

The Court has broad discretion under the CBCA when making orders with respect to the Arrangement. The Court, in hearing the application for the Final Order, will consider, among other things, the fairness of the Arrangement to the GC Shareholders and any other interested party as the Court determines appropriate. The Court may approve the Arrangement either as proposed or as amended in any manner the Court may direct, subject to compliance with such terms and conditions, if any, as the Court may determine appropriate. Either Global Crossing or Canada Jetlines may, subject to the terms of the Arrangement Agreement, determine not to proceed with the Arrangement in the event that any amendment ordered by the Court is not satisfactory to such Party.

Certificate of Arrangement

Once the Final Order is granted and the other conditions contained in the Arrangement Agreement are satisfied or waived to the extent legally permissible, the Articles of Arrangement will be filed with the Director under the CBCA for issuance of the Certificate of Arrangement giving effect to the Arrangement.

Right to Attend Court Hearing

In accordance with the Notice of Hearing for Final Order attached as Appendix D to this Information Notice, any GC Shareholder has the right to appear, either in person, by counsel, or by such other method as the Court may direct or require, and make submissions at the Final Hearing.

Timing

As planned, Canada Jetlines will apply for the Final Order approving the Arrangement on **June 18, 2021**. If the Final Order is obtained in form and substance satisfactory to Global Crossing, acting reasonably, and all other conditions set forth in the Arrangement Agreement are satisfied or waived, Global Crossing expects the Effective Date to occur on or about June 25, 2021. The Effective Date could be delayed, however, for a number of reasons, including an objection before the Court at the Final Hearing.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of DLA Piper (Canada) LLP, Canadian counsel to Global Crossing, the following is a summary of the principal Canadian federal income tax considerations under the Tax Act, as of the date hereof, generally applicable to a GC Shareholder who receives CJ Shares as beneficial owner pursuant to this Arrangement and who, at all relevant times, for the purposes of the Tax Act (i) acquires and holds CJ Shares as capital property, and (ii) deals at arm's length with Global Crossing, and is not affiliated with Global Crossing (a "**Holder**").

Generally, the CJ Shares will be considered to be capital property to a Holder unless the Holder holds such securities in the course of carrying on a business of trading or dealing in securities or has acquired them in one or more transactions considered to be an adventure or concern in the nature of trade.

This summary does not apply to a Holder (a) with respect to which Global Crossing is or will be, at any time, a "foreign affiliate" within the meaning of the Tax Act, (b) that is a "financial institution" for purposes of the mark-to-market rules contained in the Tax Act, (c) that is a "specified financial institution" (as defined in the Tax Act), (d) an interest in which would be a "tax shelter investment" (as defined in the Tax Act), (e) that makes or has made a functional currency reporting election under the Tax Act, (f) that has entered or will enter into a "derivative forward agreement" or "synthetic disposition arrangement" (each as defined in the Tax Act) with respect to the CJ Shares, (g) that receives dividends on the CJ Shares under or as part of a "dividend rental arrangement" (as defined in the Tax Act), (h) that is exempt from tax under the Tax Act, or (i) that is a "foreign affiliate" (as defined in the Tax Act) of a taxpayer resident in Canada. Such Holders should consult with their own tax advisors with respect to the consequences of acquiring CJ Shares.

Additional considerations, not discussed herein, may be applicable to a Holder that is a corporation resident in Canada, and is or becomes (or does not deal at arm's length within the meaning of the Tax Act with a corporation resident in Canada that is or becomes) controlled by a corporation that is a non-resident of Canada (or pursuant to the Tax Proposals (as defined below), a non-resident person or a group of persons comprising any combination of non-resident corporations, non-resident individuals, or non-resident trusts that do not deal with each other at arm's length) for purposes of the "foreign affiliate dumping" rules in Section 212.3 of the Tax Act. Such Holders should consult their tax advisors with respect to the consequences of acquiring CJ Shares.

This summary assumes that Global Crossing is not, and will not be, resident or deemed to be resident in Canada for purposes of the Tax Act.

This summary is based upon the current provisions of the Tax Act in force as of the date hereof and counsel's understanding of the current administrative policies and assessing practices of the Canada Revenue Agency (the "**CRA**") published by it in writing prior to the date hereof. This summary takes into account all specific proposals to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "**Tax Proposals**") and assumes that the Tax Proposals will be enacted as proposed. This summary does not otherwise take into account or anticipate any changes in law or the CRA's administrative policies or assessing practices, whether by legislative, governmental, administrative, or judicial decision or action, nor does it take into account any provincial, territorial, or foreign income tax considerations, which considerations may differ significantly from the Canadian federal income tax considerations discussed in this summary.

The CJ Shares are not a "qualified investments" under the Tax Act for a Registered Plans. Where a Registered Plan acquires or holds a CJ Share in circumstances where the CJ Share is not a qualified investment under the Tax Act for the Registered Plan, adverse tax consequences may arise for the Registered Plan and the annuitant, holder, or subscriber (as applicable) of the Registered Plan. See under the heading "Eligibility for Investment" below for more detail.

This summary is of a general nature only, is not exhaustive of all possible Canadian federal income tax considerations, and is not intended to be, nor should it be construed to be, legal or tax advice to any particular Holder. Accordingly, Holders should consult their own tax advisors with respect to their particular circumstances.

Currency Conversion

For purposes of the Tax Act, all amounts related to the acquisition, holding, or disposition of CJ Shares (including dividends, adjusted cost base, and proceeds of disposition) must be expressed in Canadian dollars. Amounts denominated in a foreign currency must be converted into Canadian dollars, generally based on the Bank of Canada exchange rate on the date such amounts arise or such other exchange rate as is acceptable to the Minister of National Revenue (Canada).

Holders Resident in Canada

This portion of the summary is generally applicable to a Holder who, for the purposes of the Tax Act, is resident or deemed to be resident in Canada at all relevant times (a "**Resident Holder**"). Certain Resident Holders whose CJ Shares might not otherwise qualify as capital property may be entitled to make an irrevocable election pursuant to subsection 39(4) of the Tax Act to have such CJ Shares, and every other "Canadian security" (as defined in the Tax Act) owned by such Resident Holder in the taxation year of the election and in all subsequent taxation years, deemed to be capital property. Resident Holders should consult their own tax advisors for advice as to whether an election under subsection 39(4) of the Tax Act is available or advisable in their particular circumstances.

Receipt of CJ Shares

A Resident Holder will be required to include in computing its income for the taxation year in which the CJ Shares are received an amount equal to the fair market value of the CJ Shares received (including amounts deducted for foreign withholding tax, if any) as a taxable dividend. Such dividend received by a

Resident Holder who is an individual will not be subject to the gross-up and dividend tax credit rules in the Tax Act normally applicable to taxable dividends received from a “taxable Canadian corporation” (as defined in the Tax Act). A Resident Holder that is a corporation will not be entitled to deduct the amount of such dividends in computing its taxable income.

To the extent that foreign withholding tax is payable by a Resident Holder in respect of such dividend, the Resident Holder may be eligible for a foreign tax credit or deduction under the Tax Act to the extent and under the circumstances described in the Tax Act. Resident Holders should consult their own tax advisors regarding the availability of a foreign tax credit or deduction in their particular circumstances.

A Resident Holder that is throughout the relevant taxation year a “Canadian-controlled private corporation” (as defined in the Tax Act) may be liable to pay a tax (which generally is refundable, subject to the detailed rules of the Tax Act) on its “aggregate investment income” (as defined in the Tax Act) for the year, which will include the receipt of CJ Shares as a taxable dividend. Resident Holders that are “Canadian-controlled private corporations” should consult their own tax advisors regarding their particular circumstances.

The adjusted cost base to a Resident Holder of a CJ Shares received will be equal to the aggregate fair market value of such CJ Shares received by the Resident Holder at the Effective Date.

Dividends on CJ Shares

A Resident Holder will be required to include in computing its income for a taxation year any taxable dividends received or deemed to be received on the CJ Shares. In the case of a Resident Holder that is an individual (other than certain trusts), such dividends will be subject to the gross-up and dividend tax credit rules normally applicable to taxable dividends received from a “taxable Canadian corporation” (as defined in the Tax Act). Taxable dividends received from a taxable Canadian corporation which are designated by such corporation as “eligible dividends” (as defined in the Tax Act) will be subject to an enhanced gross-up and dividend tax credit regime in accordance with the rules in the Tax Act. There may be limitations on the ability of Canada Jetlines to designate dividends as eligible dividends.

In the case of a Resident Holder that is a corporation, the amount of any taxable dividends received or deemed to be received on the CJ Shares will be included in its income for a taxation year and will generally be deductible in computing its taxable income for that taxation year, subject to the restrictions and limitations under the Tax Act. In certain circumstances, subsection 55(2) of the Tax Act will treat a taxable dividend received or deemed to be received by a Resident Holder that is a corporation as proceeds of disposition or a capital gain. Resident Holders that are corporations should consult their own tax advisors having regard to their own circumstances.

A Resident Holder that is a “private corporation” or a “subject corporation” (each as defined in the Tax Act) may be liable to pay a tax under Part IV of the Tax Act (which generally is refundable, subject to the detailed rules of the Tax Act) on dividends received or deemed to be received on the CJ Shares to the extent such dividends are deductible in computing the Resident Holder’s taxable income for the taxation year. A “subject corporation” is generally a corporation (other than a private corporation) controlled

directly or indirectly by or for the benefit of an individual (other than a trust) or a related group of individuals (other than trusts).

Dispositions of CJ Shares

A Resident Holder who disposes of or is deemed to have disposed of a CJ Share (other than to Canada Jetlines, unless purchased by Canada Jetlines in the open market in the manner in which shares are normally purchased by a member of the public in an open market) will generally realize a capital gain (or capital loss) in the taxation year of the disposition equal to the amount by which the proceeds of disposition, net of any reasonable costs of disposition, are greater (or are less) than the adjusted cost base to the Resident Holder of the CJ Share immediately before the disposition or deemed disposition. The tax treatment of capital gains and capital losses is discussed in greater detail below under the subheading ***“Taxation of Capital Gains and Capital Losses”***.

Taxation of Capital Gains and Capital Losses

A Resident Holder will generally be required to include in computing its income for the taxation year one-half of the amount of any capital gain (a **“taxable capital gain”**) realized in such year. Subject to and in accordance with the provisions of the Tax Act, a Resident Holder will be required to deduct one-half of the amount of any capital loss (an **“allowable capital loss”**) realized in a taxation year from taxable capital gains realized in the taxation year. Allowable capital losses in excess of taxable capital gains in the taxation year of disposition may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year against net taxable capital gains realized in such years, to the extent and under the circumstances specified in the Tax Act.

The amount of any capital loss realized on the disposition or deemed disposition of a CJ Share by a Resident Holder that is a corporation may, in certain circumstances, be reduced by the amount of dividends received or deemed to have been received by it on such shares or on shares substituted therefor to the extent and under the circumstances specified in the Tax Act. Similar rules may apply where a CJ Share is owned by a partnership or trust of which a corporation, trust, or partnership is a member or beneficiary. Resident Holders to whom these rules may be relevant should consult their own tax advisors.

A Resident Holder that is throughout the relevant taxation year a “Canadian-controlled private corporation” (as defined in the Tax Act) may be liable to pay a tax (which generally is refundable, subject to the detailed rules of the Tax Act) on its “aggregate investment income” (as defined in the Tax Act) for the year, which will include taxable capital gains. Resident Holders that are “Canadian-controlled private corporations” should consult their own tax advisors regarding their particular circumstances.

Minimum Tax

In general terms, a Resident Holder that is an individual (other than certain trusts) that receives or is deemed to have received taxable dividends on the CJ Shares, or realizes a capital gain on the disposition or deemed disposition of CJ Shares, may be liable for alternative minimum tax under the Tax Act. Resident Holders that are individuals should consult their own tax advisors in this regard.

Holders Not Resident in Canada

The following portion of this summary is generally applicable to a Holder who, for purposes of the Tax Act and at all relevant times, is neither resident nor deemed to be resident in Canada and does not use or hold, and will not be deemed to use or hold, CJ Shares in a business carried on in Canada (a “**Non-Resident Holder**”).

Special considerations, which are not discussed in this summary, may apply to a Non-Resident Holder that is an insurer that carries on an insurance business in Canada and elsewhere or an “authorized foreign bank” (as defined in the Tax Act). Such Non-Resident Holders should consult their own advisors.

Receipt of CJ Shares

A Non-Resident Holder will not be subject to Canadian withholding tax or other income tax under the Tax Act on receipt of the CJ Shares.

The adjusted cost base to a Non-Resident Holder of a CJ Share received will be equal to the fair market value of such CJ Share received by the Resident Holder at the Effective Date.

Dividends on CJ Shares

Subject to an applicable tax treaty or convention, dividends paid or credited, or deemed to be paid or credited, to a Non-Resident Holder on the CJ Shares will be subject to Canadian withholding tax under the Tax Act at the rate of 25% of the gross amount of the dividend.

Dispositions of CJ Shares

A Non-Resident Holder will not be subject to tax under the Tax Act in respect of any capital gain realized on a disposition or deemed disposition of a CJ Share, nor will capital losses arising therefrom be recognized under the Tax Act, unless the CJ Share is, or is deemed to be, “taxable Canadian property” of the Non-Resident Holder for the purposes of the Tax Act and the Non-Resident Holder is not entitled to an exemption pursuant to the terms of an applicable tax treaty or convention.

Generally, a CJ Share will not constitute taxable Canadian property of a Non-Resident Holder, unless at any time during the 60-month period immediately preceding the disposition more than 50% of the fair market value of the CJ Shares was derived, directly or indirectly, from (or from any combination of) real or immovable property situated in Canada, “Canadian resource property” (as defined in the Tax Act), “timber resource property” (as defined in the Tax Act), or options in respect of, interests in, or for civil law rights in, such properties, whether or not such property exists. A CJ Share may also be deemed to be “taxable Canadian property” in certain other circumstances. Non-Resident Holders should consult their own tax advisors as to whether their CJ Shares constitute “taxable Canadian property” in their own particular circumstances.

In cases where a Non-Resident Holder disposes (or is deemed to have disposed) of a CJ Share that is taxable Canadian property of the Non-Resident Holder, and the Non-Resident Holder is not entitled to an exemption under an applicable income tax treaty or convention, the consequences described above under

the headings “*Holders Resident in Canada - Dispositions of CJ Shares*” and “*Holders Resident in Canada - Taxation of Capital Gains and Capital Losses*” will generally be applicable to such disposition.

Non-Resident Holders whose CJ Shares are taxable Canadian property should consult their own tax advisors.

Eligibility for Investment

CJ Shares will not be a “qualified investment” for a trust governed by a “registered retirement savings plan”, “registered retirement income fund”, “tax-free savings account”, “registered disability savings plan”, “registered education savings plan” (each a “**Registered Plan**”), or “deferred profit sharing plan” (each as defined in the Tax Act).

If CJ Shares are received by a Registered Plan (because the GC Shares are held by the Registered Plan at the Effective Date), the annuitant, holder, or subscriber (as applicable) (the “**Plan Holder**”) of the Registered Plan will be subject to a penalty tax equal to 50% of the fair market value of such CJ Shares at the time the CJ Shares are acquired by the applicable Registered Plan. The Plan Holder will be entitled to a refund of the 50% penalty tax if the Registered Plan disposes of the CJ Shares before the end of the calendar year following the year including the Effective Date, unless it is reasonable to conclude that the Plan Holder knew, or ought to have known, at the time the CJ Shares were acquired by the Registered Plan, that the CJ Shares were not a qualified investment for the Registered Plan.

Additional Canadian tax considerations that are not disclosed above may be applicable to Registered Plans that receive CJ Shares pursuant to the Arrangement including that the Registered Plan may become taxable on its income earned in respect of the CJ Shares, and, in the case of an RESP, with respect to the RESP’s registration being revocable at the time the CJ Shares are acquired by it.

HOLDERS OF GC SHARES THAT HOLD SUCH SHARES IN A REGISTERED PLAN ARE URGED TO PAY IMMEDIATE ATTENTION TO THIS MATTER AND ARE URGED TO CONSULT THEIR TAX ADVISORS IMMEDIATELY REGARDING THE CONSEQUENCES TO THEM OF THE DISTRIBUTION OF CJ SHARES.

CERTAIN UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS

The following is a summary of certain U.S. federal income tax considerations generally applicable to a GC Shareholder that receives CJ Shares pursuant to the Arrangement.

The following summary is based on the Code, U.S. Treasury Regulations promulgated thereunder, published rulings of the U.S. Internal Revenue Service (the “**IRS**”) and judicial and administrative interpretations thereof, in each case as in effect and available on the date of this Information Notice. Any of the authorities on which this summary is based could be changed in a material and adverse manner at any time, and any such change could be applied on a retroactive basis. Except as explicitly set forth herein, this summary does not discuss the potential effects, whether adverse or beneficial, of any proposed legislation or regulations. No legal opinion from U.S. legal counsel or ruling from the IRS has been requested, or will be obtained, regarding the U.S. federal income tax consequences of the Arrangement.

This summary is not binding on the IRS, and the IRS is not precluded from taking a position that is different from, and contrary to, the positions taken in this summary. In addition, because the authorities on which this summary is based are subject to various interpretations, the IRS and the U.S. courts could disagree with one or more of the positions taken in this summary.

This summary is for general information purposes only and does not purport to be a complete analysis or listing of all potential U.S. federal income tax considerations that may be relevant to a GC Shareholder with respect to the Arrangement. In addition, this summary does not take into account the individual facts and circumstances of any particular GC Shareholder that may affect the U.S. federal income tax consequences applicable to such GC Shareholder, nor does this summary address the U.S. federal income tax considerations with respect to the Arrangement for GC Shareholders that are subject to special provisions under the Code, including, without limitation: (a) holders that are tax-exempt organizations, qualified retirement plans, individual retirement accounts, or other tax-deferred accounts; (b) holders that are financial institutions, insurance companies, S corporations, real estate investment trusts, or regulated investment companies; (c) holders that are dealers in securities or currencies or holders that are traders in securities that elect to apply a mark-to-market accounting method; (d) U.S. Holders (as defined below) that have a “functional currency” other than the U.S. dollar; (e) holders subject to the alternative minimum tax provisions of the Code; (f) holders that own GC Shares (or, after the Arrangement, will own CJ Shares) as part of a straddle, hedging transaction, conversion transaction, constructive sale, or other arrangement involving more than one position; (g) holders that acquired GC Shares through the exercise or cancellation of employee stock options or otherwise as compensation for services or through the conversion of any convertible instrument or security; (h) holders that hold GC Shares (or, after the Arrangement, will hold CJ Shares) other than as a capital asset within the meaning of Section 1221 of the Code; (i) holders that own or have owned directly, indirectly or constructively, 5% or more of Global Crossing’s voting securities; (j) holders that are controlled foreign corporations, passive foreign investment companies (“PFICs”) or corporations that accumulate earnings to avoid U.S. federal income tax; (k) holders that are U.S. expatriates or former long-term residents of the United States; and (l) holders that hold or will hold, directly, indirectly, or constructively, more than 10% of the CJ Shares. In addition, this summary does not address U.S. federal estate and gift tax, alternative minimum tax, or Medicare tax on net investment income considerations, or any U.S. state or local or non-U.S. tax considerations. All GC Shareholders, including those subject to special provisions of the Code such as those described above, should consult their own tax advisors regarding the U.S. federal, U.S. state and local, and non-U.S. tax consequences relating to the Arrangement and the ownership and disposition of CJ Shares received pursuant to the Arrangement.

For purposes of this summary, a “**U.S. Holder**” is a beneficial owner of GC Shares (or, after the Arrangement, CJ Shares) that is: (a) an individual who is a citizen or resident of the United States, as determined for U.S. federal income tax purposes; (b) a corporation, or other entity classified as a corporation for U.S. federal income tax purposes, that is created or organized in or under the laws of the United States, any state thereof, or the District of Columbia; (c) an estate if the income of such estate is subject to U.S. federal income tax regardless of the source of such income; or (d) a trust if (i) such trust has validly elected to be treated as a U.S. person for U.S. federal income tax purposes or (ii) a U.S. court is able to exercise primary supervision over the administration of such trust and one or more U.S. persons have the authority to control all substantial decisions of such trust.

