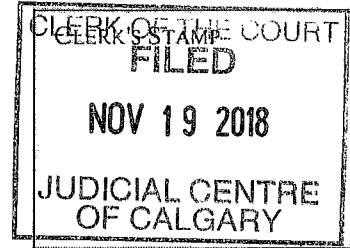


FORM 49  
[RULE 13.19]



COURT FILE NO. 1801-09188

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

PLAINTIFF THIRD EYE CAPITAL CORPORATION

DEFENDANTS RANCH ENERGY CORPORATION,  
OPSMOBIL INC., 1734163 ALBERTA INC.,  
1859821 ALBERTA INC., OPSMOBIL GROUP  
INC., OPSMOBIL CONSTRUCTION INC.,  
OPSMOBIL ENERGY SERVICES INC., AIR  
DALLAIRE LTD., and K.L. CAPITAL CORP.

DOCUMENT **AFFIDAVIT**

ADDRESS FOR SERVICE AND  
CONTACT INFORMATION OF THE  
PARTY FILING THIS DOCUMENT **BENNETT JONES LLP**  
Barristers and Solicitors  
4500 Bankers Hall East  
855 – 2 Street SW  
Calgary, AB T2P 4K7

Attention: Kelsey Meyer  
Telephone No.: 403-298-3323  
Fax No.: 403-265-7219  
Client File No.: 78704.1

**Part 2 of 2**

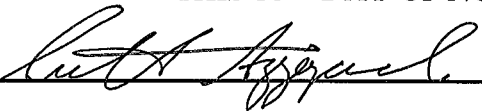
**AFFIDAVIT OF ALGIS VAITONIS**

Sworn on November 18, 2018.

I, ALGIS VAITONIS, of the City of Toronto, in the Province of Ontario, SWEAR AND SAY THAT:

1. I am the Senior Vice President, Rail & Aviation Finance of ECN Capital Corp., the sole shareholder of ECN Aviation Inc. ("ECN"). As such, I have personal knowledge of the matters hereinafter deposed to save where stated to be based upon information, in which case I believe the same to be true.

THIS IS EXHIBIT "15" REFERRED TO IN THE AFFIDAVIT OF  
ALGIS VAITONIS, SWORN BEFORE ME  
THIS 18<sup>TH</sup> DAY OF NOVEMBER, 2018



---

SCOTT AZZOPARDI

A Notary Public in the Province of Ontario

## ON SITE HELICOPTER INSPECTION REPORT

|                                                    |                                                       |
|----------------------------------------------------|-------------------------------------------------------|
| Registration: C-FXHP                               | Date of Inspection: 23 JUNE, 2017                     |
| Make /Model: AS350BA-FX2                           | Engine Make: HONEYWELL<br>Engine Model: LTS101-700D-2 |
| Serial Number: 3100                                | Serial # Engine 1: NO ENGINE WITH A/C                 |
| T.T. A.F: 12516.2                                  | Cycles #1: N/A<br>Cycles #2: N/A                      |
| Landings/Rins: 22311LDG 387 HOOK HRS 1721 HOOK CYC | C. of R: 2014-04-16                                   |
| Date of Manufacture: 06/1998                       | C. of A: 2008-09-19                                   |
| Last Flight: 21 SEPT. 2016                         | Aircraft Location: WHITECOURT, ALBERTA                |
| Current Use: UTILITY                               | Empty Weight: 2997.6 LBS                              |
| Major inspection due: 12 YR DUE 18 SEPT. 2020      | Flight Manual: NO FLT MANUAL WITH AIRCRAFT            |

|                 | <i>Cosmetic Information:</i> | Poor<br>1 2 3 | Avg.<br>4 5 6 | Good<br>7 8 9 | New<br>10 |
|-----------------|------------------------------|---------------|---------------|---------------|-----------|
| Exterior Paint: |                              | 3             |               |               |           |
| Cockpit Seats:  |                              | 1             |               |               |           |
| Headliner:      | INSIDE OF CANOPY PAINTED     |               | 4             |               |           |
| Cabin Seats:    |                              | 3             |               |               |           |
| F & R Floor:    |                              |               | 4             |               |           |
| F & R Trim:     |                              |               | 4             |               |           |
| Cabin Glass:    |                              |               | 4             |               |           |

|                      |                                                                                                                                                                                   |                     |
|----------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|
| Records location:    | CALGARY, ALBERTA                                                                                                                                                                  |                     |
| Power Check:         | NO ENGINE                                                                                                                                                                         |                     |
| Maintenance Program: | USES THE AERONET MAINT PROGRAM WITH A TC APPROVED INSPECTION PROGRAM                                                                                                              |                     |
| Overview:            | AIRCRAFT HAS NOT FLOWN SINCE SEPTEMBER 2016. AIRCRAFT IS PARTIALLY DISASSEMBLED PARTS INSTALLED ON OTHER AIRCRAFT. MANY PARTS REMOVED AND NOT WITH AIRCRAFT. PAINT IS VERY FADED. |                     |
| Inspected by:        | ROBERT COWHERD                                                                                                                                                                    | Rating out of 10: 3 |

**ON SITE HELICOPTER INSPECTION REPORT**  
**Registration: C-FXHP**

| CONDITION:    |                  |               |           | ITEM DESCRIPTION:              | COMMENTS:                  |
|---------------|------------------|---------------|-----------|--------------------------------|----------------------------|
| POOR<br>1 2 3 | Average<br>4 5 6 | GOOD<br>7 8 9 | NEW<br>10 | <b>EXTERIOR:</b>               |                            |
|               | 5                |               |           | Front/Nose Aircraft            |                            |
|               | 5                |               |           | Left Side Main Fuselage        |                            |
|               | 5                |               |           | Left Side Doors                | MAIN DOOR MISSING          |
|               | 5                |               |           | Left Side Baggage Doors        |                            |
|               | 5                |               |           | Landing Gear Attachment -Front |                            |
|               | 5                |               |           | Landing Gear Attachment -Rear  |                            |
|               | 5                |               |           | Landing Gear                   |                            |
|               |                  |               |           | Cargo Hook & Attach Points     | N/A HOOK MISSING           |
|               | 5                |               |           | Upper Transmission Cowlings    |                            |
|               | 5                |               |           | Swashplate & Flight Controls   |                            |
|               | 5                |               |           | Main Rotor Head                |                            |
|               | 5                |               |           | Main Rotor Blades              | REMOVED (ON RACKS)         |
|               | 5                |               |           | Engine Cowlings                |                            |
|               |                  |               |           | Induction System               | N/A REMOVED                |
|               |                  |               |           | Exhaust System                 | N/A EXHAUST MISSING        |
|               | 5                |               |           | Fasteners                      |                            |
| 1             |                  |               |           | Belly of Aircraft              | LOWER BELLY COWLS MISSING  |
|               | 5                |               |           | Transition Section             |                            |
|               | 5                |               |           | Tail Boom & Pylon              |                            |
| 3             |                  |               |           | Baggage box and door           | DISASSEMBLED               |
|               | 5                |               |           | Drive Shaft Cowlings-Tailboom  | DRIVESHAFT COWLING MISSING |
|               | 5                |               |           | Corrosion Check                |                            |
|               | 5                |               |           | Horizontal Stabilizer          |                            |
|               | 5                |               |           | Vertical Finn                  |                            |
|               |                  |               |           | T/R Gearbox Cowlings           | N/A COWLINGS MISSING       |
|               |                  |               |           | Intermediate Gear Box Cowlings | N/A                        |
|               |                  |               |           | Tail Rotor Hub & Blades        | N/A T/R MISSING            |
|               | 5                |               |           | Tail Rotor Guard/Stinger       |                            |
|               | 5                |               |           | Right Side Main Fuselage       |                            |
|               | 5                |               |           | Right Side Doors               | MAIN DOOR MISSING          |
|               | 5                |               |           | Right Side Baggage Doors       |                            |

**ON SITE HELICOPTER INSPECTION REPORT**  
**Registration: C-FXHP**

| CONDITION:          |   |  |                  |  |  |               |  |  |           | ITEM DESCRIPTION:                   | COMMENTS:                  |
|---------------------|---|--|------------------|--|--|---------------|--|--|-----------|-------------------------------------|----------------------------|
| POOR<br>1 2 3       |   |  | Average<br>4 5 6 |  |  | GOOD<br>7 8 9 |  |  | NEW<br>10 |                                     |                            |
|                     |   |  |                  |  |  |               |  |  |           | <b>INTERIOR:</b>                    |                            |
|                     |   |  |                  |  |  |               |  |  |           | Left Cockpit Door                   | MISSING                    |
|                     |   |  |                  |  |  |               |  |  |           | Left Cockpit Door Trim              | N/A DOOR MISSING           |
|                     |   |  |                  |  |  |               |  |  |           | Left Cockpit Flight Controls        | N/A                        |
| 1                   |   |  |                  |  |  |               |  |  |           | Left Cockpit Seat & Controls        | CUSHIONS AND BELTS MISSING |
|                     | 5 |  |                  |  |  |               |  |  |           | Cockpit Overhead Trim Panel         | PAINTED                    |
|                     | 5 |  |                  |  |  |               |  |  |           | Aft Cabin Trim                      | PAINTED                    |
|                     | 5 |  |                  |  |  |               |  |  |           | Aft Cabin Door Left Side            |                            |
|                     | 4 |  |                  |  |  |               |  |  |           | Aft Cabin Floor                     |                            |
| 3                   |   |  |                  |  |  |               |  |  |           | Rear Cabin Seats                    | SOME TEARING OF MATERIAL   |
|                     | 5 |  |                  |  |  |               |  |  |           | Aft Cabin Door Right Side           |                            |
|                     |   |  |                  |  |  |               |  |  |           | Right Cockpit Door                  | N/A DOOR MISSING           |
|                     |   |  |                  |  |  |               |  |  |           | Right Cockpit Door Trim             | N/A DOOR MISSING           |
|                     | 5 |  |                  |  |  |               |  |  |           | Right Cockpit Flight Controls       |                            |
|                     | 5 |  |                  |  |  |               |  |  |           | Right Cockpit Seat & Controls       |                            |
|                     | 5 |  |                  |  |  |               |  |  |           | Instrument Panel & Gages/Avionics   |                            |
|                     |   |  |                  |  |  |               |  |  |           | Overhead Instrument Panel           | N/A                        |
|                     | 5 |  |                  |  |  |               |  |  |           | Lower Instrument Panel              |                            |
|                     | 5 |  |                  |  |  |               |  |  |           | Corrosion Check                     |                            |
| <b>UPPER DECKS:</b> |   |  |                  |  |  |               |  |  |           |                                     |                            |
|                     | 5 |  |                  |  |  |               |  |  |           | Left Side -Front                    |                            |
|                     | 5 |  |                  |  |  |               |  |  |           | Left Side -Transmission Area        |                            |
|                     |   |  |                  |  |  |               |  |  |           | Left Side- Engine Area              | N/A DISASSEMBLED           |
|                     | 5 |  |                  |  |  |               |  |  |           | Right Side- Front                   |                            |
|                     | 5 |  |                  |  |  |               |  |  |           | Right Side- Transmission Area       |                            |
|                     |   |  |                  |  |  |               |  |  |           | Right Side- Engine Area             | N/A DISASSEMBLED           |
| <b>MECHANICAL:</b>  |   |  |                  |  |  |               |  |  |           |                                     |                            |
|                     | 5 |  |                  |  |  |               |  |  |           | Hydraulic System & Plumbing         |                            |
|                     | 5 |  |                  |  |  |               |  |  |           | Fuel System & Plumbing              |                            |
|                     | 5 |  |                  |  |  |               |  |  |           | Electrical Systems & Wiring Bundles |                            |
|                     | 5 |  |                  |  |  |               |  |  |           | Oil Systems & Plumbing              |                            |
|                     | 5 |  |                  |  |  |               |  |  |           | Internal & External Structure       |                            |