For purposes of this summary, a “**Non-U.S. Holder**” is a beneficial owner of GC Shares other than a U.S. Holder or an entity or arrangement classified as a partnership for U.S. federal tax income purposes. The U.S. federal income tax considerations applicable to Non-U.S. Holders may depend in significant part on the provisions of any income tax treaty in place between the United States and the Non-U.S. Holder’s jurisdiction. Non-U.S. Holders are urged to consult a tax advisor who has knowledge of the particular treaty provisions applicable to the Non-U.S. Holder in order to accurately determine the specific tax treatment applicable to the Non-U.S. Holder, as well as any other U.S. or non-U.S. tax considerations that may be relevant to the Non-U.S. Holder’s particular circumstances.

If an entity or arrangement classified as a partnership for U.S. federal income tax purposes owns GC Shares or CJ Shares, the U.S. federal income tax consequences of the Arrangement to such partnership and the partners of such partnership generally will depend upon the activities of the partnership and status of such partners. Holders that are classified as partnerships for U.S. federal income tax purposes, and the partners of such entities, should consult their own tax advisors regarding the U.S. federal income tax consequences of the Arrangement and the ownership and disposition of CJ Shares received pursuant to the Arrangement.

U.S. Holders

Receipt of CJ Shares

The receipt of CJ Shares pursuant to the Arrangement should be treated as a distribution for U.S. federal income tax purposes in an amount equal to the value of the CJ Shares, including any CJ Shares held in escrow, on the date of the distribution. In general, a distribution constitutes a dividend for U.S. federal income tax purposes to the extent paid out of the distributing corporation’s current or accumulated earnings and profits, as determined under U.S. federal income tax principles. To the extent that the amount of any distribution exceeds the distributing corporation’s current and accumulated earnings and profits, that portion of the distribution is generally treated as a tax-free return of capital to the extent of a shareholder’s basis in its stock of the distributing corporation. Any excess is generally treated as capital gain.

Based on currently available information and estimates, Global Crossing does not expect the value of the CJ Shares to be distributed to exceed its current and accumulated earnings and profits, if any, as determined under U.S. federal income tax principles. Accordingly, Global Crossing’s current expectation is that the distribution of the CJ Shares will constitute a return of capital to the extent of a U.S. Holder’s basis in his, her, or its GC Shares. Any amount in excess of such basis generally should be treated as capital gain from the sale or exchange of GC Shares. Such gain should generally be long-term capital gain if the GC Shares have been held for more than one year at the time of the distribution. Because current year earnings and profits generally are determined at the end of the taxable year, there can be no assurance that all or a portion of the distribution will not be a taxable dividend for U.S. federal income tax purposes. A U.S. Holder’s basis in the CJ Shares received generally should be the fair market value of the CJ Shares on the date of the distribution. A U.S. Holder’s holding period for the CJ Shares should begin on the date of the distribution.

Ownership of CJ Shares

Distributions

Provided that Canada Jetlines is not and has not been a PFIC, as discussed below, any distributions of cash or other property with respect to the CJ Shares will generally constitute dividends for U.S. federal income tax purposes to the extent paid out of Canada Jetlines's current or accumulated earnings and profits, as determined under U.S. federal income tax principles. To the extent that the amount of any distribution exceeds Canada Jetlines's current and accumulated earnings and profits, that portion of the distribution generally would be treated as a tax-free return of capital to the extent of a U.S. Holder's basis in its CJ Shares. Any excess amount generally would be treated as capital gain from the sale or exchange of CJ Shares. Such gain would generally be long-term capital gain if the CJ Shares have been held for more than a year at the time of the distribution. The amount of any dividend included in income by a U.S. Holder generally would include any Canadian tax withheld. Such a dividend generally would be treated as foreign source income for U.S. foreign tax credit limitation purposes. The rules regarding U.S. foreign tax credits are complex, and U.S. Holders should consult their tax advisors regarding the application of the rules to their particular circumstances.

Disposition of CJ Shares

A U.S. Holder will generally recognize gain or loss upon a sale or other taxable disposition of CJ Shares in an amount equal to the difference between (i) the sum of the amount of cash and fair market value of any property received and (ii) the U.S. Holder's U.S. federal income tax basis in the CJ Shares sold. Provided that Canada Jetlines is not and has not been a PFIC, as discussed below, such gain or loss will generally be long-term capital gain or loss if the CJ Shares have been held for more than one year at the time of the sale. The deductibility of capital losses is subject to limitations. The gain or loss generally would be treated as U.S.-source gain or loss for U.S. foreign tax credit limitation purposes. The rules regarding U.S. foreign tax credits are complex, and U.S. Holders should consult their tax advisors regarding the application of the rules to their particular circumstances.

PFIC Rules

Special U.S. federal income tax rules generally apply to U.S. persons that own stock of a non-U.S. corporation that is a PFIC. In general, a non-U.S. corporation is a PFIC for any taxable year in which either (i) 75% or more of the non-U.S. corporation's gross income is passive income, or (ii) 50% or more of the average value of the non-U.S. corporation's assets, generally determined on a quarterly basis, produce or are held for the production of passive income. Passive income generally includes dividends, interest, and other investment income.

No determination has been made as to whether Canada Jetlines is likely to be a PFIC for its current taxable year or any future taxable year. The determination of PFIC status for any taxable year is based on the application of complex U.S. federal income tax rules, which are subject to differing interpretations. PFIC status depends on the composition of the corporation's income, expenses, and assets from time to time and the nature of its activities, generally cannot be determined until the close of the taxable year in

question, and is determined annually. Thus, there can be no assurance that Canada Jetlines is not or will not become a PFIC.

If Canada Jetlines is a PFIC during any taxable year in which a U.S. Holder holds CJ Shares, certain excess distributions received with respect to the CJ Shares (as determined under the PFIC rules) and gain recognized upon a sale or other disposition of CJ Shares generally would be allocated ratably over a U.S. Holder's holding period for the CJ Shares. The amount allocated to the taxable year of the sale or excess distribution generally would be taxed as ordinary income. The amount allocated to each prior year, with certain exceptions, generally would be taxed at the highest U.S. federal income tax rate in effect for such year and subject to an interest charge based on the value of the tax deferred during the period during which the CJ Shares were held. Certain elections generally may be made by a U.S. person that owns stock of a PFIC that may mitigate some of the adverse U.S. federal income tax consequences described above. Canada Jetlines has not made a determination of whether it will prepare and provide certain information to U.S. Holders that would be needed for one such election. U.S. Holders should consult their tax advisors with respect to Canada Jetlines's potential status as a PFIC and the potential application of the PFIC rules in light of their particular circumstances.

Non-U.S. Holders

Receipt of CJ Shares

Dividends received by a non-U.S. person with respect to stock of a U.S. corporation generally are subject to U.S. withholding tax at a rate of 30% (or lower applicable treaty rate) unless the non-U.S. person establishes that such dividends are effectively connected with such non-U.S. person's conduct of a U.S. trade or business. A non-U.S. person generally may be able to claim benefits (if any) under an applicable treaty with respect to such withholding taxes. In addition, a non-U.S. person generally is taxed in the same manner as a U.S. person on dividends received that are effectively connected with the non-U.S. person's conduct of a trade or business and, if required by an applicable tax treaty, attributable to a permanent establishment maintained by the non-U.S. person, in the United States. A non-U.S. person that is classified as a corporation for U.S. federal income tax purposes may also be subject to an additional branch profits tax at a 30% rate (or lower applicable treaty rate) on dividend income that is effectively connected with a U.S. trade or business.

As described above under the heading "***U.S. Holders—Receipt of CJ Shares***," based on currently available information and estimates, Global Crossing does not expect the value of the CJ Shares to be distributed to exceed its current or accumulated earnings and profits, if any, as determined under U.S. federal income tax principles. Accordingly, Global Crossing's current expectation is that the distribution of the CJ Shares will not constitute a dividend for U.S. federal income tax purposes and will instead constitute a return of capital to the extent of a Non-U.S. Holder's basis in his, her, or its GC Shares. Any amount in excess of such basis should be treated as capital gain from the sale or exchange of GC Shares. Based on its current expectation, Global Crossing does not currently intend to withhold U.S. federal income tax with respect to the distribution of the CJ Shares. Because current year earnings and profits generally are determined at the end of the taxable year, there can be no assurance that the distribution will not be a taxable dividend for U.S. federal income tax purposes. If the distribution of CJ Shares were subsequently determined to be a taxable dividend for U.S. federal income tax purposes, Global Crossing

could withhold the applicable U.S. federal withholding tax from any subsequent payment made to a particular Non-U.S. Holder in respect of its GC Shares.

Subject to the rules discussed below, a Non-U.S. Holder generally would not be subject to U.S. federal income tax on any gain realized to the extent the amount of the distribution of CJ Shares exceeds such Non-U.S. Holder's basis in his, her, or its GC Shares unless (i) the gain is effectively connected with the conduct by the Non-U.S. Holder of a trade or business, and, if required by an applicable treaty, attributable to a permanent establishment maintained by the Non-U.S. Holder, in the United States or (ii) the Non-U.S. Holder is an individual who is present in the United States for 183 days or more in the taxable year of the distribution and certain other conditions are met, unless an applicable income tax treaty provides otherwise. If a Non-U.S. Holder falls under clause (i) above, the Non-U.S. Holder generally will be subject to the rules discussed above under "*U.S. Holders—Receipt of CJ Shares*". In addition, if a Non-U.S. Holder that is classified as a corporation for U.S. federal income tax purposes falls under clause (i) above, it may be subject to an additional branch profits tax on effectively connected income at a 30% rate (or lower applicable treaty rate). If an individual Non-U.S. Holder falls under clause (ii) above, the individual generally would be subject to a flat 30% (or lower applicable treaty rate) tax on the gain, which may be offset by certain U.S. capital losses, subject to applicable rules governing the availability of capital loss deductions for U.S. federal income tax purposes.

Information Reporting and Backup Withholding

Information returns may be filed with the IRS in connection with the distribution of CJ Shares pursuant to the Arrangement. In addition, information returns may be filed with the IRS with respect to any distributions on the CJ Shares and the proceeds from a sale or other disposition of such CJ Shares. Holders of GC Shares or CJ Shares may be subject to backup withholding of U.S. federal income tax on these payments if they fail to provide their taxpayer identification numbers and comply with certification procedures or otherwise establish an exemption from backup withholding, generally on an IRS Form W-9 or the appropriate IRS Form W-8. The amount of any backup withholding from a payment generally will be allowed as a credit against the holder's U.S. federal income tax liability and may entitle the holder to a refund, provided that the required information is furnished to the IRS in a timely manner.

U.S. Foreign Account Tax Compliance Act

Sections 1471 through 1474 of the Code and the Treasury Regulations and administrative guidance promulgated thereunder (commonly referred to as the "Foreign Account Tax Compliance Act" or "**FATCA**") generally impose withholding at a rate of 30% in certain circumstances on dividends in respect of securities (including GC Shares) which are held by or through certain foreign financial institutions, unless any such institution (i) enters into, and complies with, an agreement with the IRS to report, on an annual basis, information with respect to interests in, and accounts maintained by, the institution that are owned by certain U.S. persons and by certain non-U.S. entities that are wholly or partially owned by U.S. persons and to withhold on certain payments, or (ii) if required under an intergovernmental agreement between the United States and an applicable foreign country, reports such information to its local tax authority, which will exchange such information with the U.S. authorities. An intergovernmental agreement between the United States and an applicable foreign country may modify these requirements. Accordingly, any entity through which GC Shares are held will affect the

determination of whether such withholding is required. Similarly, a dividend in respect of GC Shares held by an investor that is a non-financial foreign entity that does not qualify under certain exceptions will generally be subject to withholding at a rate of 30%, unless such entity either (i) certifies to the applicable withholding agent that such entity does not have any “substantial United States owners” or (ii) provides certain information regarding the entity’s “substantial United States owners,” which will in turn be provided to the U.S. Department of the Treasury.

Proposed Treasury Regulations eliminate the requirement to withhold tax under FATCA on gross proceeds from the sale or disposition of property that can produce U.S.-source dividends. The IRS has announced that taxpayers are permitted to rely on such proposed regulations until final Treasury Regulations are issued. All holders should consult their tax advisors regarding the possible implications of FATCA with respect to their ownership of GC Shares.

THE PRECEDING DISCUSSION OF U.S. FEDERAL INCOME TAX CONSIDERATIONS IS FOR GENERAL INFORMATION ONLY AND IS NOT LEGAL OR TAX ADVICE. EACH HOLDER IS ENCOURAGED TO CONSULT ITS OWN TAX ADVISOR AS TO PARTICULAR TAX CONSEQUENCES RELATING TO THE ARRANGEMENT, INCLUDING THE APPLICABILITY AND EFFECT OF ANY U.S. FEDERAL, STATE OR LOCAL OR NON-U.S. TAX LAWS.

RISK FACTORS

There are a number of material risks to which Global Crossing is subject relating to the Arrangement, including, among others, the following:

- (a) The Arrangement is subject to normal commercial risks that such transaction may not be completed on the terms negotiated or at all.
- (b) Completion of the Arrangement is subject to, among other things, the approval of the Court, which is outside the control of Global Crossing. There can be no assurance that these conditions will be satisfied or that the Arrangement will be completed as currently contemplated or at all. Delays in the completion of the Arrangement could, among other things, result in additional transaction costs, loss of revenue, or other negative effects associated with uncertainty about completion of the Arrangement.
- (c) Certain costs related to the Arrangement, such as legal, accounting and certain financial advisory fees, must be paid by Global Crossing even if the Arrangement is not completed.
- (d) While Canada Jetlines intends to complete a private placement financing and seek a listing of the CJ Shares on the TSX-V after completing the Arrangement, there can be no assurance that such financing will be completed or that a listing will be obtained. Any such listing will be subject to Canada Jetlines fulfilling all of the requirements of the applicable stock exchange platform.

- (e) Global Crossing's customers, clients and strategic partners, may, in response to the announcement of the Arrangement, delay or defer decisions concerning Global Crossing. Any such delay or deferral could have a material adverse effect on the business and or operations of Global Crossing, regardless of whether the Arrangement is ultimately completed. Similarly, current and prospective Global Crossing employees may experience uncertainty about their futures. This may adversely affect Global Crossing's ability to attract or to retain key personnel.

BOARD APPROVAL

The contents and the sending of this Information Notice have been approved by the Board.

APPENDIX A
GLOBAL CROSSING ARRANGEMENT RESOLUTION

Attached.

**WRITTEN CONSENT OF THE BOARD OF DIRECTORS
OF
GLOBAL CROSSING AIRLINES GROUP INC.**

April 19, 2021

In accordance with Section 141 of the General Corporation Law of the State of Delaware and the Certificate of Incorporation and By-Laws of Global Crossing Airlines Group Inc, a Delaware corporation (the “**Corporation**”), the undersigned, being all the members of the board of directors of the Corporation (the “**Board**”), acting without a meeting, do hereby adopt the following resolutions by written consent effective as of the date first written above, which action shall be as valid and legal and of the same force and effect as though taken at a meeting duly and validly noticed and held.

A. PLAN OF ARRANGEMENT

WHEREAS Canada Jetlines Operations Ltd. (“**Jetlines**”) has entered into an Arrangement Agreement dated April 19, 2021 (the “**Arrangement Agreement**”) with the Corporation in order to carry out an arrangement (the “**Arrangement**”) under Section 192 of the *Canada Business Corporations Act* (the “**CBCA**”);

AND WHEREAS the Board of Directors of the Corporation has determined that the Arrangement is fair, from a financial point of view, to the Corporation as the sole shareholder of Jetlines, and it is in the best interests of the Corporation to enter into the Arrangement Agreement and complete the Arrangement and transactions contemplated thereby;

NOW THEREFORE BE IT RESOLVED THAT:

APPROVAL OF ARRANGEMENT, ARRANGEMENT AGREEMENT AND RELATED MATTERS

1. The Arrangement involving Jetlines and the Corporation, all as more particularly described and set forth in the plan of arrangement, as it may be or has been amended (the “**Plan of Arrangement**”), the full text of which is set out in Schedule “A” to the Arrangement Agreement, is hereby authorized, approved and adopted;
2. The Arrangement Agreement and all the transactions contemplated therein, the actions of the directors of the Corporation in approving the Arrangement and the actions of the officers of the Corporation in executing and delivering the Arrangement Agreement and any amendments thereto are hereby confirmed, ratified, authorized and approved;
3. The Arrangement is fair, from a financial point of view, to the Corporation as the sole shareholder of Jetlines, and it is in the best interests of the Corporation to enter into the Arrangement Agreement and complete the Arrangement and transactions contemplated thereby;
4. Notwithstanding that this resolution has been passed (and the Arrangement adopted) or that the Arrangement has been approved by the Supreme Court of British Columbia, the directors of the Corporation are hereby authorized and empowered:
 - (a) to amend the Arrangement Agreement or the Plan of Arrangement to the extent permitted by the Arrangement Agreement or the Plan of Arrangement; or
 - (b) subject to the terms of the Arrangement Agreement, not to proceed with the Arrangement;

5. Any one or more directors or officers of the Corporation are hereby authorized, for and on behalf and in the name of the Corporation, to execute and deliver, whether under corporate seal of the Corporation or not, all such agreements, applications, forms, waivers, notices, certificates, confirmations and other documents and instruments and to do or cause to be done all such other acts and things as in the opinion of such director or officer may be necessary, desirable or useful for the purpose of giving effect to these resolutions, the Arrangement Agreement and the completion of the Plan of Arrangement in accordance with the terms of the Arrangement Agreement, including:
- (a) all actions required to be taken by or on behalf of the Corporation, and all necessary filings and obtaining the necessary approvals, consents and acceptances of appropriate regulatory authorities; and
 - (b) the signing of the certificates, consents and other documents or declarations required under the Arrangement Agreement or otherwise to be entered into by the Corporation; such determination to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of any such act or thing.

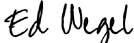
B. ADDITIONAL ACTS AND DOCUMENTS

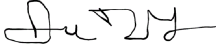
NOW THEREFORE BE IT RESOLVED THAT any one officer or director of the Corporation be and is hereby authorized and directed to execute and deliver on behalf of the Corporation all such further deeds, documents or writings and to make such filings with regulatory authorities and take such further and other actions or steps as shall appear necessary or desirable from time to time in order to carry out fully the foregoing resolutions, complete the Corporation's participation in the foregoing transactions and advise the appropriate regulatory authorities of the completion of such transactions. Execution and delivery of such documents in the aforesaid manner shall be conclusive evidence that all deeds, documents and writings so executed and delivered are valid, binding obligations of and enforceable against the Corporation in accordance with the terms thereof.

EXECUTION IN COUNTERPARTS

These resolutions may be signed by the directors in as many counterparts as may be necessary and by facsimile or other electronic means each of which so signed shall be deemed to be an original, and such counterparts together shall constitute one and the same instrument and notwithstanding the date of execution shall be deemed to bear the date as set forth above.

IN WITNESS WHEREOF, the undersigned have executed this Written Consent of the Board of Directors as of the date first above written.

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EDWARD WEGEL

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JOSEPH DAGROSA, JR.

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ALAN BIRD

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T. ALLAN MCARTOR

DocuSigned by:

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RYAN GOEPEL

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01E2B18E00001DB
DEBORAH ROBINSON

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JOHN A. QUELCH

APPENDIX B
ARRANGEMENT AGREEMENT

Attached.

SECOND AMENDED AND RESTATED ARRANGEMENT AGREEMENT

THIS ARRANGEMENT AGREEMENT dated as of the 19th day of May, 2021.

BETWEEN:

CANADA JETLINES OPERATIONS LTD., a corporation incorporated under the *Canada Business Corporations Act* (Canada)

("Canada Jetlines")

- and -

GLOBAL CROSSING AIRLINES GROUP, INC., a corporation domesticated under the *General Corporation Law* (Delaware)

("Global Crossing")

BACKGROUND:

A. Global Crossing is the holder of all issued and outstanding shares in the capital of Canada Jetlines such that Canada Jetlines is a wholly owned, direct subsidiary of Global Crossing and as such is not a "reporting issuer" (as that term is used in applicable securities law);

B. Canada Jetlines and Global Crossing have agreed to proceed with a statutory plan of arrangement under section 192 of the *Canada Business Corporations Act* (the "**Arrangement**"), whereby:

- (a) each issued and outstanding CJ Share will be subject to a forward split resulting in additional issued and outstanding CJ Shares on the ratio determined by the formula set out in the Plan of Arrangement with the result that 75% of the number of issued and outstanding CJ Shares shall equal 50% of the number of outstanding and outstanding GC Shares;
- (b) the authorized capital of Canada Jetlines will be altered in order to align the permitted level of non-Canadian ownership and control of its voting shares with those prescribed by the definition of "Canadian" under the *Canada Transportation Act*; and
- (c) Global Crossing shall distribute 75% of the resulting CJ Shares to the shareholders of Global Crossing;

C. Immediately upon completion of the Arrangement:

- (a) Canada Jetlines will cease to be a wholly owned subsidiary of Global Crossing;
- (b) Canada Jetlines will be a "reporting issuer" (as that term is used in applicable securities law);
- (c) each GC Shareholder will hold 0.5 CJ Shares for each GC Share held and the GC Shareholders collectively will hold 75% of the issued and outstanding CJ Shares; and
- (d) Global Crossing shall retain 25% of the issued and outstanding CJ Shares; and

D. The parties to this Agreement have agreed to participate in and support the Arrangement.

AGREEMENT:

In consideration of the premises and the respective covenants and agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the parties hereto, the parties hereto hereby covenant and agree as follows:

Article 1 DEFINITIONS, INTERPRETATION AND SCHEDULES

1.1 **Definitions:** In this Agreement, unless there is something in the subject matter or context inconsistent therewith, the following capitalized words and terms shall have the following meanings:

- (a) **"1933 Act"** means the *United States Securities Act of 1933* as amended, and the rules and regulations promulgated thereunder;
- (b) **"Agreement"** means this Amended and Restated Arrangement Agreement including as the same may be supplemented or amended from time to time;
- (c) **"Arrangement"** means the arrangement pursuant to section 192 of the CBCA as contemplated by the provisions of this Agreement and the Plan of Arrangement;
- (d) **"Arrangement Provisions"** means section 192 of the CBCA;
- (e) **"Articles of Arrangement"** means the articles of arrangement of Canada Jetlines in respect of the Arrangement, to be filed with the Director after the Final Order is made, in substantially the form attached as Attachment 1 to the Plan of Arrangement;
- (f) **"Bridge Loan Agreement"** means a bridge loan agreement to be entered into between Global Crossing, as lender, and Canada Jetlines, as borrower, pursuant to which Global Crossing shall make Bridge Loans which will be designed to mature and be repaid at such time Canada Jetlines successfully completes the private placement financing it intends to seek after the completion of the Arrangement, and which will be on such other terms and conditions mutually agreeable by the parties;
- (g) **"Bridge Loans"** means one or more loans to be made available by Global Crossing to Canada Jetlines pursuant to the terms of the Bridge Loan Agreement in at least such amounts as sufficient to ensure that Canada Jetlines is able to pay its liabilities as they become due;
- (h) **"Business Day"** means a day which is not a Saturday, Sunday or statutory holiday in Vancouver, BC;
- (i) **"CBCA"** means the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44, as amended, including the regulations promulgated thereunder;
- (j) **"CJ Shares"** means, as of the date hereof, the unlimited common voting shares without par value which Canada Jetlines is authorized to issue and, as of the completion of the Arrangement, shall mean the unlimited common voting shares without par value and the unlimited variable voting shares which Canada Jetlines shall then be authorized to issue;
- (k) **"Closing Date"** means the last Business Day preceding the Effective Date;
- (l) **"Constating Documents"** means, with respect to any corporation, its corporate governance documents, including any articles of incorporation, certificate of incorporation, by-laws, etc., as may be applicable, and in each case inclusive of all amendments thereto;

- (m) **"Court"** means the Supreme Court of British Columbia;
- (n) **"Director"** means the Director appointed pursuant to section 260 of the CBCA;
- (o) **"Effective Date"** means the date shown on the certificate of arrangement to be issued by the Director after the Articles of Arrangement have been filed, which shall serve as the effective date of the transactions set out in the Arrangement, and is projected to be on or about June 18, 2021 or such other date to be determined by the board of directors of Global Crossing, as the context and administrative procedures so require;
- (p) **"Effective Time"** means 12:01 a.m. Pacific Time on the Effective Date;
- (q) **"Final Order"** means the final order of the Court approving the Arrangement;
- (r) **"GC Shareholders"** means the holders of GC Shares as at the Record Date;
- (s) **"GC Shares"** means its authorized share capital of 200,000,000 shares consisting (i) shares of common stock par value \$0.001 per share; and (ii) the Class A Common Stock par value \$0.001 per share, which Global Crossing is authorized to issue as the same are constituted on the date hereof;
- (t) **"Intercompany Debt"** means the funds advanced from Global Crossing to Canada Jetlines that were utilized by Canada Jetlines for working capital, general and administrative expenses and to advance its business plan including the completion of the airline licensing process with the Canada Transportation Agency and Transport Canada, which as of March 31, 2021 amounted to \$10,448,778;
- (u) **"Interim Order"** means the interim order of the Court providing advice and directions in connection with the Arrangement, including confirming a right for GC Shareholders to appear before the Court for the purposes set out in section 2.4(g);
- (v) **"Original Agreement"** means the Amended and Restated Arrangement Agreement dated as of May 17, 2021 among the parties hereto, amending and restating the Arrangement Agreement dated as of April 19, 2021;
- (w) **"Person"** means and includes an individual, sole proprietorship, partnership, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, a trustee, executor, administrator or other legal representative and the Crown or any agency or instrumentality thereof;
- (x) **"Plan of Arrangement"** means the Plan of Arrangement attached to this Agreement as Schedule A, subject to any amendments, variations or supplements to the Plan of Arrangement made in accordance with its terms, the terms of this Agreement or made at the direction of the Court with the consent of the parties hereto, each acting reasonably;
- (y) **"Record Date"** means the record date for determining the holders and holdings of GC Shares to participate in the Arrangement, which is to be set by the Board of Directors of Global Crossing and is anticipated to be shortly prior to the Effective Date; and
- (z) **"Section 3(a)(10) Exemption"** means the exemption from the registration requirements of the 1933 Act provided by Section 3(a)(10) thereof.

1.2 **Currency:** All amounts of money which are referred to in this Agreement are expressed in lawful money of Canada unless otherwise specified.

1.3 **Interpretation Not Affected by Headings:** The division of this Agreement into articles, sections, subsections, paragraphs and subparagraphs and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of the provisions of this Agreement. The terms “this Agreement”, “hereof”, “herein”, “hereunder” and similar expressions refer to this Agreement and the exhibits hereto as a whole and not to any particular article, section, subsection, paragraph or subparagraph hereof and include any agreement or instrument supplementary or ancillary hereto.

1.4 **Number and Gender:** In this Agreement, unless the context otherwise requires, words importing the singular shall include the plural and vice versa and words importing the use of either gender shall include both genders and neuter and words importing persons shall include partnerships, firms, and corporations.

1.5 **Date for any Action:** In the event that any date on which any action is required to be taken hereunder by Global Crossing or Canada Jetlines is not a Business Day in the place where the action is required to be taken, such action shall be required to be taken on the next succeeding day which is a Business Day in such place.

1.6 **Meaning:** Words and phrases used herein and defined in the CBCA shall have the same meaning herein as in the CBCA unless the context otherwise requires.

1.7 **Schedule:** Attached hereto and deemed to be incorporated into and form part of this Agreement as Schedule A is the Plan of Arrangement.

Article 2 ARRANGEMENT

2.1 **Arrangement:** The parties agree to effect the Arrangement pursuant to the Arrangement Provisions on the terms and subject to the conditions contained in this Agreement and the Plan of Arrangement.

2.2 **Effective Date of Arrangement:** The Arrangement shall become effective on the Effective Date as set out in the Plan of Arrangement.

2.3 **Commitment to Effect:** Subject to termination of this Agreement pursuant to Article 6 hereof, the parties shall each use all reasonable efforts and do all things reasonably required to cause the Plan of Arrangement to become effective by no later than June 30, 2021, or by such other date as Global Crossing and Canada Jetlines may determine, and in conjunction therewith to cause the conditions described in section 5.1 to be complied with prior to the Effective Date. Without limiting the generality of the foregoing, the parties shall proceed forthwith to apply for the Interim Order and shall thereafter provide such notice to the GC Shareholders as may be directed by the Court in the Interim Order.

2.4 **Exemption Under the 1933 Act:** The parties agree that the Arrangement will be carried out with the intention that the CJ Shares issued and then distributed to the GC Shareholders pursuant to the Arrangement will be issued and distributed in reliance on the Section 3(a)(10) Exemption. In order to ensure the availability of the Section 3(a)(10) Exemption, the parties agree that the Arrangement will be carried out on the following basis:

- (a) the Arrangement will be subject to the approval of the Court;
- (b) the Court will be advised as to the intention of the parties to rely on the Section 3(a)(10) Exemption prior to the hearing required to approve the Arrangement;
- (c) the Court will be required to satisfy itself as to the fairness of the Arrangement to the GC Shareholders to whom securities issued under the Arrangement will be distributed;
- (d) the Final Order will expressly state that the Arrangement is approved by the Court as being fair to the GC Shareholders;

- (e) Global Crossing will ensure that all GC Shareholders entitled to receive CJ Shares on completion of the Arrangement will be given adequate notice advising them of their right to attend the hearing of the Court to give approval of the Arrangement and providing them with sufficient information necessary for them to exercise that right, which such notice shall be communicated to the GC Shareholders by the issuance of a news release that shall include all appropriate details and posted on SEDAR;
- (f) the GC Shareholders will be advised that the securities issued and being distributed to them in the Plan of Arrangement have not been registered under the 1933 Act and will be so issued and distributed in reliance on the exemption from the registration requirements of the 1933 Act and may be subject to restrictions on resale under the securities laws of the United States, including, as applicable, Rules 144 and 145 under the 1933 Act with respect to affiliates;
- (g) the Interim Order of the Court will specify that each GC Shareholder will have the right to appear before the Court so long as such GC Shareholder enters an appearance within a reasonable time; and
- (h) the Final Order will include a statement to the following effect:

“This Order will serve as a basis of a claim to an exemption, pursuant to section 3(a)(10) of the *United States Securities Act of 1933* from the registration requirements otherwise imposed by that Act, regarding the distribution of securities of Canada Jetlines Operations Ltd., pursuant to the Plan of Arrangement.”

Article 3 REPRESENTATIONS AND WARRANTIES

3.1 **Mutual Representations and Warranties:** Each party hereby represents and warrants to the other party that:

- (a) it is a corporation duly incorporated or domesticated and validly subsisting under the laws of its jurisdiction of incorporation or domestication, and has full capacity and authority to enter into this Agreement and to perform its covenants and obligations hereunder;
- (b) it has taken all corporate actions necessary to authorize the execution and delivery of this Agreement and this Agreement has been duly executed and delivered by it;
- (c) neither the execution and delivery of this Agreement nor the performance of any of its covenants and obligations hereunder will constitute a material default under, or be in any material contravention or breach of:
 - (i) any provision of its Constatng Documents or other governing corporate documents;
 - (ii) any judgment, decree, order, law, statute, rule or regulation applicable to it; or
 - (iii) any agreement or instrument to which it is a party or by which it is bound; and
- (d) no dissolution, winding up, bankruptcy, liquidation or similar proceedings have been commenced or are pending or proposed in respect of it.

3.2 **Representations and Warranties of Global Crossing:** Global Crossing represents and warrants to Canada Jetlines that with the exception of the approval of the Board of Directors of Global Crossing and subject to Global Crossing complying with its obligations under the Interim Order, no corporate approvals or procedures are required under Delaware or United States law or pursuant to the Constatng Documents

of Global Crossing to complete any of the actions Global Crossing has covenanted to complete under this Agreement and the Plan of Arrangement, including that no meeting of the GC Shareholders need be held and no approval of the GC Shareholders need be obtained.

Article 4 COVENANTS

4.1 **Covenants:** Each of the parties covenants with the other that it will do and perform all such acts and things, and execute and deliver all such agreements, assurances, notices and other documents and instruments, as may reasonably be required to facilitate the carrying out of the intent and purpose of this Agreement.

4.2 **Solvency:** Prior to Canada Jetlines applying for the Final Order, the parties shall do and perform, or cause to be done and performed, all such further acts and things, and shall execute and deliver all such other agreements, certificates, instruments and documents, as the parties may mutually determine, acting reasonably, to be necessary or desirable to ensure that Canada Jetlines is a corporation that is not insolvent for the purposes of section 192(3) of the CBCA, including that the parties covenant and agree as follows:

- (a) upon the issuance of the Interim Order, and without any further action required on the part of either party, the Intercompany Debt shall be irrevocably extinguished without any repayment thereof such that Canada Jetlines has no further obligations with respect thereof;
- (b) authorization thereof by special resolution of the shareholders of Canada Jetlines having been received, upon the issuance of the Interim Order, and without any further action required on the part of either party, the aggregate stated capital (for CBCA purposes) of the CJ Shares shall be reduced to \$1; and
- (c) the parties shall enter into the Bridge Loan Agreement and ensure that Bridge Loans are available to be advanced thereunder within 14 days of the issuance of the Interim Order.

4.3 **Interim Order and Final Order:** The parties acknowledge that Canada Jetlines will apply to and obtain from the Court, pursuant to the Arrangement Provisions, the Interim Order that shall, among other things, direct Global Crossing to provide notice of this Arrangement to the GC Shareholders, set the date of the hearing for the Final Order, and require that Global Crossing acting in its capacity as sole shareholder of Canada Jetlines approve the Arrangement by a consent resolution. The parties each covenant and agree that if:

- (a) the conditions set out in sections 5.1(b) and (c) hereof are satisfied, and
- (b) Canada Jetlines is a corporation that is not insolvent for the purposes of section 192(3) of the CBCA,

Canada Jetlines will thereafter (subject to the exercise of the discretionary authority of Global Crossing's directors and Canada Jetlines' directors, respectively) take the necessary actions to submit the Arrangement to the Court for approval and apply for the Final Order.

4.4 **Filing of Articles of Arrangement:** Subject to the rights of termination contained in Article 6 hereof (and any exercise of the discretionary authority of Global Crossing's directors and Canada Jetlines' directors, respectively), after the parties obtain the Final Order and the other conditions contained in Article 5 hereof have been complied with or waived, Canada Jetlines shall file the Articles of Arrangement with the Director.

Article 5 CONDITIONS

5.1 **Conditions Precedent:** The respective obligations of the parties to complete the transactions contemplated by this Agreement shall be subject to the satisfaction of the following conditions:

- (a) the Interim Order shall have been granted in form and substance satisfactory to the parties;
- (b) Global Crossing shall satisfy the directions to notify the GC Shareholders regarding the Arrangement as set out in the Interim Order;
- (c) the Arrangement and this Agreement, with or without amendment, shall have been approved by consent resolution of Global Crossing in its capacity as sole shareholder of Canada Jetlines, and in accordance with the Arrangement Provisions and the Constatting Documents of Canada Jetlines;
- (d) the Final Order shall have been obtained in form and substance satisfactory to the parties;
- (e) all other agreements, consents, orders, regulations and approvals, including regulatory and judicial approvals and orders required or necessary or desirable for the completion of the transactions provided for in this Agreement and the Plan of Arrangement, and such documents necessary to facilitate a tax efficient transaction, shall have been obtained or received from the Persons, authorities or bodies having jurisdiction in the circumstances each in form acceptable to the parties, acting reasonably;
- (f) no law, regulation or policy will have been proposed, enacted, promulgated or applied which interferes or is inconsistent with the completion of the Arrangement and Plan of Arrangement, including any material change to the tax laws of Canada or the United States, which would reasonably be expected to have a material adverse effect on any of Global Crossing, Canada Jetlines or the GC Shareholders if the Arrangement is completed;
- (g) there shall not be in force any order or decree restraining or enjoining the consummation of the transactions contemplated by this Agreement and the Arrangement; and
- (h) this Agreement shall not have been terminated under Article 6 hereof.

Except for the conditions set forth in sections 5.1(a), (b), (c), (d), (g) and (h), which may not be waived, any of the other conditions in this section 5.1 may be waived by Global Crossing at its discretion.

5.2 **Closing:** Unless this Agreement is terminated earlier pursuant to the provisions hereof, the parties shall meet at the offices of DLA Piper (Canada) LLP, 2800 Park Place, 666 Burrard Street, Vancouver, British Columbia V6C 2Z7, at 10:00 a.m. on the Closing Date, or at such other location or at such other time or on such other date as they may mutually agree, and each of them shall deliver to the other of them the documents required to be delivered by it hereunder to complete the transactions contemplated hereby, provided that each such document required to be dated the Effective Date shall be dated as of, or become effective on, the Effective Date and shall be held in escrow to be released upon the occurrence of the Effective Date.

5.3 **Merger of Conditions:** The conditions set out in section 5.1 hereof shall be conclusively deemed to have been satisfied, waived or released upon the occurrence of the Effective Date.

5.4 **Merger of Representations, Warranties and Covenants:** The representations and warranties in Article 3 shall be conclusively deemed to be correct as of the Effective Date and the covenant in section 4.1 hereof shall be conclusively deemed to have been complied with in all respects as of the Effective Date, and each shall accordingly merge in and not survive the effectiveness of the Arrangement.

Article 6 AMENDMENT AND TERMINATION

6.1 **Amendment:** Subject to section 6.3 and any mandatory applicable restrictions under the Arrangement Provisions or the Final Order, this Agreement, including the Plan of Arrangement, may at any time and from time to time prior to the Effective Date be amended by agreement of the parties.

6.2 **Termination:** Subject to section 6.3, this Agreement may at any time before or after the granting of the Final Order, but in any case prior to the Effective Date, be terminated by agreement of the parties hereto, and for the avoidance of doubt nothing expressed or implied herein or in the Plan of Arrangement shall be construed as fettering the absolute discretion by the Board of Directors of Global Crossing to cause the parties to terminate this Agreement and discontinue efforts to effect the Arrangement for whatever reasons it may consider appropriate.

6.3 **Cessation of Right:** The right of the parties to amend or terminate the Plan of Arrangement pursuant to sections 6.1 and 6.2 shall be extinguished upon the occurrence of the Effective Date.

Article 7 GENERAL

7.1 **Notices:** All notices which may or are required to be given pursuant to any provision of this Agreement shall be given or made in writing and shall be delivered or e-mailed, addressed as follows:

in the case of Global Crossing:

Bldg. 5A, Miami Int' Airport
4th Floor, 4200 NW 36th Street
Miami, FL, USA 33166

Attention: Ed Wegel, CEO
Email: ed.wegel@globalxair.com

in the case of Canada Jetlines:

2400 – 1055 West Georgia St.
Vancouver, B.C.
Canada, V6E 3P3

Attention: Eddy Doyle, CEO
Email: eddy.doyle@jetlines.ca

in each case, with a copy to:

DLA Piper (Canada) LLP
2800 Park Place
666 Burrard Street
Vancouver, British Columbia V6C 2Z7

Attention: Denis Silva
Email: denis.silva@dlapiper.com

7.2 **Assignment:** None of the parties may assign its rights or obligations under this Agreement or the Arrangement without the prior written consent of the others of them.

7.3 **Binding Effect:** This Agreement and the Arrangement shall be binding upon and shall enure to the benefit of the parties and their respective successors and permitted assigns.

7.4 **Waiver:** Any waiver or release of the provisions of this Agreement, to be effective, must be in writing and executed by the party granting such waiver or release.

7.5 **Governing Law:** This Agreement and all Schedules attached hereto shall be governed by and be construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein and shall be treated in all respects as a British Columbia contract.

7.6 **Counterparts:** This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original but all of which together shall constitute one and the same instrument.

7.7 **Expenses:** All expenses incurred by a party in connection with this Agreement, the Arrangement and the transactions contemplated hereby and thereby shall be borne by the party that incurred the expense or as otherwise mutually agreed by the parties.

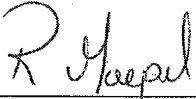
7.8 **Entire Agreement; Original Agreement Superseded:** This Agreement constitutes the entire agreement between the parties with respect to the subject matter of this Agreement and supersedes all prior and contemporaneous agreements, understanding, negotiations and discussions, whether oral or written, of the parties, including, for the avoidance of doubt, that this Agreement amends, replaces and supersedes the Original Agreement in its entirety.

7.9 **Time of Essence:** Time is of the essence of this Agreement.

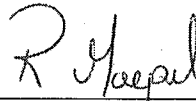
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Signature page follows.]*

IN WITNESS WHEREOF the parties have executed this Agreement as of the date first above written.

**GLOBAL CROSSING AIRLINES GROUP,
INC.**

Per: 
Authorized Signatory

CANADA JETLINES OPERATIONS LTD.

Per: 
Authorized Signatory

SCHEDULE A

TO THE SECOND AMENDED AND RESTATED ARRANGEMENT AGREEMENT DATED AS OF THE 19TH DAY OF MAY, 2021 BETWEEN CANADA JETLINES OPERATIONS LTD. AND GLOBAL CROSSING AIRLINES GROUP, INC.