**ON SITE HELICOPTER INSPECTION REPORT**  
**Registration: C-FXHP**

|     |                                                                                      |
|-----|--------------------------------------------------------------------------------------|
| N/C | Technical Records Library inspected on the      day of      at RECORDS IN CALGARY    |
| N/C | STC's on file. IN CALGARY                                                            |
| N/C | AD's and SB's on file. NOT UPDATED DUE TO BEING DISASSEMBLED                         |
| N/C | Maintenance Documents and historical logbooks on file. IN CALGARY                    |
| N/C | 337's or equivalent major repair or modification forms on file. IN CALGARY           |
| N/C | Original component history cards (CHR's) found to be complete and intact. IN CALGARY |
|     | Is aircraft or engines on any power by the hour programs? NO ENGINE INSTALLED        |

**FIELD PORTION OF RECORDS**

|  |                                                                                                   |
|--|---------------------------------------------------------------------------------------------------|
|  | Components serial numbers shown in records match those installed on aircraft. RANDOM SAMPLED GOOD |
|  | Attach component-tracking report.                                                                 |
|  | Attach list of equipment/Kits                                                                     |
|  | Photo of C of R and C of A                                                                        |
|  | Photo of data tags for aircraft and engine(s).                                                    |
|  | Photos of aircraft. Left side, right side, cockpit, cabin interior, instrument panel and belly.   |

**ON SITE HELICOPTER INSPECTION REPORT**  
**Registration: C-FXHP**

GENERAL COMMENTS:

AIRCRAFT DISASSEMBLED LOG BOOK ENTRIES MADE FOR THE FOLLOWING  
REMOVALS TO SERVICE OTHER AIRCRAFT

SURVIVAL AND FIRST AID KIT  
GENERATOR CONTROL UNIT  
ENGINE  
PILOTS SEAT BELTS

MISSING PARTS

TAIL ROTOR  
PILOTS SEAT CUSHIONS  
BOTH MAIN DOORS  
TAIL GEARBOX COWLING  
TAIL ROTOR DRIVESHAFT COWLINGS  
LOWER BELLY COWLINGS  
AVIONICS IN BOTH SIDE COMPARTMENTS  
FLIGHT MANUAL  
CARGO HOOK AND SUSPENSION CABLES

MAIN GEARBOX ONLY HAS A PARTIAL DATA PLATE WITH NO SERIAL NUMBER  
( LOOKS LIKE MOST OF IT TORE OFF)

THE MAINTENANCE PERSONNEL IN THE HANGER SAID THAT THE ONLY PARTS  
THAT WERE NOT PHYSICALLY INSIDE AIRCRAFT WERE THE MAIN ROTOR BLADES  
WHICH ARE STORED ON RACKS IN THE HANGER ALL OTHER PARTS LISTED ARE  
MISSING.

## ON SITE HELICOPTER INSPECTION REPORT

|                                     |                                                                      |
|-------------------------------------|----------------------------------------------------------------------|
| Registration: C-GEMU                | Date of Inspection: 22 JUNE, 2017                                    |
| Make /Model: EC120B                 | Engine Make: TURBOMECA<br>Engine Model: ARRIUS 2F                    |
| Serial Number: 1057                 | Serial # Engine 1: 34069<br>Serial # Engine 2: N/A                   |
| T.T. A.F: 3712.0                    | Cycles #1: NG 4899.89 NP 5816.55<br>HOOK CYCLES 768 HOOK HOURS 247.8 |
| Landings/Rins: 11849                | C. of R: 12 MARCH, 2014                                              |
| Date of Manufacture: 11/99          | C. of A: 18 JUNE, 2007                                               |
| Last Flight: 13 JUNE, 2017          | Aircraft Location: GRANDE PRAIRIE, ALBERTA                           |
| Current Use: UTILITY CHARTER        | Empty Weight: 2421.8 LBS                                             |
| Major inspection due: 9 MARCH, 2024 | Flight Manual: 16 JUNE, 2015 REV 19                                  |

|                 | <b>Cosmetic Information:</b> | Poor<br>1 2 3 | Avg.<br>4 5 6 | Good<br>7 8 9 | New<br>10 |
|-----------------|------------------------------|---------------|---------------|---------------|-----------|
| Exterior Paint: |                              |               |               | 8             |           |
| Cockpit Seats:  |                              |               |               | 8             |           |
| Headliner:      |                              |               |               | 8             |           |
| Cabin Seats:    |                              |               |               | 8             |           |
| F & R Floor:    |                              |               | 6             |               |           |
| F & R Trim:     |                              |               | 6             |               |           |
| Cabin Glass:    | PILOTS WINDSHIELD CRACKED    |               | 6             |               |           |