PLAN OF ARRANGEMENT UNDER SECTION 192 OF THE CANADA BUSINESS CORPORATIONS ACT

Article 1 DEFINITIONS AND INTERPRETATION

1.1 **Definitions:** In this plan of arrangement, unless there is something in the subject matter or context inconsistent therewith, the following capitalized words and terms shall have the following meanings:

- (a) **"Arrangement"** means the arrangement pursuant to the Arrangement Provisions on the terms and conditions set out herein;
- (b) **"Arrangement Agreement"** means the second amended and restated arrangement agreement dated as of May 19, 2021 between Canada Jetlines and Global Crossing to which this Schedule A is attached, as may be supplemented or amended from time to time;
- (c) **"Arrangement Provisions"** means Section 192 of the CBCA;
- (d) **"Articles of Arrangement"** means the articles of arrangement of Canada Jetlines in respect of the Arrangement, to be filed with the Director after the Final Order is made, in substantially the form attached as Attachment 1 to this Plan of Arrangement;
- (e) **"Business Day"** means a day which is not a Saturday, Sunday or statutory holiday in Vancouver, British Columbia;
- (f) **"Canada Jetlines"** means Canada Jetlines Operations Ltd., a corporation existing under the CBCA;
- (g) **"CBCA"** means the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44, as amended, including the regulations promulgated thereunder;
- (h) **"CJ Shares"** means, as of the date hereof, the unlimited common voting shares without par value which Canada Jetlines is authorized to issue and, as of the completion of the Arrangement, shall mean the unlimited common voting shares without par value and the unlimited variable voting shares which Canada Jetlines shall then be authorized to issue;
- (i) **"Court"** means the Supreme Court of British Columbia;
- (j) **"Director"** means the Director appointed pursuant to section 260 of the CBCA;
- (k) **"Effective Date"** means the date shown on the certificate of arrangement to be issued by the Director after the Articles of Arrangement have been filed, which shall serve as the effective date of the transactions set out in the Arrangement, and is projected to be on or about June 18, 2021 or such other date to be determined by the board of directors of Global Crossing, as the context and administrative procedures so require;

- (l) **"Effective Time"** means 12:01 a.m. Pacific Time on the Effective Date;
- (m) **"Final Order"** means the final order of the Court approving the Arrangement;
- (n) **"GC Shareholders"** means the holders of GC Shares as at the Record Date;
- (o) **"GC Shares"** means its authorized share capital of 200,000,000 shares consisting (i) shares of common stock par value \$0.001 per share; and (ii) the Class A Common Stock par value \$0.001 per share, which Global Crossing is authorized to issue as the same are constituted on the date hereof;
- (p) **"Global Crossing"** means Global Crossing Airlines Group, Inc., a corporation domesticated under the *General Corporation Law* (Delaware);
- (q) **"Interim Order"** means the interim order of the Court providing advice and directions in connection with the Arrangement, including confirming a right for GC Shareholders to appear before the Court;
- (r) **"Plan of Arrangement"** means this Plan of Arrangement, as the same may be amended from time to time;
- (s) **"Record Date"** means the record date for determining the holders and holdings of GC Shares to participate in the Arrangement, which is to be set by the Board of Directors of Global Crossing and is anticipated to be shortly prior to the Effective Date; and
- (t) **"Tax Act"** means the *Income Tax Act* (Canada), as amended from time to time.

1.2 **Interpretation Not Affected by Headings:** The division of this Plan of Arrangement into articles, sections, subsections, paragraphs and subparagraphs and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Plan of Arrangement. Unless otherwise specifically indicated, the terms "this Plan of Arrangement", "hereof", "hereunder" and similar expressions refer to this Plan of Arrangement as a whole and not to any particular article, section, subsection, paragraph or subparagraph and include any agreement or instrument supplementary or ancillary hereto.

1.3 **Number and Gender:** Unless the context otherwise requires, words importing the singular number only shall include the plural and vice versa, words importing the use of either gender shall include both genders and neuter and words importing persons shall include firms and corporations.

1.4 **Meaning:** Words and phrases used herein and defined in the CBCA shall have the same meaning herein as in the CBCA, unless the context otherwise requires.

1.5 **Date for any Action:** If any date on which any action is required to be taken under this Plan of Arrangement is not a Business Day, such action will be required to be taken on the next succeeding Business Day.

Article 2 ARRANGEMENT AGREEMENT

2.1 **Arrangement Agreement:** This Plan of Arrangement is made pursuant and subject to the provisions of the Arrangement Agreement.

Article 3 THE ARRANGEMENT

3.1 **The Arrangement:** Commencing at the Effective Time, each of the steps set out below shall occur in the following order without any further authorization, act or formality, with each step deemed to occur two minutes after the completion of the immediately preceding step except as otherwise expressly provided:

- (a) in substitution for (and, for the avoidance of doubt, not in addition to) each issued and outstanding CJ Share immediately prior to the Effective Time (all of which are held by Global Crossing), Canada Jetlines will issue to Global Crossing that number of CJ Shares calculated pursuant to the following formula at the Effective Time:

$\frac{2}{3}$ times the number of issued and outstanding GC Shares on the Record Date, divided by the number of issued and outstanding CJ Shares immediately prior to the Effective Time,

such that upon the completion of this step the number of issued and outstanding GC Shares is unchanged and the number of issued and outstanding CJ Shares shall be two-thirds of that first number (or, in other words, 75% of the number of issued and outstanding CJ Shares is equal to 50% of the number of issued and outstanding GC Shares at the Record Date);

- (b) in order to align the permitted level of non-Canadian ownership and control of its voting shares within the Canada Jetlines Articles with those prescribed by the definition of "Canadian" under the *Canada Transportation Act*, the authorized capital of Canada Jetlines shall be altered to:
 - (i) restrict ownership of the authorized unlimited common voting shares to Canadian holders;
 - (ii) establish an unlimited number of authorized variable voting shares, and restrict ownership thereof to non-Canadian holders;
 - (iii) provide an automatic conversion of issued shares between such classes of shares in the event of transfer from a Canadian to a non-Canadian holder or vice versa; and
 - (iv) provide for an automatic proportionate decrease in the voting power of variable voting shares in the event the number of CJ Shares held by non-Canadian holders exceeds the prescribed threshold;
- (c) to effect the transactions set out in Sections 3.1(a) and (b), in accordance with section 192(1)(a) of the CBCA, the articles of Canada Jetlines shall be amended, and shall be deemed to be amended, in the form attached as Attachment 1 hereto;
- (d) Articles of Arrangement in the form attached as Attachment 1 hereto shall be adopted and the articles of Canada Jetlines shall be amended accordingly; and
- (e) an amount of issued and outstanding CJ Shares shall be distributed (which shall be considered a dividend paid by Global Crossing to the GC Shareholders for the purposes of the *General Corporation Law* (Delaware)) to GC Shareholders such that for every 1 GC Share held each GC Shareholder receives 0.5 CJ Shares, which shall result, in the aggregate, in 75% of the issued and outstanding CJ Shares being held by the GC Shareholders (of which one half of such CJ Shares will remain in escrow with the transfer agent and be automatically released from escrow on the date that is twelve (12) months

from the Effective Date) and 25% of the issued and outstanding CJ Shares remaining held by Global Crossing.

3.2 **No Fractional Shares:** Notwithstanding any other provision of this Arrangement, no fractional CJ Shares shall be distributed to the GC Shareholders and, as a result, all fractional amounts arising under this Plan of Arrangement will be rounded down to the next whole number without any compensation therefor.

3.3 **Effective Time:** In section 3.1 the reference to a GC Shareholder shall mean a person who is a GC Shareholder at the Effective Time.

3.4 **Deemed Issuance as Fully Paid and Non-Assessable Shares:** The Final Order shall establish that the creation of new CJ Shares pursuant to section 3.1(a) of the Arrangement is deemed an issuance of shares and not a change of the issued CJ Shares into a different number of shares of the same class as contemplated, e.g., by section 173(1)(h) of the CBCA. All CJ Shares issued or deemed to be issued pursuant hereto shall be deemed to be validly issued and outstanding as fully paid and non-assessable shares for all purposes of the CBCA.

3.5 **Arrangement Effectiveness:** The Arrangement shall become final and conclusively binding on the Global Crossing, Canada Jetlines and the GC Shareholders on the Effective Date.

3.6 **Supplementary Actions:** Notwithstanding that the transactions and events set out in section 3.1 shall occur and shall be deemed to occur in the chronological order therein set out (except as otherwise expressly provided) without any act or formality, each of Global Crossing and Canada Jetlines shall be required to make, do and execute or cause and procure to be made, done and executed all such further acts, deeds, agreements, transfers, assurances, instruments or documents as may be required to give effect to, or further document or evidence, any of the transactions or events set out in this Plan of Arrangement, including, without limitation, any resolutions of directors authorizing the issue, transfer or redemption of shares, any share transfer powers evidencing the transfer of shares and any receipt therefor, and any necessary additions to or deletions from share registers.

3.7 **No Liens:** Any exchange or transfer of securities pursuant to this Plan of Arrangement will be free and clear of any liens, restrictions, adverse claims or other claims of third parties of any kind.

Article 4 CERTIFICATES

4.1 **CJ Shares:** As soon as practicable following the Effective Date, Canada Jetlines shall cause to be issued to the registered holders of GC Shares as of the Effective Date, share certificates representing the CJ Shares distributed to GC Shareholders following completion of all of the steps set out in section 3.1 of this Plan of Arrangement (except one half of such CJ Shares will remain in escrow with the transfer agent and be automatically released from escrow on the date that is twelve (12) months from the Effective Date), of which each such GC Shareholder will be the registered holder at the close of business on the Effective Date, and shall cause such share certificates to be delivered or mailed to such registered shareholders.

4.2 **Interim Period:** Any GC Shares traded after the Effective Date shall not carry any rights to receive CJ Shares.

Article 5 REFERENCE DATE

5.1 **Reference Date:** This plan of arrangement is dated for reference May 19, 2021.

Attachment 1

Form of Articles of Arrangement

[attached]



Canada Business Corporations Act (CBCA)
FORM 14.1
ARTICLES OF ARRANGEMENT
(Section 192)

1 - Name of the applicant corporation(s) Canada Jetlines Operations Ltd.	Corporation number 1002286-1
2 - Name of the corporation(s) the articles of which are amended, if applicable Canada Jetlines Operations Ltd.	Corporation number 1002286-1
3 - Name of the corporation(s) created by amalgamation, if applicable	Corporation number
4 - Name of the dissolved corporation(s), if applicable	Corporation number
5 - Name of the other bodies corporate involved, if applicable Global Crossing Airlines Group, Inc.	Corporation number or jurisdiction Delaware
6 - In accordance with the order approving the arrangement, the plan of arrangement attached hereto, involving the above named body(ies) corporate, is hereby effected.	
In accordance with the plan of arrangement, ☒ a. the articles of the corporation(s) indicated in item 2, are amended. If the amendment includes a name change, indicate the change below: See attached Schedule ☐ b. the following bodies corporate and/or corporations are amalgamated (for CBCA corporations include the corporation number): ☐ c. the corporation(s) indicated in item 4 is(are) liquidated and dissolved:	
7 - I hereby certify that I am a director or an authorized officer of one of the applicant corporations.	
Signature: _____	
Print name: _____	
Note: Misrepresentation constitutes an offence and, on summary conviction, a person is liable to a fine not exceeding \$5,000 or to imprisonment for a term not exceeding six months or to both (subsection 250(1) of the CBCA).	

Schedule

Amendments to Articles

- A. The articles of the Corporation be amended to subdivide all of the 15,268,638 issued and outstanding common voting shares in the capital of the Corporation into [•]* common voting shares in the capital of the Corporation, being approximately [•]* post-subdivision common voting shares for each 1 outstanding pre-consolidation common voting share.
- B. Schedules 1 and 2 set-out hereof (beginning on the following page) replace the existing Schedules 1 and 2, respectively, of the articles of the Corporation in their entirety.

[Replacement Schedules 1 and 2 follow]

****Numbers to be calculated upon the Record Date (as defined in the Plan of Arrangement) in accordance with the formula set out in the Plan of the Arrangement***

**Canada Jetlines Operations Ltd. Amended Articles
Schedule 1 and Schedule 2**

SCHEDULE 1

CLASSES OF SHARES

The authorized capital of the Corporation consists of the following:

- A. An unlimited number of Variable Voting Shares, which class of shares shall have attached thereto the rights, privileges, restrictions and conditions set forth below;
- B. An unlimited number of Common Voting Shares, which class of shares shall have attached thereto the rights, privileges, restrictions and conditions set forth below;

ARTICLE 1

INTERPRETATION

1.1 DEFINITIONS

For purposes of the Articles, the following terms have the following meanings:

- a) "affiliation" shall, for purposes of subparagraphs 2.1.1, 2.1.2 and 2.1.3, have the meaning set forth in Subsection 55(2) of the CTA or as specified in any regulation made thereunder, as the same may be amended, supplemented or replaced, from time to time;
- b) "Aggregate Votes" means the aggregate of the votes attached to all Voting Shares of the Corporation that may ordinarily be cast to elect directors of the Corporation;
- c) "air service" shall have the meaning set forth in Subsection 55(1) of the CTA or as specified in any regulation made thereunder, as the same may be amended, supplemented or replaced, from time to time;
- d) "Canadian" shall have the meaning set forth in Subsection 55(1) of the CTA or as specified in any regulation made thereunder, as the same may be amended, supplemented or replaced, from time to time;
- e) "CBCA" means the Canada Business Corporations Act, S.C. 1996, c.10, as amended;
- f) "CBCA Regulations" means any regulations promulgated from time to time under the CBCA;
- g) "Common Voting Share" means the common voting shares of the share capital of the Corporation;
- h) "corporation" includes a body corporate, partnership and unincorporated organization;
- i) "CTA" means the Canada Transportation Act, S.C. 1996, Ch. 10, as amended;
- j) "Non-Canadian Holder(s) Authorized to Provide Air Service" shall have the meaning set forth in subparagraph 2.1.2(i);
- k) "Offeror" has the meaning ascribed thereto in the CBCA;
- l) "person" includes an individual, corporation, association, entity, government or agency thereof, trustee, executor, administrator and other legal representative, and references to "person" in the singular shall be deemed to include the plural and vice versa;
- m) "Single Non-Canadian Holder" shall have the meaning set forth in subparagraph 2.1.1(i);
- n) "Transfer Agent" means the transfer agent and the registrar of the Voting Shares of the Corporation;

**Canada Jetlines Operations Ltd. Amended Articles
Schedule 1 and Schedule 2**

- o) "Variable Voting Share" means the variable voting shares of the share capital of the Corporation; and
- p) "Voting Share" means the Variable Voting Shares and the Common Voting Shares of the share capital of the Corporation and includes a security currently convertible into such a share and currently exercisable options and rights to acquire such shares or such a convertible security

ARTICLE 2

VARIABLE VOTING SHARES

Subject to the rights, privileges, restrictions and conditions which attach to any other class of shares, the Variable Voting Shares shall, as a class, have the following rights, privileges, restrictions and conditions:

2.1 VOTING

The holders of the Variable Voting Shares shall be entitled to receive notice of, and to attend and vote at, all meetings of the shareholders of the Corporation, except where the holders of a specified class shall be entitled to vote separately as a class as provided in the CBCA.

The Variable Voting Shares shall carry one vote per Variable Voting Share unless any of the thresholds set forth in subparagraphs 2.1.1, 2.1.2 or 2.1.3, as the case may be, would otherwise be surpassed at any time, in which case the vote attached to a Variable Voting Share will decrease as described in this Section 2.1 below.

2.1.1 Single Non-Canadian Holder

If at any time:

- (i) a single non-Canadian holder of Variable Voting Shares (a "Single Non-Canadian Holder"), either individually or in affiliation with any other person, owns directly or indirectly, a number of Variable Voting Shares that, as a percentage of the total number of all Voting Shares outstanding, exceeds 25% (or any different percentage that may be prescribed by law or regulation of Canada or a province of Canada applicable to the Corporation, and approved or adopted by the directors of the Corporation), or
- (ii) the total number of votes that would be cast by or on behalf of a Single Non-Canadian Holder, either individually or in affiliation with another person, at any shareholder meeting would exceed 25% (or any different percentage that may be prescribed by law or regulation of Canada or a province of Canada applicable to the Corporation, and approved or adopted by the directors of the Corporation) of the total number of votes cast at such meeting,

then the vote attached to each Variable Voting Share owned by such Single Non-Canadian Holder and by any person in affiliation with such Single Non-Canadian Holder, will decrease proportionately and automatically without further act or formality only to such extent that, as a result (x) the Variable Voting Shares owned by such Single Non-Canadian Holder and by any person in affiliation with such Single Non-Canadian Holder do not carry in the aggregate more than 25% (or any different percentage that may be prescribed by law or regulation of Canada or a province of Canada applicable to the Corporation, and approved or adopted by the directors of the Corporation) of the Aggregate Votes attached to all issued and outstanding Voting Shares of the Corporation, and (y) the total number of votes cast by or on behalf of such Single Non-Canadian Holder and by any person in affiliation with such Single Non-Canadian Holder at any shareholder meeting do not exceed in the aggregate 25% (or any different percentage that may be prescribed by law or regulation of Canada or a province of Canada applicable to the Corporation, and approved or adopted by the directors of the Corporation) of the total number of votes cast at such meeting.

Canada Jetlines Operations Ltd. Amended Articles
Schedule 1 and Schedule 2

For greater certainty, a single Non-Canadian Holder Authorized to Provide Air Service (as such term is defined in subparagraph 2.1.2(i)) shall also constitute a Single Non-Canadian Holder for purposes of subparagraph 1.1.1.

2.1.2 Non-Canadian Holder Authorized to Provide Air Service

If at any time:

- (i) one or more non-Canadians authorized to provide an air service in any jurisdiction (each, a "Non-Canadian Holder Authorized to Provide Air Service" and collectively, the "Non-Canadian Holders Authorized to Provide Air Service"), collectively own directly or indirectly, either individually or in affiliation with any other person, a number of Variable Voting Shares that, as a percentage of the total number of all Voting Shares outstanding, after the application of the automatic and proportionate decrease to the votes attached to all of the Variable Voting Shares owned by any Single Non-Canadian Holder and by any person in affiliation with such Single Non-Canadian Holder in accordance with subparagraph 2.1.1 (if any, as may be required thereunder), exceeds 25% (or any different percentage that may be prescribed by law or regulation of Canada or a province of Canada applicable to the Corporation, and approved or adopted by the directors of the Corporation), or
- (ii) the total number of votes that would be cast by or on behalf of Non-Canadian Holders Authorized to Provide Air Service and persons in affiliation with any Non-Canadian Holders Authorized to Provide Air Service at any shareholder meeting would, after the application of the automatic and proportionate decrease to the votes attached to all of the Variable Voting Shares owned by any Single Non-Canadian Holder and by any person in affiliation with such Single Non-Canadian Holder in accordance with subparagraph 2.1.1 (if any, as may be required thereunder) exceeds 25% (or any different percentage that may be prescribed by law or regulation of Canada or a province of Canada applicable to the Corporation, and approved or adopted by the directors of the Corporation) of the total number of votes cast at such meeting,

then the vote attached to each Variable Voting Share owned by all Non-Canadian Holders Authorized to Provide Air Service and by any person in affiliation with such Non-Canadian Holders Authorized to Provide Air Service will decrease proportionately and automatically without further act or formality only to such extent that, as a result (x) the Variable Voting Shares owned by all Non-Canadian Holders Authorized to Provide Air Service and by any person in affiliation with such Non-Canadian Holders Authorized to Provide Air Service do not carry in the aggregate more than 25% (or any different percentage that may be prescribed by law or regulation of Canada or a province of Canada applicable to the Corporation, and approved or adopted by the directors of the Corporation) of the Aggregate Votes attached to all issued and outstanding Voting Shares of the Corporation, and (y) the total number of votes cast by or on behalf of all Non-Canadian Holders Authorized to Provide Air Service and by any person in affiliation with one or more Non-Canadian Holders Authorized to Provide Air Service at any shareholder meeting do not exceed in the aggregate 25% (or any different percentage that may be prescribed by law or regulation of Canada or a province of Canada applicable to the Corporation, and approved or adopted by the directors of the Corporation) of the total number of votes cast at such meeting.

2.1.3 General – All Holders of Variable Voting Shares

If at any time:

Canada Jetlines Operations Ltd. Amended Articles
Schedule 1 and Schedule 2

- 2.1.3.1 the number of issued and outstanding Variable Voting Shares, after the application of the automatic and proportionate decrease to the votes attached to all of the Variable Voting Shares owned by any Single Non- Canadian Holder and by any person in affiliation with such Single Non-Canadian Holder in accordance with subparagraph 2.1.1 and after the application of the automatic and proportionate decrease to the votes attached to all of the Variable Voting Shares owned by Non-Canadian Holders Authorized to Provide Air Service and by persons in affiliation with one or more Non-Canadian Holders Authorized to Provide Air Service in accordance with subparagraph 2.1.2 (in each case, if any, as may be required under such subparagraphs), exceeds 49% of the total number of all issued and outstanding Voting Shares (or any different percentage that may be prescribed by law or regulation of Canada or a province of Canada applicable to the Corporation, and approved or adopted by the directors of the Corporation), or
- 2.1.3.2 the total number of votes that would be cast by or on behalf of holders of Variable Voting Shares at any shareholder meeting would, after the application of the automatic and proportionate decrease to the votes attached to all of the Variable Voting Shares owned by any Single Non-Canadian Holder and by any person in affiliation with such Single Non-Canadian Holder in accordance with subparagraph 2.1.1 and after the application of the automatic and proportionate decrease to the votes attached to all of the Variable Voting Shares owned by Non-Canadian Holders Authorized to Provide Air Service and by persons in affiliation with one or more Non-Canadian Holders Authorized to Provide Air Service in accordance with subparagraph 2.1.2 (in each case, if any, as may be required under such subparagraphs), would exceed 49% (or any different percentage that may be prescribed by law or regulation of Canada or a province of Canada applicable to the Corporation, and approved or adopted by the directors of the Corporation) of the total number of votes cast at such meeting,

then the vote attached to each Variable Voting Share will decrease proportionately and automatically and without further act or formality only to such extent that, as a result (i) the Variable Voting Shares do not carry more than 49% (or any different percentage that may be prescribed by law or regulation of Canada or a province of Canada applicable to the Corporation, and approved or adopted by the directors of the Corporation) of the Aggregate Votes attached to all issued and outstanding Voting Shares of the Corporation, and (ii) the total number of votes cast by or on behalf of holders of Variable Voting Shares as a class at any shareholder meeting do not exceed 49% (or any different percentage that may be prescribed by law or regulation of Canada or a province of Canada applicable to the Corporation, and approved or adopted by the directors of the Corporation) of the total number of votes cast at such meeting.

2.2 DIVIDENDS

Subject to the rights, privileges, restrictions and conditions attached to any other class of shares of the Corporation ranking prior to the Variable Voting Shares, the holders of Variable Voting Shares shall be entitled to receive any dividend declared by the directors of the Corporation at the times and for the amounts that the Board of Directors may, from time to time, determine. The Variable Voting Shares and the Common Voting Shares shall rank equally as to dividends on a share-for-share basis, and all dividends declared in any fiscal year of the Corporation shall be declared in equal or equivalent amounts per share on all Variable Voting Shares and Common Voting Shares then outstanding, without preference or distinction.

2.3 SUBDIVISION OR CONSOLIDATION

No subdivision or consolidation of the Variable Voting Shares shall occur unless, simultaneously, the Variable Voting Shares, the Common Voting Shares and the Non-Voting Shares are subdivided or consolidated in the

**Canada Jetlines Operations Ltd. Amended Articles
Schedule 1 and Schedule 2**

same manner, so as to maintain and preserve the relative rights of the holders of the shares of each of the said classes.

2.4 LIQUIDATION, DISSOLUTION OR WINDING-UP

Subject to the rights, privileges, restrictions and conditions attaching to any other class of shares of the Corporation ranking prior to the Variable Voting Shares, in the case of liquidation, dissolution or winding-up of the Corporation or other distribution of the Corporation's assets among its shareholders for the purpose of winding-up its affairs, the holders of Variable Voting Shares and Common Voting Shares shall be entitled to receive the remaining property of the Corporation and shall be entitled to share equally, share for share, in all distributions of such assets.

2.5 CONVERSION

2.5.1 Automatic

Each issued and outstanding Variable Voting Share shall be automatically converted into one Common Voting Share without any further act on the part of the Corporation or of the holder, if:

- a) such Variable Voting Share is or becomes beneficially owned and controlled, directly or indirectly, by a Canadian; or
- b) the provisions contained in the CTA relating to foreign ownership restrictions are repealed and not replaced with other similar provisions.

2.5.2 Upon an Offer

In the event that an offer is made to purchase Common Voting Shares and the offer is one which is required, pursuant to applicable securities legislation or the rules of a stock exchange on which the Common Voting Shares are then listed, to be made to all or substantially all the holders of Common Voting Shares in a province or territory of Canada to which the requirement applies, each Variable Voting Share shall become convertible at the option of the holder into one Common Voting Share at any time while the offer is in effect until one day after the time prescribed by applicable securities legislation for the Offeror to take up and pay for such shares as are to be acquired pursuant to the offer. The conversion right may only be exercised in respect of Variable Voting Shares for the purpose of depositing the resulting Common Voting Shares pursuant to the offer, and for no other reason, including notably with respect to voting rights attached thereto, which are deemed to remain subject to section 2.1, immediately above, notwithstanding their conversion. The Transfer Agent shall deposit the resulting Common Voting Shares on behalf of the holder.

To exercise such conversion right, the holder or his attorney duly authorized in writing shall:

- a) give written notice to the Transfer Agent of the exercise of such right and of the number of Variable Voting Shares in respect of which the right is being exercised;
- b) deliver to the Transfer Agent the share certificate or certificates representing the Variable Voting Shares in respect of which the right is being exercised; and
- c) pay any applicable stamp tax or similar duty on or in respect of such conversion.

No share certificates representing the Common Voting Shares resulting from the conversion of the Variable Voting Shares shall be delivered to the holders on whose behalf such deposit is being made.

If Common Voting Shares resulting from the conversion and deposited pursuant to the offer are withdrawn by the holder or are not taken up by the Offeror; or the offer is abandoned or withdrawn by the Offeror or

**Canada Jetlines Operations Ltd. Amended Articles
Schedule 1 and Schedule 2**

the offer otherwise expires without such Common Voting Shares being taken up and paid for, the Common Voting Shares resulting from the conversion will be reconverted into Variable Voting Shares and a share certificate representing the Variable Voting Shares will be sent to the holder by the Transfer Agent. Common Voting Shares resulting from the conversion and taken up and paid for by the Offeror shall be re-converted into Variable Voting Shares at the time the Offeror is required under the applicable securities legislation to take up and pay for such shares if the Offeror is not a Canadian.

In the event that the Offeror takes up and pays for the Common Voting Shares resulting from conversion, the Transfer Agent shall deliver to the holders thereof the consideration paid for such shares by the Offeror.

There will be no right to convert the Variable Voting Shares into Common Voting Shares in the following cases:

- d) the offer to purchase Common Voting Shares is not required under applicable securities legislation or the rules of a stock exchange on which the Common Voting Shares are then listed to be made to all or substantially all of the holders of Common Voting Shares in a province or territory of Canada to which the requirement applies, that is, the offer is an "exempt take-over bid" within the meaning of the foregoing securities legislation; or
- e) an offer to purchase Variable Voting Shares is made concurrently with the offer to purchase Common Voting Shares and the two offers are identical in respect of price per share, percentage of outstanding shares for which the offer is made, and in all other material respects, including in respect of the conditions attaching thereto. The offer to purchase the Variable Voting Shares must be unconditional, subject to the exception that the offer for the Variable Voting Shares may contain a condition to the effect that the Offeror is not required to take up and pay for Variable Voting Shares deposited to the offer if no shares are purchased pursuant to the contemporaneous offer for the Common Voting Shares.

ARTICLE 3

COMMON VOTING SHARES

Subject to the rights, privileges, restrictions and conditions which attach to the shares of any other class, the Common Voting Shares, as a class, shall have attached thereto the following rights, privileges, restrictions and conditions.

3.1 VOTING

The holders of Common Voting Shares shall be entitled to receive notice of, and to attend and vote at, all meetings of the shareholders of the Corporation, except where the holders of a specified class shall be entitled to vote separately as a class as provided in the CBCA. Each Common Voting Share shall confer the right to one vote at all meetings of shareholders of the Corporation.

3.2 DIVIDENDS AND DISTRIBUTIONS

Subject to the rights, privileges, restrictions and conditions attached to any class of shares of the Corporation ranking prior to the Common Voting Shares, holders of Common Voting Shares shall be entitled to receive the dividends declared by the directors of the Corporation at the times and for the amounts that the Board of Directors may, from time to time, determine. The Common Voting Shares and Variable Voting Shares shall rank equally as to dividends on a share for share basis and all dividends declared in any fiscal year of the Corporation shall be declared in equal or equivalent amounts per share on all Common Voting Shares and Variable Voting Shares then outstanding, without preference or distinction.

**Canada Jetlines Operations Ltd. Amended Articles
Schedule 1 and Schedule 2**

3.3 SUBDIVISION OR CONSOLIDATION

No subdivision or consolidation of the Common Voting Shares shall occur unless, simultaneously, the Common Voting Shares and the Variable Voting Shares are subdivided or consolidated in the same manner, so as to maintain and preserve the respective rights of the holders of the shares of each of the said classes.

3.4 LIQUIDATION, DISSOLUTION OR WINDING-UP

Subject to the rights, privileges, restrictions and conditions attaching to any class of shares ranking prior to the Common Voting Shares, in the case of liquidation, dissolution or winding-up of the Corporation or other distribution of the Corporation's assets among its shareholders for the purposes of winding-up its affairs, the holders of Common Voting Shares and Variable Voting Shares shall be entitled to receive the remaining property of the Corporation and shall be entitled to share equally, share for share, in all distributions of such assets.

3.5 CONVERSION

3.5.1 Automatic

Subject to the foreign ownership restrictions of the CTA, an issued and outstanding Common Voting Share shall be converted into one Variable Voting Share, automatically and without any further act of the Corporation or the holder, if such Common Voting Share is or becomes beneficially owned or controlled, directly or indirectly, by a person who is not a Canadian.

3.5.2 Upon an Offer

In the event that an offer is made to purchase Variable Voting Shares and the offer is one which is required, pursuant to applicable securities legislation or the rules of a stock exchange on which the Variable Voting Shares, are then listed, to be made to all or substantially all the holders of Variable Voting Shares in a province or territory of Canada to which the requirement applies, each Common Voting Share shall become convertible at the option of the holder into one Variable Voting Share, at any time while the offer is in effect until one day after the time prescribed by applicable securities legislation for the Offeror to take up and pay for such shares as are to be acquired pursuant to the offer. The conversion right may only be exercised in respect of Common Voting Shares for the purpose of depositing the resulting Variable Voting Shares pursuant to the offer, and for no other reason, including notably with respect to voting rights attached thereto, which are deemed to remain subject to paragraph 3.1, immediately above, notwithstanding their conversion. The Transfer Agent shall deposit the resulting Variable Voting Shares on behalf of the holder.

To exercise such conversion right, the holder or his attorney duly authorized in writing shall:

- a) give written notice to the Transfer Agent of the exercise of such right and of the number of Variable Voting Shares in respect of which the right is being exercised;
- b) deliver to the Transfer Agent the share certificate or certificates representing the Variable Voting Shares in respect of which the right is being exercised; and
- c) pay any applicable stamp tax or similar duty on or in respect of such conversion.

No share certificates representing the Variable Voting Shares, resulting from the conversion of the Common Voting Shares will be delivered to the holders on whose behalf such deposit is being made.

If Variable Voting Shares resulting from the conversion and deposited pursuant to the offer are withdrawn by the holder or are not taken up by the Offeror; or the offer is abandoned or withdrawn by the Offeror or the

**Canada Jetlines Operations Ltd. Amended Articles
Schedule 1 and Schedule 2**

offer otherwise expires without such Variable Voting Shares, being taken up and paid for, the Variable Voting Shares resulting from the conversion will be re-converted into Common Voting Shares and a share certificate representing the Common Voting Shares will be sent to the holder by the Transfer Agent. Variable Voting Shares resulting from the conversion and taken up and paid for by the Offeror shall be re-converted into Common Voting Shares at the time the Offeror is required under the applicable securities legislation to take up and pay for such shares if the Offeror is Canadian.

In the event that the Offeror takes up and pays for the Variable Voting Shares resulting from conversion, the Transfer Agent shall deliver to the holders thereof the consideration paid for such shares by the Offeror.

There will be no right to convert the Common Voting Shares into Variable Voting Shares in the following cases:

- d) the offer to purchase Variable Voting Shares is not required under applicable securities legislation or the rules of a stock exchange on which the Variable Voting Shares are then listed to be made to all or substantially all of the holders of Variable Voting Shares in a province or territory of Canada to which the requirement applies that is, the offer is an "exempt take-over bid" within the meaning of the foregoing securities legislation; or
- e) an offer to purchase Common Voting Shares is made concurrently with the offer to purchase Variable Voting Shares and the two offers are identical in respect of price per share, percentage of outstanding shares for which the offer is made, and in all other material respects, including in respect of the conditions attaching thereto. The offer to purchase the Common Voting Shares must be unconditional, subject to the exception that the offer for the Common Voting Shares may contain a condition to the effect that the Offeror is not required to take up and pay for Common Voting Shares deposited to the offer if no shares are purchased pursuant to the contemporaneous offer for the Variable Voting Shares.

SCHEDULE 2

CONSTRAINTS ON OWNERSHIP AND TRANSFERS OF SHARES

CONSTRAINTS RELATING TO SHARES

Variable Voting Shares

The Variable Voting Shares may only be beneficially owned or controlled, directly or indirectly, by persons who are not Canadians.

Common Voting Shares

The Common Voting Shares may only be beneficially owned and controlled, directly or indirectly, by Canadians.

CBCA Constraints

In the event that any Canadian federal or provincial legislation or regulation applicable to the Corporation should become prescribed for the purposes of subsections 174(1)(b)(c)(d) or (e) of the CBCA or any other similar provision in the CBCA or CBCA Regulations, these provisions shall be read as if they included additional constraints that assist the Corporation or any of its affiliates or associates (within the meaning of the CBCA) to qualify under such prescribed law or regulation to receive licenses, permits, grants, payments or other benefits by reason of attaining or maintaining a specified level of Canadian ownership and control and such

**Canada Jetlines Operations Ltd. Amended Articles
Schedule 1 and Schedule 2**

specified level of Canadian ownership and control shall be the level, of Canadian ownership and control designated by such prescribed law or regulation of Canada or a province.

Joint Ownership

Where Voting Shares of the Corporation are beneficially owned or controlled by several persons jointly, the number of Voting Shares beneficially owned or controlled by any one such person shall include the number of Voting Shares beneficially owned or controlled jointly with such other persons. Where the Voting Shares are beneficially owned or controlled jointly by a person who is not Canadian and another person or persons, the Voting Shares shall be deemed to be owned or controlled by such person who is not a Canadian.

Exceptions

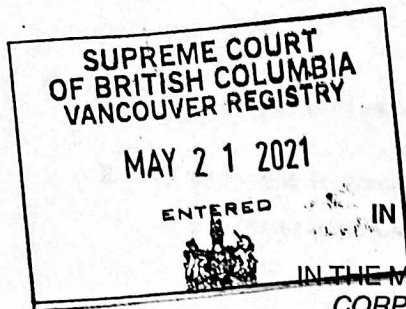
- a) Nothing in these provisions shall be construed to apply in respect of Voting Shares of the Corporation that:
 - I. are held by one or more underwriters solely for the purpose of distributing the shares to the public; or
 - II. are held by any person that is acting in relation to the shares solely in its capacity as an intermediary in the payment of funds or the delivery of securities, or both, in connection with trades in securities and that provides centralized facilities for the clearing of trades in securities.
- b) The constraints imposed herein do not apply to the extent that a person who is not a Canadian holds Voting Shares by way of security only and such holding by way of security only is evidenced in such form as may be prescribed by the by-laws or resolutions adopted by the shareholders or directors of the Corporation and filed by such holder with the Corporation.

Powers of Directors

- a) In the administration of these provisions, the directors of the Corporation shall enjoy, in addition to the powers set forth herein, all of the powers necessary or desirable, in their opinion, to carry out the intent and purpose hereof, including but not limited to all powers contemplated by the provisions relating to constrained share corporations in the CBCA and the CBCA Regulations.
- b) Neither any shareholder of the Corporation nor any other interested person shall have any claim or action against the Corporation or against any director or officer of the Corporation nor shall the Corporation have any claim or action against any director or officer of the Corporation arising out of any act (including any omission to act) performed pursuant to or in intended pursuance of these provisions or any breach or alleged breach of such provisions.

APPENDIX C
INTERIM ORDER

Attached.



No. S-214836

Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF SECTION 192 OF THE CANADA BUSINESS
CORPORATIONS ACT, R.S.C. 1985, c.C-44, AS AMENDED

AND

IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING
CANADA JETLINES OPERATIONS LTD. AND ITS SHAREHOLDER
GLOBAL CROSSINGS AIRLINES GROUP, INC. AND ITS SHAREHOLDERS

CANADA JETLINES OPERATIONS LTD.

PETITIONER

ORDER MADE AFTER APPLICATION
(Interim Order)

BEFORE) MASTER BILAWICH.) MAY 21 2021

ON THE APPLICATION of the Petitioner, Canada Jetlines Operations Ltd. ("Canada Jetlines") without notice coming on for hearing by MS Teams at 800 Smithe Street, Vancouver, British Columbia, on the 19th day of May, 2021 and on hearing J. Brent MacLean and Samuel Bogetti, counsel for the Petitioner, AND UPON READING the amended petition herein and the Affidavit #1 of Sheila Paine made May 17, 2021 and filed herein, and the Affidavit #1 of Natalia Pereversoff made May 17, 2021 and filed herein, and the Affidavit #1 of Denis Silva and filed herein;

THIS COURT ORDERS that:

DEFINITIONS

1. As used in this Order, unless otherwise defined, terms beginning with capital letters have the respective meanings set out in the draft Information Notice to Shareholders of Global Crossings AirLines Group Ltd. (the "Information Notice") attached as part of Exhibit "A" to Affidavit #1 of Denis Silva made May 19, 2021 ("Silva Affidavit #1") and filed herein.

APPLICATION FOR FINAL ORDER

2. Pursuant to Section 192 of the *Canada Business Corporations Act*, R.S.C. 1985 c.C-44, as amended (the "**CBCA**"), and in the manner set forth in this Interim Order, Canada Jetlines may apply to this Court for, *inter alia*, an Order:

- (a) pursuant to CBCA Section 192(4)(e) approving the Arrangement; and
- (b) pursuant to CBCA Section 192(4) declaring that the terms and conditions of the Arrangement are fair and reasonable

(collectively, the "**Final Order**") and that the hearing of the Final Order will be held by MS Teams, teleconference, or such other method as this Honourable Court may direct or require, **on Friday, June 18, 2021 at 9:45 a.m.** (Vancouver Time), at the Courthouse at 800 Smithe Street, Vancouver, British Columbia, or as soon thereafter as the hearing of the Final Order can be heard or at such other date and time as this Court may direct (the "**Hearing Date**").

NOTICE OF HEARING OF FINAL ORDER

- 3. Any Global Crossing Shareholder (those defined as a "GC Shareholder" in the Information Notice") has the right to appear (either in person, by counsel or by such other method as the Court may direct or require at the time of the hearing) and make submissions at the hearing of the application for the Final Order.
- 4. The form of Notice of Hearing of Petition for Final Order attached as Exhibit "D" to the Silva Affidavit #1 is hereby authorized for use for all purposes as the Notice of Hearing required by Rule 16-1 (8).
- 5. The Information Notice in substantially the same form as contained in Exhibit "A" of Silva Affidavit #1, with such deletions, amendments or additions thereto as counsel for the petitioner may advise are necessary or desirable, provided that such amendments are not inconsistent with the terms of this Interim Order, is hereby deemed to represent sufficient and adequate disclosure, including for the purpose of the Section 192 of the CBCA, and Canada Jetlines shall not be required to send to any affected persons or entities, any other or additional statement disclosure pursuant to Section 192 of the CBCA.
- 6. The Amended Petition, Notice of Hearing of Petition for Final Order, this Interim Order, and the Information Notice (together, the "**Notice Materials**") shall be provided by the petitioner to Global Crossing Shareholders by causing Global Crossing to post the Notice Materials on the System for Electronic Document Analysis and Retrieval ("**SEDAR**") at www.sedar.com, at least twenty-one (21) days prior to the Hearing Date, excluding the date of posting and the Hearing Date, and

substantial compliance with this paragraph shall constitute good and sufficient notice of the hearing of petition for Final Order and Hearing Date.