|                      |                                                                                                                                                                                                                                                      |                     |
|----------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|
| Records location:    | CALGARY ALBERTA                                                                                                                                                                                                                                      |                     |
| Power Check:         | MAY 15,2017 +8.2 % TQ 54 DEGREES T4                                                                                                                                                                                                                  |                     |
| Maintenance Program: | UTILIZES THE AERONET MAINT PROGRAM WITH TC APPROVED INSPECTION PROGRAM                                                                                                                                                                               |                     |
| Overview:            | AIRCRAFT IS IN GOOD CONDITION AS IT SHOULD BE DUE TO ITS LOW HOURS. NO VISIBLE LEAKS OR DAMAGE OTHER THAN PILOTS WINDSHIELD THAT HAS A SIX INCH CRACK STARTING AT ONE OF THE MOUNTING SCREWS. RECORDS FOR AIRCRAFT NOW BEING KEPT IN CALGARY OFFICE. |                     |
| Inspected by:        | ROBERT COWHERD                                                                                                                                                                                                                                       | Rating out of 10: 7 |

**ON SITE HELICOPTER INSPECTION REPORT**  
**Registration: C-GEMU**

| CONDITION:    |                  |               |           | ITEM DESCRIPTION:              | COMMENTS:            |
|---------------|------------------|---------------|-----------|--------------------------------|----------------------|
| POOR<br>1 2 3 | Average<br>4 5 6 | GOOD<br>7 8 9 | NEW<br>10 | <b>EXTERIOR:</b>               |                      |
|               |                  | 7             |           | Front/Nose Aircraft            |                      |
|               |                  | 7             |           | Left Side Main Fuselage        |                      |
|               |                  | 7             |           | Left Side Doors                |                      |
|               |                  |               |           | Left Side Baggage Doors        | N/A                  |
|               | 6                |               |           | Landing Gear Attachment -Front |                      |
|               | 6                |               |           | Landing Gear Attachment -Rear  |                      |
|               | 6                |               |           | Landing Gear                   |                      |
|               | 6                |               |           | Cargo Hook & Attach Points     |                      |
|               |                  | 7             |           | Upper Transmission Cowlings    |                      |
|               | 6                |               |           | Swashplate & Flight Controls   |                      |
|               | 6                |               |           | Main Rotor Head                |                      |
|               | 6                |               |           | Main Rotor Blades              |                      |
|               |                  | 7             |           | Engine Cowlings                |                      |
|               |                  | 7             |           | Induction System               |                      |
|               |                  | 7             |           | Exhaust System                 | FDC FILTER INSTALLED |
|               |                  | 7             |           | Fasteners                      |                      |
|               |                  | 7             |           | Belly of Aircraft              |                      |
|               |                  | 7             |           | Transition Section             |                      |
|               |                  | 7             |           | Tail Boom & Pylon              |                      |
|               | 6                |               |           | Baggage box and door           |                      |
|               |                  |               |           | Drive Shaft Cowlings-Tailboom  | N/A INTERNAL SHAFT   |
|               |                  | 7             |           | Corrosion Check                |                      |
|               |                  | 7             |           | Horizontal Stabilizer          |                      |
|               |                  | 7             |           | Vertical Finn                  |                      |
|               |                  | 7             |           | T/R Gearbox Cowlings           |                      |
|               |                  |               |           | Intermediate Gear Box Cowlings | N/A                  |
|               | 6                |               |           | Tail Rotor Hub & Blades        | FENESTRON            |
|               |                  | 7             |           | Tail Rotor Guard/Stinger       |                      |
|               |                  | 7             |           | Right Side Main Fuselage       |                      |
|               |                  | 7             |           | Right Side Doors               |                      |
|               |                  | 7             |           | Right Side Baggage Doors       |                      |