7. The Notice Materials shall be provided to the directors and auditor of Global Crossing by e-mail at least twenty-one days (21) days prior to the Hearing Date, measured from the date and time of such emails, and substantial compliance with this paragraph shall constitute good and sufficient notice of the hearing of the petition for Final Order and Hearing Date.
8. The Notice Materials, Affidavit #1 of Sheila Paine, Affidavit #1 of Denis Silva and any additional affidavits shall be delivered to the Director appointed pursuant to the CBCA in manner and at a time acceptable to the Director.
9. Sending the Notice Materials, including the Notice of Hearing of Petition for Final Order, in the manner provided for in paragraphs 6-8 of this Interim Order shall constitute good and sufficient service of this proceeding by Canada Jetlines on Global Crossing Shareholders and any other affected persons or entities, which service shall be deemed to be effected on the day on which the Notice Materials are posted on SEDAR or sent by email.
10. If service is effected in the manner provided in paragraphs 6-8 of this Interim Order, no other form of service need be made and no other material need be served on persons or entities in respect of these proceedings. In particular, service of the Amended Petition, Paine Affidavit #1, Silva Affidavit #1 and additional affidavits as may be filed, is dispensed with. Upon the written request by, or on behalf of, any affected party or Global Crossing Shareholder, Canada Jetlines shall deliver the Amended Petition and other materials filed herein.
11. Canada Jetlines is at liberty to serve the Notice of Hearing of Petition for Final Order on persons and entities outside the jurisdiction of this Honourable Court in the manner specified in this Interim Order.
12. Any Global Crossing Shareholder, or other affected party, seeking to appear at the hearing of the application for the Final Order shall file and deliver a Response to Petition pursuant to Rule 16-1 (5) of, and in the form prescribed by, the *Supreme Court Civil Rules*, and a copy of all materials upon which they intend to rely, to Canada Jetlines' solicitors at:

DLA Piper (Canada) LLP
Barristers & Solicitors
Suite 2800 - 666 Burrard Street
Vancouver, B.C. V6C 2Z7
Attention: J. Brent MacLean

Email: brent.maclean@dlapiper.com
Fax: 604.605.3550

by or before **4:00pm** (Vancouver time) on **Monday, June 14, 2021** or as the Court may otherwise direct.

UPDATING NOTICE MATERIALS

13. Accidental failure of or omission by Canada Jetlines to give notice of the hearing of petition for Final Order to any one or more of the Global Crossing Shareholders or other affected persons or entities, or the non-receipt of such notice by one or more Global Crossing Shareholders or other affected persons or entities, or any failure or omission to give such notice as a result of events beyond the reasonable control of Canada Jetlines (including, without limitation, any inability to use internet services), shall not constitute a breach of this Interim Order or, in relation to notice to Global Crossing Shareholders or other affected persons, a defect in service on the Global Crossing Shareholders or other affected persons, and shall not invalidate such notice, service, or any order made by the Court in these proceedings, but if any such failure or omission is brought to the attention of Canada Jetlines, then Canada Jetlines shall use reasonable best efforts to rectify such failure or omission by the method and in the time most reasonably practicable in the circumstances.
14. Notice of any amendments, updates or supplement to any of the information provided in the Information Notice may be communicated to the Global Crossing Shareholders, or other affected persons or entities, by notice sent to the Canada Jetlines Shareholder, Global Crossing Shareholders, or other affected persons by posting such notice on SEDAR, receipt of which shall be deemed to have occurred on the day on which the notice was posted on SEDAR.
15. In the event the hearing for the Final Order is adjourned, only those persons or entities who have filed and delivered a Response in accordance with this Interim Order need be provided with written notice of the adjourned hearing date and any filed materials.

VARIANCE

16. Canada Jetlines, or any other person or entity affected by these proceedings, is entitled, at any time, to apply to vary this Interim Order or for such further order or orders as may be appropriate.
17. To the extent of any inconsistency or discrepancy between this Interim Order and the Information Notice, the CBCA, or the articles of Canada Jetlines, this Interim Order shall govern.

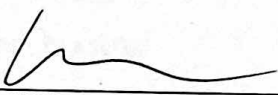
18. Rules 8-1 and 16-1(8)-(12) of the *Supreme Court Civil Rules* will not apply to any further applications in respect of this proceeding, including the application for the Final Order and any application to vary this Interim Order.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:


Signature of ☒ lawyer for the Petitioner
DLA Piper (Canada) LLP (J. Brent MacLean)



BY THE COURT


REGISTRAR



No. S-214836

Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF SECTION 192 OF THE *CANADA
BUSINESS CORPORATIONS ACT*, R.S.C. 1985, c.C-44, AS
AMENDED

AND

IN THE MATTER OF A PROPOSED ARRANGEMENT
INVOLVING CANADA JETLINES OPERATIONS LTD. AND ITS
SHAREHOLDER GLOBAL CROSSINGS AIRLINES GROUP,
INC. AND ITS SHAREHOLDERS

CANADA JETLINES OPERATIONS LTD.

PETITIONER

**ORDER MADE AFTER APPLICATION
(Interim Order)**

DLA Piper (Canada) LLP
Barristers & Solicitors
2800 Park Place
666 Burrard Street
Vancouver, BC V6C 2Z7

Tel. No. 604.687.9444
Fax No. 604.687.1612

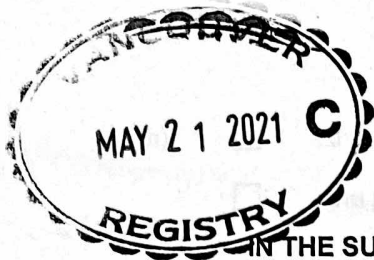
Client Matter No.: 106791-00001

SJB/npp

CAN: 36691756.5

APPENDIX D
NOTICE OF HEARING OF PETITION FOR FINAL ORDER

Attached.



No. S-214836
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF SECTION 192 OF THE *CANADA BUSINESS
CORPORATIONS ACT*, R.S.C. 1985, c.C-44, AS AMENDED

AND

IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING
CANADA JETLINES OPERATIONS LTD. AND ITS SHAREHOLDER
GLOBAL CROSSING AIRLINES GROUP, INC. AND ITS SHAREHOLDERS

CANADA JETLINES OPERATIONS LTD.

PETITIONER

NOTICE OF HEARING OF PETITION FOR FINAL ORDER

- TO: The Shareholders, Directors and the auditor of Canada Jetlines Operations Ltd.
("Canada Jetlines")
- AND TO: The Shareholders of Global Crossing Airlines Group, Inc. ("Global Crossing")
- AND TO: The Director appointed pursuant to the *Canada Business Corporations Act*, R.S.C. 1985,
c. C-44, as amended

TAKE NOTICE that the amended petition of the petitioner dated May 19, 2021 will be heard at the courthouse at 800 Smithe Street, Vancouver, BC V6Z 2E1 (in person, by telephone, or by such other method as the Court may direct) on **Friday, June 18, at 9:45 a.m.**

1 Date of hearing

- ☐ The parties have agreed as to the date of the hearing of the petition.
- ☐ The parties have been unable to agree as to the date of the hearing but notice of the hearing will be given to the petition respondents in accordance with Rule 16-1(8)(b) of the Supreme Court Civil Rules.
- ☒ The petition is unopposed, by consent or without notice.

2 Duration of hearing

- ☒ It has been agreed by the parties that the hearing will take 20 minutes.
- ☐ The parties have been unable to agree as to how long the hearing will take and
- (a) the time estimate of the petitioners is __ minutes, and

- (b) ☐ the time estimate of the petition respondents is __ minutes.
☐ the petition respondents have not given a time estimate.

3 Jurisdiction

- ☒ ~~This matter is within the jurisdiction of a master.~~
S.B. ☒ This matter is not within the jurisdiction of a master.

NOTICE IS HEREBY GIVEN that an Amended Petition has been filed by the Petitioner, Canada Jetlines, in the Supreme Court of British Columbia (the "Court") for approval of a plan of arrangement (the "Plan of Arrangement"), pursuant to the Canada *Business Corporations Act*, R.S.C, 1985, c.C-44 as amended, (the "CBCA");

AND NOTICE IS FURTHER GIVEN that the shareholder of Canada Jetlines, Global Crossing, has approved by the Plan of Arrangement by written resolution;

AND NOTICE IS FURTHER GIVEN that the Plan of Arrangement may affect the interests of shareholders of Global Crossing;

AND NOTICE IS FURTHER GIVEN that an application for a Final Order approving the Plan of Arrangement shall be made before the presiding Judge in Chambers at the Courthouse, 800 Smithe Street, Vancouver, British Columbia on **June 18th at 9:45 a.m.** (Vancouver time), or as soon thereafter as counsel may be heard (the "Final Application").

AND NOTICE IS FURTHER GIVEN that the Court has been advised that, if granted, the Final Order approving the Plan of Arrangement and the declaration that the Plan of Arrangement is substantively and procedurally fair and reasonable to affected shareholders of Canada Jetlines and Global Crossing will serve as a basis of a claim for the exemption from the registration requirements of the United States Securities Act of 1933, as amended, set forth in Section 3(a)(10) thereof with respect to the issuance and exchange of securities issued to or exchanged by such securityholders under the proposed Plan of Arrangement.

IF YOU WISH TO BE HEARD, any person affected by the Final Order, including any shareholder of Global Crossing, sought may appear (either in person, by counsel, or by such other method required or directed by the Court at the time of the Final Application) and make submissions at the hearing of the Final Application if such person has filed with the Court at the Court Registry, 800 Smithe Street, Vancouver, British Columbia, a Response to Petition ("Response") pursuant to Rule 16-1 of, and in the form prescribed by, the Supreme Court Civil Rules and delivered a copy of the filed Response, together with all material on which such person intends to rely at the hearing of the Final Application, including an outline of such person's proposed submissions, to Canada Jetlines at its address for delivery set out below by or before **4:00 p.m. (Vancouver time) on Monday, June 14th, 2021.**

Canada Jetlines' address for delivery is:

DLA Piper (Canada) LLP
Suite 2800, Park Place
666 Burrard Street,
Vancouver, B.C. V7C 2Z7
Fax: (604) 605-3550

Attention: J. Brent MacLean
Email: brent.macleam@dlapiper.com

IF YOU WISH TO BE NOTIFIED OF ANY ADJOURNMENT OF THE FINAL APPLICATION, YOU MUST GIVE NOTICE OF YOUR INTENTION by filing and delivering the form of Response as aforesaid. You may obtain a form of Response at the Court Registry, 800 Smithe Street, Vancouver, British Columbia, V6Z 2E1.

AT THE HEARING OF THE FINAL APPLICATION the Court may approve the Plan of Arrangement as presented, or may approve it subject to such terms and conditions as the Court deems fit.

IF YOU DO NOT FILE A RESPONSE and attend, either in person, by telephone, by counsel, or by such other method as the Court may direct, at the time of such hearing, the Court may approve the Plan of Arrangement, as presented, or may approve it subject to such terms and conditions as the Court shall deem fit, all without any further notice to you. If the Plan of Arrangement is approved, it will significantly affect the rights of the Canada Jetlines Shareholder and shareholders of Global Crossing.

A copy of the Amended Petition and other documents in the proceeding will be furnished to any shareholder of Global Crossing or other interested party upon request in writing addressed to the solicitors of Canada Jetlines at its address for delivery set out above.

Dated

MAY 21, 2021



Signature of ☒ lawyer for Petitioner
DLA Piper (Canada) LLP (Samuel Bogetti)

NOTICE OF HEARING OF PETITION FOR FINAL ORDER

DLA Piper (Canada) LLP

Barristers & Solicitors

2200 Park Place

685 Dunsmuir Street

Vancouver, BC V6C 2Z7

Tel. No. 604 687 9444

Fax No. 604 687 1512

CT-11-001-7-01001

No. S-214836

Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

**IN THE MATTER OF SECTION 192 OF THE CANADA
BUSINESS CORPORATIONS ACT, R.S.C. 1985, c.C-44, AS
AMENDED**

AND

**IN THE MATTER OF A PROPOSED ARRANGEMENT
INVOLVING CANADA JETLINES OPERATIONS LTD. AND ITS
SHAREHOLDER GLOBAL CROSSING AIRLINES GROUP, INC.
AND ITS SHAREHOLDERS**

CANADA JETLINES OPERATIONS LTD.

PETITIONER

NOTICE OF HEARING OF PETITION FOR FINAL ORDER

DLA Piper (Canada) LLP
Barristers & Solicitors
2800 Park Place
666 Burrard Street
Vancouver, BC V6C 2Z7

Tel. No. 604.687.9444
Fax No. 604.687.1612

Client Matter No.: 106791-00001

SJB/npp

CAN: 36692072.4

APPENDIX E
AMENDED PETITION

Attached.

Amended pursuant to Rule 19(b)(i) of the Supreme Court Civil Rules.
Original filed May 17, 2021.

**SUPREME COURT
OF BRITISH COLUMBIA
VANCOUVER REGISTRY**

MAY 19 2021

No. _____, S-214836
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA



**IN THE MATTER OF SECTION 192 OF THE CANADA BUSINESS
CORPORATIONS ACT, R.S.C. 1985, c.C-44, AS AMENDED**

AND

**IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING
CANADA JETLINES OPERATIONS LTD. AND ITS SHAREHOLDER
GLOBAL CROSSING AIRLINES GROUP, INC. AND ITS SHAREHOLDERS**

CANADA JETLINES OPERATIONS LTD.

PETITIONER

AMENDED PETITION TO THE COURT

ON NOTICE TO:

The Shareholders, Directors and Auditor of Canada Jetlines Operations Ltd.

The Director appointed pursuant to the Canada Business Corporations Act, R.S.C. 1985, c. C-44, as amended

This proceeding is brought for the relief set out in Part 1 below, by:

☒ Canada Jetlines Operations Ltd. (the petitioner)

If you intend to respond to this proceeding, you or your lawyer must

- (a) file a response to petition in Form 67 in the above-named registry of this court within the time for response to petition described below, and
- (b) serve on the petitioners
 - (i) 2 copies of the filed response to petition, and
 - (ii) 2 copies of each filed affidavit on which you intend to rely at the hearing.

Orders, including orders granting the relief claimed, may be made against you, without any further notice to you, if you fail to file the response to petition within the time for response.

Time for response to petition

A response to petition must be filed and served on the petitioners,

- (c) if you were served with the petition anywhere in Canada, within 21 days after that service,

- (d) if you were served with the petition anywhere in the United States of America, within 35 days after that service,
- (e) if you were served with the petition anywhere else, within 49 days after that service, or
- (f) if the time for response to petition has been set by order of the court, within that time.

The address of the registry is:	800 Smithe Street Vancouver, BC V6Z 2E1
The ADDRESS FOR SERVICE of the petitioner is:	J. Brent MacLean DLA Piper (Canada) LLP Barristers & Solicitors 2800 Park Place - 666 Burrard Street Vancouver, BC V6C 2Z7
Fax number address for service (if any):	604.687.1612
E-mail address for service (if any):	brent.macleam@dlapiper.com
The name and office address of petitioner's lawyer is:	J. Brent MacLean DLA Piper (Canada) LLP Barristers & Solicitors 2800 Park Place - 666 Burrard Street Vancouver, BC V6C 2Z7

CLAIM OF THE PETITIONER

Part 1: ORDERS SOUGHT

The petitioner, Canada Jetlines Operations Ltd. ("Canada Jetlines"), applies for:

1. An order (the "Interim Order") in the form attached as **Schedule "I"** to this amended petition, pursuant to section 192(4)(a) of the *Canada Business Corporations Act*, R.S.C. 1985, c.C-44, as amended (the "CBCA").
2. An order (the "Final Order") in the form attached as **Schedule "II"** to this amended petition, pursuant to section 192(4)(e) of the CBCA approving an arrangement (the "**Arrangement**") more particularly described in the plan of arrangement (the "**Plan of Arrangement**") between Canada Jetlines and Global Crossing Airlines Group Inc. ("**Global Crossing**"), such Plan of Arrangement being attached as Appendix "A" to Schedule "II" and as part of Exhibit "B" to Affidavit # 1 of Denis Silva, made May 19, 2021; and declaring that the terms and conditions of the Arrangement and the exchange of securities to be effected thereby are procedurally and substantively fair and reasonable to Global Crossing and the shareholders of Global Crossing; and
3. Such further and other relief as counsel for the petitioner may advise and this Honourable Court may deem just.

Part 2: FACTUAL BASIS

DEFINITIONS

1. As used in this amended petition, unless otherwise defined, terms beginning with capital letters have the respective meanings set out in the draft "Information Notice to Shareholders of Global Crossing Airlines Group Inc. Respecting Canada Jetlines Operations Ltd." (the "**Information Notice**") attached as Exhibit "A" to the affidavit of Denis Silva ~~of Sheila Paine~~ made May 19~~7~~, 2021 and filed herein ("~~Paine-Silva~~ Affidavit #1").

THE PETITIONER

2. Canada Jetlines is a body corporate amalgamated pursuant to the CBCA, having a registered and records office at Suite 2400, 1055 West Georgia Street, Vancouver, British Columbia.
3. Canada Jetlines' principal business activity is the start-up of a Canadian airline service. Canada Jetlines intends to operate as a Canadian charter airline company using the Airbus 320 family of aircraft. Canada Jetlines will operate charter air services with its primary aircraft and crew based at Toronto Pearson International Airport and plans to operate flights throughout Canada and to the United States, the Caribbean and South America.
4. In furtherance of its business plan Canada Jetlines has applied for an airline license from the Canadian Transportation Agency and an Air Operator Certificate from Transport Canada. To complete the airline licensing process fourteen procedures manuals must be completed and submitted to Transport Canada for review. The manuals are substantially complete. To date, approximately \$1,600,000 has been spent on the production of the manuals.
5. The "Jetlines" and "Canada Jetlines" brand has been developed by the creation of branding elements including logos, slogans, designs and colour schemes at an estimated cost of approximately \$220,000.
6. The "Jetlines" and "Canada Jetlines" brand has received significant media attention in Canada including numerous articles in the *Globe and Mail* and *Financial Post*.
7. The authorized capital of Canada Jetlines consists of an unlimited number of common voting shares without par value.
8. As at the date of this petition, 15,268,638 common voting shares in the capital of Canada Jetlines (each a "**Canada Jetlines Share**") were issued and outstanding. There are no issued and outstanding other classes of shares in the capital of Canada Jetlines.

9. There are no issued and outstanding securities to purchase Canada Jetlines Shares.
10. Canada Jetlines is a wholly owned subsidiary of Global Crossing.
11. Canada Jetlines is not a reporting issuer and Canada Jetlines Shares are not listed or posted for trading on any stock exchange.
12. Canada Jetlines and Global Crossing must be separate and independent entities in order to comply with airline ownership requirements of Transport Canada and the United States Department of Transportation - a Canadian airline cannot be owned by a US company and a US airline cannot be owned by a Canadian company. In addition, in order to operate domestic chartered flights within Canada (eg. between Toronto and Vancouver) an airline must be a Canadian airline.
13. Because Canada Jetlines is a wholly-owned subsidiary of Global Crossing, a company incorporated in a jurisdiction outside Canada, Canada Jetlines cannot operate as a Canadian airline.

OTHER CORPORATE PARTY TO ARRANGEMENT

14. Global Crossing is a body corporate that completed the change of its jurisdiction of incorporation from British Columbia to the State of Delaware on or about December 22, 2020, having a business and mailing address at 4200 NW 36th Street, Building 5A, Miami International Airport, 4th Floor, Miami, Florida.
15. Global Crossing is a US charter airline company with its primary aircraft and crew based at Miami International Airport and a regional airbase at Atlantic City Airport, New Jersey. Global Crossing plans to operate flights throughout the United States and to the Caribbean, Canada, and South America.
16. The authorized capital of Global Crossing consists common stock with a par value of USD \$0.001 per share and Class A common stock with a par value of USD \$0.001 per share, of which a maximum of 200,000,000 shares are authorized.
17. As at the date of this petition, 40,503,317 shares of common stock in the capital of Global Crossing (each a "Global Common Share") and 5,537,313 shares of Class A common stock in the capital of Global Crossing (each a "Global Class A Share" and together with the Global Common Shares, the "Global Crossing Shares") were issued and outstanding held directly or beneficially by more than 13,000 shareholders, including shareholders resident in the United States.

18. Global Crossing is a reporting issuer in each Canadian province and territory except Quebec and Nunavut. The shares of Global Crossing are listed and posted for trading on the TSX Venture Exchange (the "TSXV") under the symbol "JET".
19. To date audited financial statements for Global Crossing have been prepared on a consolidated basis such that the financial position of Canada Jetlines has been incorporated into Global Crossing's financial statements. As such separate audited financial statements for Canada Jetlines have not been prepared.
20. Global Crossing communicates with and disseminates information to holders of Global Crossing Shares ("**Global Crossing Shareholders**") by, among other things, press releases and other filings posted on the System for Electronic Document Analysis and Retrieval ("**SEDAR**") at www.sedar.com.
21. SEDAR is the official site that provides access to most public securities documents and information filed by issuer with the thirteen provincial and territorial securities regulatory authorities. The statutory objective in making public this filed information is to enhance investor awareness of the business and affairs of issuers and to promote confidence in the transparent operation of capital markets in Canada. The SEDAR website is updated every fifteen minutes, Monday - Friday (excluding statutory holidays) from 7:00 am to 11:00 pm.

OVERVIEW OF THE ARRANGEMENT

22. The purpose of the Arrangement is to facilitate a separation (*i.e.* "spin-out") of Canada Jetlines from Global Crossing so that Canada Jetlines can operate as a Canadian airline.
23. The Arrangement will involve an amendment to the articles of Canada Jetlines to effect an exchange of securities of Canada Jetlines for other securities of Canada Jetlines, resulting in a fundamental change to the ownership structure of Canada Jetlines. Full particulars of the Arrangement are set out in the Second Amended and Restated Arrangement Agreement (the "**Arrangement Agreement**") and Plan of Arrangement, dated May 19, 2021 and attached as Exhibit "B" to Paine-Silva Affidavit #1.
24. Prior to the hearing of this petition for final order and the effective date of the Plan of Arrangement, and pursuant to the Arrangement Agreement:
 - (a) Global Crossing will irrevocably extinguish intercompany debt owed by Canada Jetlines to Global Crossing (the "**Intercompany Debt**");
 - (b) the aggregate stated capital (for CBCA purposes) of Canada Jetlines Shares outstanding shall be set at \$1; and

- (c) Canada Jetlines shall become entitled to draw upon Bridge Loans (as that term is defined in the Arrangement Agreement attached as Exhibit "B" to Paine affidavit #1) from Global Crossing.
25. Pursuant to the Arrangement and in accordance with the Plan of Arrangement the following, among other things, will occur:

- (a) in substitution for each issued and outstanding Canada Jetlines Share, Canada Jetlines will issue to Global Crossing that number of Canada Jetlines Shares calculated pursuant to the following formula:

$\frac{2}{3}$ times the number of issued and outstanding Global Crossing Shares
(as at the Record Date) divided by the number of issued and outstanding
Canada Jetlines Shares,

such that upon the completion of this step the number of issued and outstanding Global Crossing Shares is unchanged and the number of issued and outstanding Canada Jetlines Shares will be two-thirds of that first number (or, in other words, 75% of the number of issued and outstanding Canada Jetlines Shares will be equal to 50% of the number of issued and outstanding Global Crossing Shares); and

- (b) In order to align the permitted level of non-Canadian ownership and control of its voting shares with the Canada Jetlines Articles with those prescribed by the definition of "Canadian" under the Canada Transportation Act, the authorized capital of Canada Jetlines shall be altered to:

- (i) restrict the ownership of the authorized unlimited common voting shares to Canadian holders;
- (ii) establish an unlimited number of authorized variable voting shares, and restrict ownership thereof to non-Canadian holders;
- (iii) provide an automatic conversion of issued shares between the two authorized classes of shares in the event of transfer from a Canadian to a non-Canadian holder or vice versa; and
- (iv) provide for an automatic proportionate decrease in the voting power of variable voting shares in the event the number of CJ Shares (as that term is defined in the Arrangement Agreement) held by non-Canadian holders exceed the prescribed threshold;

(c) to effect the transaction set out in subparagraphs (a) and (b) above, in accordance with section 192(1)(a) of the CBCA, the articles of Canada Jetlines shall be amended, and shall be deemed to be amended, in the form attached as "Attachment 1" to the Plan of Arrangement;

~~(b)(d)~~ Articles of Arrangement shall be adopted and the articles of Canada Jetlines shall be amended accordingly; ~~to subdivide all of the issued and outstanding Canada Jetlines Shares in order to align the permitted level of non-Canadian ownership and control of its voting shares within Canada Jetlines' articles with those prescribed by the definition of "Canadian" under the Canada Transportation Act; and~~

~~(c)(e)~~ Global Crossing will distribute Canada Jetlines Shares as a dividend to Global Crossing Shareholders, on the following basis:

- (i) each Global Crossing Shareholder will receive 0.5 Canada Jetlines Shares for every Global Crossing Share held; and
- (ii) as a result, Global Crossing Shareholders will hold, in the aggregate, 75% of the issued and outstanding Canada Jetlines Shares, and Global Crossing will hold 25% of the issued and outstanding Canada Jetlines Shares; and

~~(d)(f)~~ no fractional shares of Canada Jetlines will be distributed to Global Crossing Shareholders and no compensation will be paid in lieu of fractional shares. Any fractions resulting from the Plan of Arrangement will be rounded down to the next whole number of Canada Jetlines.

26. Upon completion of the Arrangement, Canada Jetlines will be a reporting issuer, and intends to complete a financing of up to \$10,000,000 and apply for listing on the TSXV.

27. Upon completion of the Arrangement, Canada Jetlines will have a permissible ownership structure for a Canadian airline, removing that hurdle from its efforts to become licensed to operate a Canadian airline business.

28. Before the hearing of this petition for the Final Order, and based on the Bridge Loans, extinguishment of the Intercompany Debt and setting the aggregate stated capital of Canada Jetlines at \$1:

- (a) Canada Jetlines will be able to pay its liabilities as they become due; and

- (b) the realizable value of the assets of Canada Jetlines will be equal to or greater than the aggregate of Canada Jetlines' liabilities and stated capital of all classes.
29. It is not practicable for Canada Jetlines to complete the fundamental change contemplated by the Arrangement under any other provision of the CBCA because:
- (a) doing so would require registration of the shares of Canada Jetlines under the US Securities Act of 1933, as amended, at prohibitive cost such that the transaction contemplated by the Arrangement could not proceed; and
 - (b) the time required to complete the steps involved in such registration would significantly delay the licensing process necessary to allow Canada Jetlines to operate as a Canadian airline and eliminate the possibility of operating in the peak, profitable travel season of the winter of 2021 - 2022 whereas completion of the steps involved in the Arrangement will significantly accelerate the licensing process and enhance the possibility of operating in the peak, profitable travel season of the winter of 2021-2022.
30. The Arrangement does not in any way represent a compromise, arrangement or settlement between Canada Jetlines and its creditors, other than Global Crossing. Following completion of the Arrangement, Canada Jetlines will continue to hold its assets and continue to be responsible for its obligations to creditors (other than the debt obligations to Global Crossing specifically extinguished pursuant to the Arrangement Agreement).

BOARD APPROVAL / FAIRNESS OF THE ARRANGEMENT

31. Canada Jetlines and Global Crossing entered into the arrangement agreement on Monday, April 19, 2021, ~~and the an~~ amended and restated Arrangement Agreement on May 17, 2021, and a second amended and restated Arrangement Agreement on May 19, 2021.
32. After consultation with tax, legal and other advisors, the boards of directors of Canada Jetlines and Global Crossing have unanimously resolved that the Arrangement Agreement and Arrangement is fair and in the best interest of Canada Jetlines and Global Crossing, respectively.
33. Global Crossing, as the sole shareholder of Canada Jetlines, has unanimously resolved that the Arrangement is fair and in the best interests of Canada Jetlines, and has by special resolution authorized the reduction of stated capital in Canada Jetlines.
34. In arriving at their respective decisions, the boards of Canada Jetlines and Global Crossing considered all aspects of the Arrangement Agreement and the Arrangement. The factors outlined

in the Information Notice under the heading "*Reasons for the Arrangement*", which factors include that the spin-out will:

- (a) allow Canada Jetlines and Global Crossing to satisfy ownership requirements for the proposed businesses, under Canadian and US Law;
- (b) allow Global Crossing Shareholders to monetize Canada Jetlines assets acquired in the prior reverse takeover;
- (c) give Global Crossing Shareholders as at the set record date 0.5 Canada Jetlines shares for each Global Crossing Share held, at no cost to Global Crossing Shareholders;
- (d) provide an opportunity for Global Crossing to lease aircrafts to Canada Jetlines for the Winter of 2021, the peak season for travelling (for the purpose of illustration, the leasing of just one aircraft for three (3) months generates approximately CAD\$2.1 million in revenue, or approximately CAD\$250,000 in earnings before interest, taxes, depreciation and amortization); and
- (e) allow Global Crossing to provide various types of services and training to Canada Jetlines and cost share with Canada Jetlines on software systems, parts, components, purchasing, thereby achieving economies of scale.

NOTICE TO GLOBAL CROSSING SHAREHOLDERS

- 35. The Record date for determining the Global Crossing Shareholders entitled to receive a dividend of Canada Jetlines Shares pursuant to the Plan of Arrangement will be set by the Global Crossing board of directors prior to the final hearing of this petition, and such Record date will be communicated by press release on SEDAR.
- 36. Canada Jetlines proposes to notify Global Crossing Shareholders of the Arrangement, Plan of Arrangement, the Amended Petition and Notice of Hearing of Petition for Final Order as set out in the following paragraphs 36 - 39 and in accordance with the terms of the Interim Order.
- 37. On April 20, 2021, Global Crossing, with the cooperation of Canada Jetlines, posted a news release on SEDAR to provide notice and details of the Arrangement to Global Crossing Shareholders.
- 38. Canada Jetlines proposes to cause Global Crossing to provide further notice to Global Crossing Shareholders by posting on Global Crossing on SEDAR the Information Notice, which includes, among other things, the following materials and documents (together with the Information Notice, the "Notice Materials"):

- (a) an explanation of the structure and effect of the Arrangement;
 - (b) a summary of the reasons for the Board of Directors' recommendation;
 - (c) a copy of the Arrangement Agreement and Plan of Arrangement;
 - (d) a copy of the Amended Petition;
 - (e) a copy of the Notice of Hearing of Petition for Final Order; and
 - (f) a copy of the Interim Order.
39. Canada Jetlines proposes that the Notice Materials, and any of them, may contain such amendments thereto as Canada Jetlines may advise or are necessary or desirable, provided such amendments are not inconsistent with the terms of the Interim Order.
40. Canada Jetlines proposes that, in accordance with the terms of the Interim Order, any Global Crossing Shareholder will have the right to appear and make submissions at the hearing of the petition for Final Order.

UNITED STATES SECURITIES LAW

41. Section 3(a)(10) of the United States Securities Act of 1933, as amended, (the "**1933 Act**") provides an exemption from the registration requirements of the 1933 Act for the issue of securities in exchange for other outstanding securities where the terms and conditions of the issue and exchange are approved by a court of competent jurisdiction after a hearing upon the fairness of such terms and conditions at which all persons to whom it is proposed to issue such securities shall have the right to appear.
42. In order to ensure securities issued or made issuable to Global Crossing and the Canada Jetlines Shareholders resident in the United States of America pursuant to the Arrangement will be exempt from the registration requirements of the 1933 Act pursuant to Section 3(a)(10) of the 1933 Act, it is necessary that:
- (a) the Court is advised of the intention of the parties to rely on Section 3(a)(10) of the 1933 Act based on the Court's approval of the Arrangement, prior to the hearing required to approve the Arrangement;
 - (b) the Interim Order of the Court specifies that each of the shareholders of Global Crossing, the sole shareholder of Canada Jetlines, will have the right to appear before the Court so long as such Global Crossing Shareholder files and delivers a Response to Petition within a reasonable time;

- (c) The sole shareholder of Canada Jetlines, Global Crossing, and all the Global Crossing Shareholders are given adequate notice advising them of their rights to attend the hearing of the Court to approve of the Arrangement and are provided with sufficient information necessary for them to exercise that right and there are no improper impediments to the appearance by those persons at the hearing;
 - (d) the Court is required to satisfy itself of the fairness as to the terms and conditions of the Arrangement to the sole shareholder of Canada Jetlines, Global Crossing and the Global Crossing Shareholders;
 - (e) the Court has determined, prior to approving the Final Order, that the terms and conditions of the exchanges of securities comprising the Arrangement are procedurally and substantively fair to the sole Canada Jetlines shareholder, Global Crossing and the Global Crossing Shareholders; and
 - (f) the order of the Court approving the Arrangement expressly states that the Arrangement is approved by the Court as being procedurally and substantively fair to the sole shareholder of Canada Jetlines, Global Crossing and the Global Crossing Shareholders.
43. Since the completion of the Arrangement involves issuances of securities to shareholders in the United States, the petitioner hereby gives notice to the Court of the intent of Global Crossing and Canada Jetlines to rely on Section 3(a)(10) of the 1933 Act based on the Court's approval of the Arrangement.
44. The petitioner has advised Global Crossing, which is resident in the United States and to whom securities will be issued or made issuable under the Arrangement, that Global Crossing shall receive such securities in reliance on the exemption from the registration requirements of the 1933 Act contained in Section 3(a)(10) thereof, based on this Honourable Court's approval of the Arrangement.
45. Through the Information Notice, Canada Jetlines and Global Crossing will advise Global Crossing Shareholders in the United States of America to whom securities will be issued or made issuable under the Arrangement that they shall receive such securities in reliance on the exemption from the registration requirements of the 1933 Act contained in Section 3(a)(10) thereof, based on the Court's approval of the Arrangement.

Part 3: LEGAL BASIS

1. Section 192 of the CBCA;

2. Rules 4-4, 4-5, 8-1 and 16-1 of the *Supreme Court Civil Rules*;
3. *B.C.E. Inc. v. 1976 Debentureholders*, 2008 SCC 69;
4. *Pacifica Papers Inc. v 3017970 Nova Scotia Co.*, 2001 BCCA 486;
5. *RGL Reservoir Management Inc. (Re)* 2017 ONSC 7302;
6. *Aastra Technologies Limited(Re)*, 2014 ONSC 246;
7. *Invest Real Estate Investment Trust (Re)* 2010 ONSC 4292
8. The equitable and inherent jurisdiction of this Honourable Court.

Part 4: MATERIAL TO BE RELIED ON

1. Affidavit #1 of Sheila Paine, made May, 17, 2021;
2. Affidavit #1 of Natalia Pereversoff, made May 17, 2021;
- 2-3. Affidavit #1 of Denis Silva, made May 19, 2021-and
- 3-4. Such further and other affidavits and material as counsel may advise and this Honourable Court may allow.

The Petitioner estimates that the hearing of the petition will take 20 minutes.

May 19, 2021
Dated _____

DLA PIPER (CANADA) LLP
Signature of ☒ lawyer for Petitioner
DLA Piper (Canada) LLP (J. Brent MacLean)

**ENDORSEMENT ON ORIGINATING PLEADING OR PETITION FOR
SERVICE OUTSIDE OF BRITISH COLUMBIA**

The Petitioner claims the right to serve this Petition on the Respondent outside of British Columbia on the grounds that:

- (a) there is a real and substantial connection between British Columbia and the facts upon which this proceeding is based; and

- (b) the proceeding concerns a business carried on in British Columbia.

To be completed by the court only:

Order made

☐ in the terms requested in paragraphs _____ of Part 1 of this petition

☐ with the following variations and additional terms:

Date: _____

Signature of ☐ Judge ☐ Master _____

SCHEDULE "I"

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF SECTION 192 OF THE *CANADA BUSINESS
CORPORATIONS ACT*, R.S.C. 1985, c.C-44, AS AMENDED

AND

IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING
CANADA JETLINES OPERATIONS LTD. AND ITS SHAREHOLDER
GLOBAL CROSSINGS AIRLINES GROUP, INC. AND ITS SHAREHOLDERS

CANADA JETLINES OPERATIONS LTD.

PETITIONER

**ORDER MADE AFTER APPLICATION
(Interim Order)**

BEFORE) MASTER

) _____

ON THE APPLICATION of the Petitioner, Canada Jetlines Operations Ltd. ("**Canada Jetlines**") without notice coming on for hearing by MS Teams at 800 Smithe Street, Vancouver, British Columbia, on the 19th day of May, 2021 and on hearing J. Brent MacLean and Samuel Bogetti, counsel for the Petitioner, AND UPON READING the amended petition herein and the Affidavit #1 of Sheila Paine made May 17, 2021 and filed herein, and the Affidavit #1 of Natalia Pereversoff made May 17, 2021 and filed herein, and the Affidavit #1 of Denis Silva and filed herein;

THIS COURT ORDERS that:

DEFINITIONS

1. As used in this Order, unless otherwise defined, terms beginning with capital letters have the respective meanings set out in the draft Information Notice to Shareholders of Global Crossings AirLines Group Ltd. (the "**Information Notice**") attached as part of Exhibit "A" to Affidavit #1 of Denis Silva made May 19, 2021 ("**Silva Affidavit #1**") and filed herein.

APPLICATION FOR FINAL ORDER

2. Pursuant to Section 192 of the *Canada Business Corporations Act*, R.S.C. 1985 c.C-44, as amended (the "**CBCA**"), and in the manner set forth in this Interim Order, Canada Jetlines may apply to this Court for, *inter alia*, an Order:

- (a) pursuant to CBCA Section 192(4)(e) approving the Arrangement; and
- (b) pursuant to CBCA Section 192(4) declaring that the terms and conditions of the Arrangement are fair and reasonable

(collectively, the "**Final Order**") and that the hearing of the Final Order will be held by MS Teams, teleconference, or such other method as this Honourable Court may direct or require, **on Friday, June 18, 2021 at 9:45 a.m.** (Vancouver Time), at the Courthouse at 800 Smithe Street, Vancouver, British Columbia, or as soon thereafter as the hearing of the Final Order can be heard or at such other date and time as this Court may direct (the "**Hearing Date**").

NOTICE OF HEARING OF FINAL ORDER

- 3. Any Global Crossing Shareholder (those defined as a "GC Shareholder" in the Information Notice) has the right to appear (either in person, by counsel or by such other method as the Court may direct or require at the time of the hearing) and make submissions at the hearing of the application for the Final Order.
- 4. The form of Notice of Hearing of Petition for Final Order attached as Exhibit "D" to the Silva Affidavit #1 is hereby authorized for use for all purposes as the Notice of Hearing required by Rule 16-1 (8).
- 5. The Information Notice in substantially the same form as contained in Exhibit "A" of Silva Affidavit #1, with such deletions, amendments or additions thereto as counsel for the petitioner may advise are necessary or desirable, provided that such amendments are not inconsistent with the terms of this Interim Order, is hereby deemed to represent sufficient and adequate disclosure, including for the purpose of the Section 192 of the CBCA, and Canada Jetlines shall not be required to send to any affected persons or entities, any other or additional statement disclosure pursuant to Section 192 of the CBCA.
- 6. The Amended Petition, Notice of Hearing of Petition for Final Order, this Interim Order, and the Information Notice (together, the "**Notice Materials**") shall be provided by the petitioner to Global Crossing Shareholders by causing Global Crossing to post the Notice Materials on the System for Electronic Document Analysis and Retrieval ("**SEDAR**") at www.sedar.com, at least twenty-one (21) days prior to the Hearing Date, excluding the date of posting and the Hearing Date, and

substantial compliance with this paragraph shall constitute good and sufficient notice of the hearing of petition for Final Order and Hearing Date.

7. The Notice Materials shall be provided to the directors and auditor of Global Crossing by e-mail at least twenty-one days (21) days prior to the Hearing Date, measured from the date and time of such emails, and substantial compliance with this paragraph shall constitute good and sufficient notice of the hearing of the petition for Final Order and Hearing Date.
8. The Notice Materials, Affidavit #1 of Sheila Paine, Affidavit #1 of Denis Silva and any additional affidavits shall be delivered to the Director appointed pursuant to the CBCA in manner and at a time acceptable to the Director.
9. Sending the Notice Materials, including the Notice of Hearing of Petition for Final Order, in the manner provided for in paragraphs 6-8 of this Interim Order shall constitute good and sufficient service of this proceeding by Canada Jetlines on Global Crossing Shareholders and any other affected persons or entities, which service shall be deemed to be effected on the day on which the Notice Materials are posted on SEDAR or sent by email.
10. If service is effected in the manner provided in paragraphs 6-8 of this Interim Order, no other form of service need be made and no other material need be served on persons or entities in respect of these proceedings. In particular, service of the Amended Petition, Paine Affidavit #1, Silva Affidavit #1 and additional affidavits as may be filed, is dispensed with. Upon the written request by, or on behalf of, any affected party or Global Crossing Shareholder, Canada Jetlines shall deliver the Amended Petition and other materials filed herein.
11. Canada Jetlines is at liberty to serve the Notice of Hearing of Petition for Final Order on persons and entities outside the jurisdiction of this Honourable Court in the manner specified in this Interim Order.
12. Any Global Crossing Shareholder, or other affected party, seeking to appear at the hearing of the application for the Final Order shall file and deliver a Response to Petition pursuant to Rule 16-1 (5) of, and in the form prescribed by, the *Supreme Court Civil Rules*, and a copy of all materials upon which they intend to rely, to Canada Jetlines' solicitors at:

DLA Piper (Canada) LLP
Barristers & Solicitors
Suite 2800 - 666 Burrard Street
Vancouver, B.C. V6C 2Z7
Attention: J. Brent MacLean

Email: brent.macleam@dlapiper.com
Fax: 604.605.3550

by or before **4:00pm** (Vancouver time) on **Monday, June 14, 2021** or as the Court may otherwise direct.