**ON SITE HELICOPTER INSPECTION REPORT**  
**Registration: C-GEMU**

| CONDITION:          |  |  |                  |  |  |               |  |  |           | ITEM DESCRIPTION:                   | COMMENTS:            |
|---------------------|--|--|------------------|--|--|---------------|--|--|-----------|-------------------------------------|----------------------|
| POOR<br>1 2 3       |  |  | Average<br>4 5 6 |  |  | GOOD<br>7 8 9 |  |  | NEW<br>10 |                                     |                      |
|                     |  |  |                  |  |  |               |  |  |           | <b>INTERIOR:</b>                    |                      |
|                     |  |  |                  |  |  |               |  |  |           | Left Cockpit Door                   |                      |
|                     |  |  |                  |  |  |               |  |  |           | Left Cockpit Door Trim              |                      |
|                     |  |  |                  |  |  |               |  |  |           | Left Cockpit Flight Controls        | NOT INSTALLED        |
|                     |  |  |                  |  |  |               |  |  |           | Left Cockpit Seat & Controls        |                      |
|                     |  |  |                  |  |  |               |  |  |           | Cockpit Overhead Trim Panel         |                      |
|                     |  |  |                  |  |  |               |  |  |           | Aft Cabin Trim                      |                      |
|                     |  |  |                  |  |  |               |  |  |           | Aft Cabin Door Left Side            |                      |
| 5                   |  |  |                  |  |  |               |  |  |           | Aft Cabin Floor                     |                      |
|                     |  |  |                  |  |  |               |  |  |           | Rear Cabin Seats                    |                      |
|                     |  |  |                  |  |  |               |  |  |           | Aft Cabin Door Right Side           |                      |
|                     |  |  |                  |  |  |               |  |  |           | Right Cockpit Door                  |                      |
|                     |  |  |                  |  |  |               |  |  |           | Right Cockpit Door Trim             |                      |
|                     |  |  |                  |  |  |               |  |  |           | Right Cockpit Flight Controls       |                      |
|                     |  |  |                  |  |  |               |  |  |           | Right Cockpit Seat & Controls       |                      |
|                     |  |  |                  |  |  |               |  |  |           | Instrument Panel & Gages/Avionics   |                      |
|                     |  |  |                  |  |  |               |  |  |           | Overhead Instrument Panel           |                      |
|                     |  |  |                  |  |  |               |  |  |           | Lower Instrument Panel              |                      |
|                     |  |  |                  |  |  |               |  |  |           | Corrosion Check                     |                      |
| <b>UPPER DECKS:</b> |  |  |                  |  |  |               |  |  |           |                                     |                      |
|                     |  |  |                  |  |  |               |  |  |           | Left Side -Front                    | DECKS ARE VERY CLEAN |
|                     |  |  |                  |  |  |               |  |  |           | Left Side -Transmission Area        |                      |
|                     |  |  |                  |  |  |               |  |  |           | Left Side- Engine Area              |                      |
|                     |  |  |                  |  |  |               |  |  |           | Right Side- Front                   |                      |
|                     |  |  |                  |  |  |               |  |  |           | Right Side- Transmission Area       |                      |
|                     |  |  |                  |  |  |               |  |  |           | Right Side- Engine Area             |                      |
| <b>MECHANICAL:</b>  |  |  |                  |  |  |               |  |  |           |                                     |                      |
|                     |  |  |                  |  |  |               |  |  |           | Hydraulic System & Plumbing         | ALL SYSTEMS CLEAN    |
|                     |  |  |                  |  |  |               |  |  |           | Fuel System & Plumbing              |                      |
|                     |  |  |                  |  |  |               |  |  |           | Electrical Systems & Wiring Bundles |                      |
|                     |  |  |                  |  |  |               |  |  |           | Oil Systems & Plumbing              |                      |
|                     |  |  |                  |  |  |               |  |  |           | Internal & External Structure       |                      |

**ON SITE HELICOPTER INSPECTION REPORT**  
**Registration: C-GEMU**

|        |                                                                                                     |
|--------|-----------------------------------------------------------------------------------------------------|
| N/C    | Technical Records Library inspected on the _____ day of _____ at _____<br>RECORDS IN CALGARY OFFICE |
| N/C    | STC's on file. IN CALGARY AND ON AIRCRAFT STATUS REPORT                                             |
| N/C    | AD's and SB's on file. AD COMPLIANCE IS UP TO DATE AS PER AIRCRAFT STATUS REPORT                    |
| N/C    | Maintenance Documents and historical logbooks on file. IN CALGARY                                   |
| N/C    | 337's or equivalent major repair or modification forms on file. IN CALGARY                          |
| N/C    | Original component history cards (CHR's) found to be complete and intact. IN CALGARY                |
| NO PBH | Is aircraft or engines on any power by the hour programs?                                           |

**FIELD PORTION OF RECORDS**

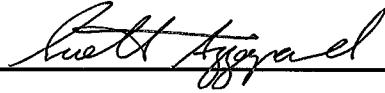
|  |                                                                                                   |
|--|---------------------------------------------------------------------------------------------------|
|  | Components serial numbers shown in records match those installed on aircraft. RANDOM SAMPLED GOOD |
|  | Attach component-tracking report.                                                                 |
|  | Attach list of equipment/Kits                                                                     |
|  | Photo of C of R and C of A                                                                        |
|  | Photo of data tags for aircraft and engine(s).                                                    |
|  | Photos of aircraft. Left side, right side, cockpit, cabin interior, instrument panel and belly.   |

**ON SITE HELICOPTER INSPECTION REPORT**  
**Registration: C-GEMU**

GENERAL COMMENTS:

AIRCRAFT RECORDS ARE NOT AT THE BASE AS ALL RECORDS HAVE BEEN MOVED  
TO THE HEAD OFFICE IN CALGARY

THIS IS EXHIBIT "16" REFERRED TO IN THE AFFIDAVIT OF  
ALGIS VAITONIS, SWORN BEFORE ME  
THIS 18<sup>TH</sup> DAY OF NOVEMBER, 2018

A handwritten signature in cursive script, appearing to read "Scott Azzopardi", written over a horizontal line.

SCOTT AZZOPARDI

A Notary Public in the Province of Ontario

August 8, 2017

**VIA FAX (780.402.2488) AND FEDEX**

Gemini Helicopters, Inc.

OpsMobil Inc.

Lynn's Helicopter Leasing Ltd.

810807 Alberta Ltd.

Air Dallaire Ltd.

*Attention: Ryan Tobber, Vice President and Chief Operating Officer  
and Reid McDonald, Vice President of Corporate Business Development*

280 – 700 6<sup>th</sup> Avenue SW

Calgary, Alberta

T2P 0T8

***Re: Notice to Borrower and Guarantors of Events of Default and Reservation of Rights***

Gentlemen/Ladies:

ECN Aviation Inc. is successor in interest to Element Financial Corporation under, among other things, the following, each of which is dated March 28, 2014: the *Aircraft Loan Agreement*, between Gemini Helicopters, Inc., as borrower and ECN Aviation Inc., as lender (the “**Loan Agreement**”); the *Aircraft Security Agreement*, between Gemini Helicopters, as debtor and ECN Aviation Inc., as secured party (the “**Security Agreement**”); and the *Guarantee*, by OpsMobil Inc., Lynn's Helicopter Leasing Ltd., 810807 Alberta Ltd. and Air Dallaire Ltd., collectively, as guarantor, for the benefit of ECN Aviation Inc., as lender (the “**Guarantee**”). Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to such terms in the Loan Agreement.