UPDATING NOTICE MATERIALS

13. Accidental failure of or omission by Canada Jetlines to give notice of the hearing of petition for Final Order to any one or more of the Global Crossing Shareholders or other affected persons or entities, or the non-receipt of such notice by one or more Global Crossing Shareholders or other affected persons or entities, or any failure or omission to give such notice as a result of events beyond the reasonable control of Canada Jetlines (including, without limitation, any inability to use internet services), shall not constitute a breach of this Interim Order or, in relation to notice to Global Crossing Shareholders or other affected persons, a defect in service on the Global Crossing Shareholders or other affected persons, and shall not invalidate such notice, service, or any order made by the Court in these proceedings, but if any such failure or omission is brought to the attention of Canada Jetlines, then Canada Jetlines shall use reasonable best efforts to rectify such failure or omission by the method and in the time most reasonably practicable in the circumstances.
14. Notice of any amendments, updates or supplement to any of the information provided in the Information Notice may be communicated to the Global Crossing Shareholders, or other affected persons or entities, by notice sent to the Canada Jetlines Shareholder, Global Crossing Shareholders, or other affected persons by posting such notice on SEDAR, receipt of which shall be deemed to have occurred on the day on which the notice was posted on SEDAR.
15. In the event the hearing for the Final Order is adjourned, only those persons or entities who have filed and delivered a Response in accordance with this Interim Order need be provided with written notice of the adjourned hearing date and any filed materials.

VARIANCE

16. Canada Jetlines, or any other person or entity affected by these proceedings, is entitled, at any time, to apply to vary this Interim Order or for such further order or orders as may be appropriate.
17. To the extent of any inconsistency or discrepancy between this Interim Order and the Information Notice, the CBCA, or the articles of Canada Jetlines, this Interim Order shall govern.

18. Rules 8-1 and 16-1(8)-(12) of the *Supreme Court Civil Rules* will not apply to any further applications in respect of this proceeding, including the application for the Final Order and any application to vary this Interim Order.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

Signature of ☒ lawyer for the Petitioner
DLA Piper (Canada) LLP (J. Brent MacLean)

BY THE COURT

REGISTRAR

No. S-214836

Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF SECTION 192 OF THE *CANADA
BUSINESS CORPORATIONS ACT*, R.S.C. 1985, c.C-44, AS
AMENDED

AND

IN THE MATTER OF A PROPOSED ARRANGEMENT
INVOLVING CANADA JETLINES OPERATIONS LTD. AND ITS
SHAREHOLDER GLOBAL CROSSINGS AIRLINES GROUP,
INC. AND ITS SHAREHOLDERS

CANADA JETLINES OPERATIONS LTD.

PETITIONER

ORDER MADE AFTER APPLICATION
(Interim Order)

DLA Piper (Canada) LLP
Barristers & Solicitors
2800 Park Place
666 Burrard Street
Vancouver, BC V6C 2Z7

Tel. No. 604.687.9444
Fax No. 604.687.1612

Client Matter No.: 106791-00001

SJB/npp

CAN: 36691756.5

SCHEDULE "I"

No. _____

Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF SECTION 192 OF THE *CANADA BUSINESS
CORPORATIONS ACT*, R.S.C. 1985, c.C-44, AS AMENDED

AND

IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING
CANADA JETLINES OPERATIONS LTD. AND ITS SHAREHOLDER
GLOBAL CROSSING AIRLINES GROUP, INC. AND ITS SHAREHOLDERS

CANADA JETLINES OPERATIONS LTD.

PETITIONER

**ORDER MADE AFTER APPLICATION
(Final Order)**

BEFORE) THE HONOURABLE JUSTICE) ♦____, 2021
)

ON THE APPLICATION of the petitioner, Canada Jetlines Operations Ltd. ("**Canada Jetlines**"), coming on for hearing by telephone at 800 Smithe Street, Vancouver, BC V6Z 2E1 on the 18th day of June, 2021, and on hearing J. Brent MacLean and Samuel Bogetti, counsel for the petitioner, AND UPON READING the Affidavit #1 of Sheila Paine made 17, 2021 and filed herein, Affidavit #1 of Natalia Pereversoff made May 17, 2021 and filed herein, Affidavit #1 of Denis Silva made May 19, 2021 and filed herein; Affidavit #2 of Sheila Paine made May 17, 2021 and filed herein, and the pleadings and proceedings had and taken herein, AND UPON notice of this hearing being given to the Director appointed pursuant to the Canada Business Corporations Act, R.S.C. 1985, c. C-44, as amended, the sole shareholder and the directors and auditor of Canada Jetlines, Global Crossing Airlines Group, Inc. ("**Global Crossing**"), and to the shareholders of Global Crossing;

AND UPON considering the fairness of the terms and conditions of the arrangement (the "**Arrangement**"), contemplated in the Plan of Arrangement attached as Appendix "A" to this Order, and the rights and interests of the persons affected thereby, including the shareholders of Global Crossing Airlines Group, Inc.;

AND UPON being advised by counsel for the petitioner that this Court's determination that the Arrangement is fair and reasonable and will form the basis for seeking an exemption from the registration requirements of the *Securities Act of 1933*, as amended (United States) pursuant to section 3(a)(10) thereof with respect

to the issuances, exchanges, distribution and adjustments of securities contemplated in connection with the Arrangement;

AND UPON finding that the Arrangement including the terms and conditions thereof and the issuances, exchanges, distributions and adjustments of securities contemplated therein is fair and reasonable to the persons affected.

THIS COURT ORDERS AND DECLARES THAT:

1. The Arrangement is an arrangement within the meaning of 192(1) of the *Canada Business Corporations Act*, R.S.C. 1985, c.C-44 as Amended (the "CBCA");
2. Pursuant to Section 192(4)(e) of the CBCA, the Arrangement, be and is hereby approved;
3. The Arrangement, including the terms and conditions thereof and the issuances, exchanges, distributions and adjustments of securities contemplated therein, is fair and reasonable, both procedurally and substantively, to the persons affected, including the shareholders of Global Crossings Airlines Group, Inc.;
4. The petitioner shall be entitled, at any time, to seek leave to vary this Order, to seek the advice and direction of this Court as to the implementation of this Order or to apply for such further Order or Orders as may be appropriate.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

Signature of ☒ lawyer for the petitioner
DLA Piper (Canada) LLP (J. Brent MacLean)

BY THE COURT

REGISTRAR

APPENDIX "A"

SCHEDULE A

TO THE SECOND AMENDED AND RESTATED ARRANGEMENT AGREEMENT DATED AS OF THE 19TH DAY OF MAY, 2021 BETWEEN CANADA JETLINES OPERATIONS LTD. AND GLOBAL CROSSING AIRLINES GROUP, INC.

PLAN OF ARRANGEMENT UNDER SECTION 192 OF THE CANADA BUSINESS CORPORATIONS ACT

Article 1 DEFINITIONS AND INTERPRETATION

1.1 **Definitions:** In this plan of arrangement, unless there is something in the subject matter or context inconsistent therewith, the following capitalized words and terms shall have the following meanings:

- (a) **"Arrangement"** means the arrangement pursuant to the Arrangement Provisions on the terms and conditions set out herein;
- (b) **"Arrangement Agreement"** means the second amended and restated arrangement agreement dated as of May 19, 2021 between Canada Jetlines and Global Crossing to which this Schedule A is attached, as may be supplemented or amended from time to time;
- (c) **"Arrangement Provisions"** means Section 192 of the CBCA;
- (d) **"Articles of Arrangement"** means the articles of arrangement of Canada Jetlines in respect of the Arrangement, to be filed with the Director after the Final Order is made, in substantially the form attached as Attachment 1 to this Plan of Arrangement;
- (e) **"Business Day"** means a day which is not a Saturday, Sunday or statutory holiday in Vancouver, British Columbia;
- (f) **"Canada Jetlines"** means Canada Jetlines Operations Ltd., a corporation existing under the CBCA;
- (g) **"CBCA"** means the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44, as amended, including the regulations promulgated thereunder;
- (h) **"CJ Shares"** means, as of the date hereof, the unlimited common voting shares without par value which Canada Jetlines is authorized to issue and, as of the completion of the Arrangement, shall mean the unlimited common voting shares without par value and the unlimited variable voting shares which Canada Jetlines shall then be authorized to issue;
- (i) **"Court"** means the Supreme Court of British Columbia;
- (j) **"Director"** means the Director appointed pursuant to section 260 of the CBCA;
- (k) **"Effective Date"** means the date shown on the certificate of arrangement to be issued by the Director after the Articles of Arrangement have been filed, which shall serve as the effective date of the transactions set out in the Arrangement, and is projected to be on or about June 18, 2021 or such other date to be determined by the board of directors of Global Crossing, as the context and administrative procedures so require;

- (l) **"Effective Time"** means 12:01 a.m. Pacific Time on the Effective Date;
- (m) **"Final Order"** means the final order of the Court approving the Arrangement;
- (n) **"GC Shareholders"** means the holders of GC Shares as at the Record Date;
- (o) **"GC Shares"** means its authorized share capital of 200,000,000 shares consisting (i) shares of common stock par value \$0.001 per share; and (ii) the Class A Common Stock par value \$0.001 per share, which Global Crossing is authorized to issue as the same are constituted on the date hereof;
- (p) **"Global Crossing"** means Global Crossing Airlines Group, Inc., a corporation domesticated under the *General Corporation Law* (Delaware);
- (q) **"Interim Order"** means the interim order of the Court providing advice and directions in connection with the Arrangement, including confirming a right for GC Shareholders to appear before the Court;
- (r) **"Plan of Arrangement"** means this Plan of Arrangement, as the same may be amended from time to time;
- (s) **"Record Date"** means the record date for determining the holders and holdings of GC Shares to participate in the Arrangement, which is to be set by the Board of Directors of Global Crossing and is anticipated to be shortly prior to the Effective Date; and
- (t) **"Tax Act"** means the *Income Tax Act* (Canada), as amended from time to time.

1.2 **Interpretation Not Affected by Headings:** The division of this Plan of Arrangement into articles, sections, subsections, paragraphs and subparagraphs and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Plan of Arrangement. Unless otherwise specifically indicated, the terms "this Plan of Arrangement", "hereof", "hereunder" and similar expressions refer to this Plan of Arrangement as a whole and not to any particular article, section, subsection, paragraph or subparagraph and include any agreement or instrument supplementary or ancillary hereto.

1.3 **Number and Gender:** Unless the context otherwise requires, words importing the singular number only shall include the plural and vice versa, words importing the use of either gender shall include both genders and neuter and words importing persons shall include firms and corporations.

1.4 **Meaning:** Words and phrases used herein and defined in the CBCA shall have the same meaning herein as in the CBCA, unless the context otherwise requires.

1.5 **Date for any Action:** If any date on which any action is required to be taken under this Plan of Arrangement is not a Business Day, such action will be required to be taken on the next succeeding Business Day.

Article 2 ARRANGEMENT AGREEMENT

2.1 **Arrangement Agreement:** This Plan of Arrangement is made pursuant and subject to the provisions of the Arrangement Agreement.

Article 3
THE ARRANGEMENT

3.1 **The Arrangement:** Commencing at the Effective Time, each of the steps set out below shall occur in the following order without any further authorization, act or formality, with each step deemed to occur two minutes after the completion of the immediately preceding step except as otherwise expressly provided:

- (a) in substitution for (and, for the avoidance of doubt, not in addition to) each issued and outstanding CJ Share immediately prior to the Effective Time (all of which are held by Global Crossing), Canada Jetlines will issue to Global Crossing that number of CJ Shares calculated pursuant to the following formula at the Effective Time:

$\frac{2}{3}$ times the number of issued and outstanding GC Shares on the Record Date, divided by the number of issued and outstanding CJ Shares immediately prior to the Effective Time,

such that upon the completion of this step the number of issued and outstanding GC Shares is unchanged and the number of issued and outstanding CJ Shares shall be two-thirds of that first number (or, in other words, 75% of the number of issued and outstanding CJ Shares is equal to 50% of the number of issued and outstanding GC Shares at the Record Date);

- (b) in order to align the permitted level of non-Canadian ownership and control of its voting shares within the Canada Jetlines Articles with those prescribed by the definition of "Canadian" under the *Canada Transportation Act*, the authorized capital of Canada Jetlines shall be altered to:
- (i) restrict ownership of the authorized unlimited common voting shares to Canadian holders;
 - (ii) establish an unlimited number of authorized variable voting shares, and restrict ownership thereof to non-Canadian holders;
 - (iii) provide an automatic conversion of issued shares between such classes of shares in the event of transfer from a Canadian to a non-Canadian holder or vice versa; and
 - (iv) provide for an automatic proportionate decrease in the voting power of variable voting shares in the event the number of CJ Shares held by non-Canadian holders exceeds the prescribed threshold;
- (c) to effect the transactions set out in Sections 3.1(a) and (b), in accordance with section 192(1)(a) of the CBCA, the articles of Canada Jetlines shall be amended, and shall deemed to be amended, in the form attached as Attachment 1 hereto;
- (d) Articles of Arrangement in the form attached as Attachment 1 hereto shall be adopted and the articles of Canada Jetlines shall be amended accordingly; and
- (e) an amount of issued and outstanding CJ Shares shall be distributed (which shall be considered a dividend paid by Global Crossing to the GC Shareholders for the purposes of the *General Corporation Law* (Delaware)) to GC Shareholders such that for every 1 GC Share held each GC Shareholder receives 0.5 CJ Shares, which shall result, in the aggregate, in 75% of the issued and outstanding CJ Shares being held by the GC Shareholders (of which one half of such CJ Shares will remain in escrow with the transfer agent and be automatically released from escrow on the date that is twelve (12) months

from the Effective Date) and 25% of the issued and outstanding CJ Shares remaining held by Global Crossing.

3.2 **No Fractional Shares:** Notwithstanding any other provision of this Arrangement, no fractional CJ Shares shall be distributed to the GC Shareholders and, as a result, all fractional amounts arising under this Plan of Arrangement will be rounded down to the next whole number without any compensation therefor.

3.3 **Effective Time:** In section 3.1 the reference to a GC Shareholder shall mean a person who is a GC Shareholder at the Effective Time.

3.4 **Deemed Issuance as Fully Paid and Non-Assessable Shares:** The Final Order shall establish that the creation of new CJ Shares pursuant to section 3.1(a) of the Arrangement is deemed an issuance of shares and not a change of the issued CJ Shares into a different number of shares of the same class as contemplated, e.g., by section 173(1)(h) of the CBCA. All CJ Shares issued or deemed to be issued pursuant hereto shall be deemed to be validly issued and outstanding as fully paid and non-assessable shares for all purposes of the CBCA.

3.5 **Arrangement Effectiveness:** The Arrangement shall become final and conclusively binding on the Global Crossing, Canada Jetlines and the GC Shareholders on the Effective Date.

3.6 **Supplementary Actions:** Notwithstanding that the transactions and events set out in section 3.1 shall occur and shall be deemed to occur in the chronological order therein set out (except as otherwise expressly provided) without any act or formality, each of Global Crossing and Canada Jetlines shall be required to make, do and execute or cause and procure to be made, done and executed all such further acts, deeds, agreements, transfers, assurances, instruments or documents as may be required to give effect to, or further document or evidence, any of the transactions or events set out in this Plan of Arrangement, including, without limitation, any resolutions of directors authorizing the issue, transfer or redemption of shares, any share transfer powers evidencing the transfer of shares and any receipt therefor, and any necessary additions to or deletions from share registers.

3.7 **No Liens:** Any exchange or transfer of securities pursuant to this Plan of Arrangement will be free and clear of any liens, restrictions, adverse claims or other claims of third parties of any kind.

Article 4 CERTIFICATES

4.1 **CJ Shares:** As soon as practicable following the Effective Date, Canada Jetlines shall cause to be issued to the registered holders of GC Shares as of the Effective Date, share certificates representing the CJ Shares distributed to GC Shareholders following completion of all of the steps set out in section 3.1 of this Plan of Arrangement (except one half of such CJ Shares will remain in escrow with the transfer agent and be automatically released from escrow on the date that is twelve (12) months from the Effective Date), of which each such GC Shareholder will be the registered holder at the close of business on the Effective Date, and shall cause such share certificates to be delivered or mailed to such registered shareholders.

4.2 **Interim Period:** Any GC Shares traded after the Effective Date shall not carry any rights to receive CJ Shares.

Article 5 REFERENCE DATE

5.1 **Reference Date:** This plan of arrangement is dated for reference May 19, 2021.

Attachment 1

Form of Articles of Arrangement

[attached]



Canada Business Corporations Act (CBCA)
FORM 14.1
ARTICLES OF ARRANGEMENT
(Section 192)

1 - Name of the applicant corporation(s) Canada Jetlines Operations Ltd.	Corporation number 1002286-1
2 - Name of the corporation(s) the articles of which are amended, if applicable Canada Jetlines Operations Ltd.	Corporation number 1002286-1
3 - Name of the corporation(s) created by amalgamation, if applicable	Corporation number
4 - Name of the dissolved corporation(s), if applicable	Corporation number
5 - Name of the other bodies corporate involved, if applicable Global Crossing Airlines Group, Inc.	Corporation number or jurisdiction Delaware
6 - In accordance with the order approving the arrangement, the plan of arrangement attached hereto, involving the above named body(ies) corporate, is hereby effected. In accordance with the plan of arrangement, ☒ a. the articles of the corporation(s) indicated in item 2, are amended. If the amendment includes a name change, indicate the change below: See attached Schedule ☐ b. the following bodies corporate and/or corporations are amalgamated (for CBCA corporations include the corporation number): ☐ c. the corporation(s) indicated in item 4 is(are) liquidated and dissolved: 	
7 - I hereby certify that I am a director or an authorized officer of one of the applicant corporations. Signature: _____ Print name: _____	
Note: Misrepresentation constitutes an offence and, on summary conviction, a person is liable to a fine not exceeding \$5,000 or to imprisonment for a term not exceeding six months or to both (subsection 250(1) of the CBCA).	

Schedule

Amendments to Articles

- A. The articles of the Corporation be amended to subdivide all of the 15,268,638 issued and outstanding common voting shares in the capital of the Corporation into [$\bullet$] * common voting shares in the capital of the Corporation, being approximately [$\bullet$] * post-subdivision common voting shares for each 1 outstanding pre-consolidation common voting share.
- B. Schedules 1 and 2 set-out hereof (beginning on the following page) replace the existing Schedules 1 and 2, respectively, of the articles of the Corporation in their entirety.

[Replacement Schedules 1 and 2 follow]

**Numbers to be calculated upon the Record Date (as defined in the Plan of Arrangement) in accordance with the formula set out in the Plan of the Arrangement*

No. _____

Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF SECTION 192 OF THE *CANADA
BUSINESS CORPORATIONS ACT*, R.S.C. 1985, c.C-44, AS
AMENDED

AND

IN THE MATTER OF A PROPOSED ARRANGEMENT
INVOLVING CANADA JETLINES OPERATIONS LTD. AND ITS
SHAREHOLDER GLOBAL CROSSING AIRLINES GROUP, INC.
AND ITS SHAREHOLDERS

CANADA JETLINES OPERATIONS LTD.

PETITIONER

FINAL ORDER MADE AFTER APPLICATION

DLA Piper (Canada) LLP
Barristers & Solicitors
2800 Park Place
666 Burrard Street
Vancouver, BC V6C 2Z7

Tel. No. 604.687.9444
Fax No. 604.687.1612

Client Matter No.: 106791-00001

SJB/npp

CAN: 36691866.4

No. S-214836
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

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CANADA JETLINES OPERATIONS LTD.

PETITIONER

AMENDED PETITION TO THE COURT

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