A recent inspection of the Aircraft revealed extensive discrepancies in the condition of the Eurocopter Model AS350BA-FX2 (C-FXHP), including, without limitation, that:

- the Engine is not mounted on the Airframe;
- it is partially disassembled with parts taken from this Aircraft and installed in other aircraft;
- the main doors, flight manual, survival kit, first aid kit, generator control unit, pilot seat belts, pilot seat cushions, tail rotor, tail gearbox cowling, tail rotor driveshaft cowlings, lower belly cowlings, cargo hook and suspension cables are missing; and
- the main rotor blades and gearbox have been removed.

The foregoing, each and collectively, constitute breaches by Borrower of, among others, Borrower's covenants under the Loan Agreement at Sections 10.1.14 (*Maintenance of the Aircraft*), 10.1.20 (*Use of Aircraft*), 10.1.21 (*Replacement of Parts*), and 10.1.22 (*Alterations, modifications and additions*).

Upon further investigation, ECN Aviation Inc. determined that the Aircraft's Engine was removed from the Airframe on January 24, 2016 and was sent to Inter Mountain Turbine Services, Inc., in Utah, for service, that a quote, requiring up-front payment was provided to Borrower, and that as of this date, the required servicing/repair has not, for some reason, commenced. Please confirm the exact current location of the Engine, that it has been repaired, that all deferred maintenance of it has been done and that it has been reinstalled on the Airframe.

Section 10.6 of the Loan Agreement (*Accounting, Financial Statements and Other Information*) requires Borrower to, among other things, furnish to Lender:

- within sixty (60) days after the end of each calendar quarter, unaudited and internally-prepared consolidated financial statements, together with certain supporting information;
- within one hundred twenty (120) days after Borrower's fiscal year end, the unqualified annual financial report of Borrower, as prepared by its external auditor;
- promptly upon obtaining knowledge of any condition or event which constitutes a Default or Event of Default, such as the matters listed above, a certificate of a senior officer of Borrower specifying the nature and occurrence thereof and what action is being taken in respect thereof; and
- promptly upon request, such other information, *etc.*, as Lender may from time to time reasonably request.

In a recent discussion with Lender, Borrower confirmed that Borrower's annual report has not yet been prepared; and, upon Lender's request for the contractually-required, internally-prepared, quarterly financial statements, Borrower *refused to provide them*.

In that same discussion, Borrower advised Lender that Borrower is presently utilizing 60%-70% of Borrower's fleet of aircraft and that strained cash flow has adversely affected Borrower's ability to maintain Borrower's fleet of aircraft and meet certain other obligations. While not asserting the occurrence of same here, we note that any Material Adverse Change in Borrower's condition, as determined by Lender, is, itself, an Event of Default under Section 11.1.16 of the Loan Agreement.

Borrower and Guarantors are hereby notified of the occurrence and continuation of *multiple* Events of Default under the Loan Agreement. Pursuant to Section 11.1.3 of the Loan Agreement, Borrower has thirty (30) days from the date of its receipt of this notice to remedy each and every one of the above noted items, together with any and all other Events of Default that may have occurred and be continuing of which Lender may be unaware. Be advised that Lender hereby specifically reserves all of Lender's rights and remedies under the Loan Agreement, the Security

Agreement, the Guarantee and applicable law in relation to the foregoing. Without in any way limiting the foregoing absolute reservation of all of Lender's rights and remedies, be advised that, immediately upon any failure timely and fully to cure the continuing Events of Default identified herein, the Default Rate of 12% *per annum* will be imposed for the duration of the term of the Loan Agreement.

We remind each of the Guarantors that, under the Guarantee, Lender is not in any way obligated first to look either to the Aircraft and Engines, or to Borrower, individually, for relief. Rather, upon an Event of Default and following any applicable cure period, Lender is entitled *immediately and directly* to pursue any and all available rights and remedies against any one or more of the Guarantors as Lender may determine expedient.

Lender views these matters—especially Borrower's direct refusal to provide requested and contractually-mandated financial information—as of profound concern. Borrower and Guarantors should be absolutely assured by this Notice that Lender will take all steps lawfully available to Lender in order to protect Lender's interests in relation to these Aircraft and fully to enforce Borrower's and Guarantors' related obligations.

We shall await your timely, written, response, which should be directed to our Associate, Michael Lederman, at the following address: ECN Aviation Inc., c/o ECN Capital Corp., 181 Bay Street, Suite 2830, Toronto, Ontario M5J 2T3, Canada.

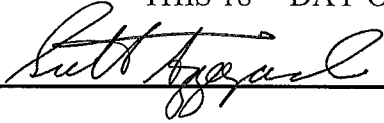
Regards,

ECN AVIATION INC.

By: \_\_\_\_\_  
Loreto Grimaldi  
Senior Vice President, General Counsel  
and Corporate Secretary

cc: Michael Lederman, Associate

THIS IS EXHIBIT "17" REFERRED TO IN THE AFFIDAVIT OF  
ALGIS VAITONIS, SWORN BEFORE ME  
THIS 18<sup>TH</sup> DAY OF NOVEMBER, 2018

A handwritten signature in cursive script, appearing to read "Scott Azzopardi", is written over a horizontal line.

SCOTT AZZOPARDI

A Notary Public in the Province of Ontario

# Helicopter Inspection Report

**Helicopter:** AS350FX2

**Registration:** C-FXHP

**Location:** Whitecourt, Alberta

**Operator:** OpsMobil

**Date of Inspection:** October 11<sup>th</sup>, and 12<sup>th</sup>, 2017

**Aircraft Status:** Unserviceable

Introduction: The scope of my visit/inspection was to conduct physical inspection of the helicopter, components and the aircraft technical record.

- The aircraft has a valid C of A, C of R, Radio Licence, and insurance.
- The component log cards are located in Calgary, Alberta
- The company uses an electronic work order system to record the maintenance. The program is Aeronet and crews have access on computers and via the internet. This program provides maintenance tracking, Airworthiness Directives, and Alert Service Bulletin's. The program also has the record for all work orders (closed and those still open).

The aircraft has not flown since September, 2016. Many components have been removed from this aircraft mostly to service other aircraft (Cannibalization). Some have been removed and placed in serviceable stores for operational reasons.

1. Complete engine S/N LE43005C with accessories removed on work order # 21090, 25/ January, 2016. Due to low power.  
Engine LE-46044C installed on WO# 21090 , 25/ January / 2016 then removed on WO# 21109 9<sup>th</sup>/May/ 2016.  
Engine LE-46171C installed on WO# 21109.  
Engine LE46171C removed on WO# 24058 to service C-FHAU. 26/Sept/2016

2. Tail Rotor, P/N 350A12-0050-10 S/N 16765 removed on WO# 26627 for service on C-FHAP, July 17, 2017
3. Cargo Hook and swing assembly, P/N 210-201-01 S/N 198 (swing assy.) and P/N 528-023-01 S/N 602 remove on WO# 24507. It was removed to service C-FXED on February 9<sup>th</sup>, 2016. This aircraft has since been sold or returned to Rippla?
4. Both door struts P/N 350A25-1095-21nremoved to service C-FHCT on WO# 24321, 20<sup>th</sup>, October, 2016.
5. Bonding Straps, quantity 2, P/N 350A31-1851-00 removed to service C-FVYI on WO# 26110, 21/Sept. 2106.
6. Anti Vibrator, P/N 350A31-0033-06 S/N M1650 removed to service C-FHAP on WO# 26273, 07/June/2017.
7. Main Rotor low rotor Printed Circuit Board (PCB) P/N 350A67-6144-03 removed for operational reasons and currently in serviceable stores in Whitecourt, Alberta.
8. Hydraulic Pressure Switch, P/N MA124-01 removed on WO# 26683 for maintenance convenience. Currently in serviceable stores in Whitecourt, Alberta. 26/July/ 2017.
9. Both forward seat belts removed to service C-FXDM on WO# 24052. P/N AFG0348026 S/N 00313 and AFG0315387. 23/Sept/2016
- 10.First Aid Kit, P/N FIRST AID KIT S/N A122-MH22 removed on WO# 24060 for service on another aircraft.
11. Survival Kit P/N SK-6 S/N GP0018 removed on WO# 24061 for service on another aircraft. 21/Sept/2016.
- 12.Main Rotor Blade pins P/N 23340AK30130LE removed on WO# 24341 to service C-FHCT. 20/October/2016.
13. Vertical Speed Indicator, P/N 38210-490 S/N 1365 removed on WO# 27075 for operational purposes and currently in serviceable stores in Grand Prairie, Alberta.
14. Generator Control Unit P/N 504-2A S/N 1042 removed on WO# 24095 to service C-FHCT, 28/September / 2016
- 15.Airspeed Indicator P/N 38399-490-S/N 1735 removed on WO # 26711 to service C-FHAU, 31/ July/ 2017

16. Oil Cooler Blower P/N 9696 S/n 2243 removed on WO # 24562 to service C-FXDM, 10/Nov./2016
17. Torquemeter P/N PT-100-GA S/N 052706-083 removed on WO # 24716 to service C-FXDM, 05/Dec./2016
18. Essential Bus Relay P/N M83536/33-003L removed on WO# 24482 for operational reasons. Currently in Whitecourt serviceable stores. 04/Nov./2016.
19. Boost pumps P/N 704A44-5100-40 S/N's F81633 and 23281 removed on WO# 24244 to service C-GHCT and one Whitecourt Serviceable stores.
20. Bonding Strap no part number recorded removed on WO# 25027 to service C-FXDM.

Additional Concern: AirBus Helicopters maintenance manual section MST 10-00-00-901 page 3 provides long term preservation definitions.

Paragraph F has long term quoted as anything longer than 6 months. In this case all transmission assemblies are removed and preserved in containers.

**This has not been done.**

**Conclusion: It appears that Opsmobil have and continue to use many parts/ components from C-FXHP to service their fleet. There is no indication of this aircraft being returned to service any time soon. There is an accepted concern among the maintenance crew in WhiteCourt, Alberta that money is an issue with this company. There have been occasions in the near past that payroll was behind by at least a couple of weeks.**

**Inspector: Sean Kennedy**

# Helicopter Inspection Report

**Helicopter:** EC120B

**Registration:** C-GEMU

**Location:** Whitecourt, Alberta

**Operator:** OpsMobil

**Date of Inspection:** October 11<sup>th</sup>, and 12<sup>th</sup>, 2017

**Aircraft Status:** Serviceable

Introduction: The scope of my visit/inspection was to conduct physical inspection of the helicopter, components and the aircraft technical record.

- The aircraft has a valid C of A, C of R, Radio Licence, and insurance.
- The component log cards are located in Calgary, Alberta
- The company uses an electronic work order system to record the maintenance. The program is Aeronet and crews have access via computers. This program provides maintenance tracking, Airworthiness Directives, and Alert Service Bulletin's. The program also has the record for all work orders (closed and those still open).

The aircraft is currently used for charter. Its last flight was used on pipeline patrol.

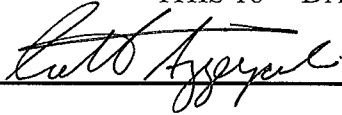
1. Directional Gyro has been unserviceable since February 3, 2017. Instrument panel is placarded and it's also documented in the aircraft journey log.
2. Cargo Hook shows due for overhaul ( 19<sup>th</sup> Sept./2017)
3. Tail Gearbox has an oil leak.
4. Main Gearbox has an oil leak
5. The only EC120 licenced engineer will be leaving the company October 15<sup>th</sup>, 2017.

6. The aircraft had an overtorque , WO# 25725, recorded in March, 2017. Subsequent inspections were completed and documented.
7. The aircraft has a main rotor overspeed on WO# 22439. All inspections recorded.
8. The company has another EC120, C-GEMK, and robs parts from it to service C-GEMU. This appears to be a trend in the company.

**Conclusion: The aircraft doesn't fly much annually. The aircraft appears to be in good condition and the records are intact and documented with the Aeronet program.**

**Inspector: Sean Kennedy**

THIS IS EXHIBIT "18" REFERRED TO IN THE AFFIDAVIT OF  
ALGIS VAITONIS, SWORN BEFORE ME  
THIS 18<sup>TH</sup> DAY OF NOVEMBER, 2018

A handwritten signature in cursive script, appearing to read "Scott Azzopardi", is written over a horizontal line.

SCOTT AZZOPARDI

A Notary Public in the Province of Ontario

# Helicopter Inspection Report

**Helicopter:** AS350FX2

**Registration:** C-FXHP

**Location:** Whitecourt, Alberta

**Operator:** OpsMobil

**Date of Inspection:** March 19<sup>th</sup>, and 20<sup>th</sup>, 2018

**Aircraft Status:** Unserviceable and stored Outside

**Introduction:** This is my second visit to Whitecourt to conduct a physical inspection of C-FXHP. I was asked to get a feel for the operation and the moral of the employees. Additionally I was to continue to build the file on the progress or lack of, to return this helicopter to service.

- The aircraft has a valid C of A, C of R, Radio Licence, and insurance.
- The component log cards are located in Calgary, Alberta
- The company uses an electronic work order system to record the maintenance. The program is Aeronet and crews have access on computers and via the internet. This program provides maintenance tracking, Airworthiness Directives, and Alert Service Bulletin's. The program also has the record for all work orders (closed and those still open).

The aircraft has not flown since September, 2016. Many components have been removed from this aircraft mostly to service other aircraft (Cannibalization). The aircraft requires a lot of work. Currently the aircraft is being stored outside with covers installed. Many Parts are stored within the cockpit/ cabin area.

## **C-FXHP Status:**

1. Complete engine S/N LE43005C with accessories removed on work order # 21090, 25/ January, 2016. Due to low power.

Engine LE-46044C installed on WO# 21090 , 25/ January / 2016 then removed on WO# 21109 9<sup>th</sup>/May/ 2016.

Engine LE-46171C installed on WO# 21109.

Engine LE46171C removed on WO# 24058 to service C-FHAU. 26/Sept/2016

2. Tail Rotor, P/N 350A12-0050-10 S/N 16765 removed on WO# 26627 for service on C-FHAP, July 17, 2017
3. Cargo Hook and swing assembly, P/N 210-201-01 S/N 198 (swing assy.) and P/N 528-023-01 S/N 602 remove on WO# 24507. It was removed to service C-FXED on February 9<sup>th</sup>, 2016. This aircraft has since been sold or returned to Ripa?
4. Both door struts P/N 350A25-1095-21nremoved to service C-FHCT on WO# 24321, 20<sup>th</sup>, October, 2016.
5. Bonding Straps, quantity 2, P/N 350A31-1851-00 removed to service C-FVYI on WO# 26110, 21/Sept. 2106.
6. Anti Vibrator, P/N 350A31-0033-06 S/N M1650 removed to service C-FHAP on WO# 26273, 07/June/2017.
7. Hydraulic Pressure Switch, P/N MA124-01 removed on WO# 26683 for maintenance convenience. Currently in serviceable stores in Whitecourt, Alberta. 26/July/ 2017.
8. Both forward seat belts removed to service C-FXDM on WO# 24052. P/N AFG0348026 S/N 00313 and AFG0315387. 23/Sept/2016
9. First Aid Kit, P/N FIRST AID KIT S/N A122-MH22 removed on WO# 24060 for service on another aircraft.
10. Survival Kit P/N SK-6 S/N GP0018 removed on WO# 24061 for service on another aircraft. 21/Sept/2016.
11. Vertical Speed Indicator, P/N 38210-490 S/N 1365 removed on WO# 27075 for operational purposes and currently in serviceable stores in Grand Prairie, Alberta.
12. Generator Control Unit P/N 504-2A S/N 1042 removed on WO# 24095 to service C-FHCT, 28/September / 2016
13. Airspeed Indicator P/N 38399-490-S/N 1735 removed on WO # 26711 to service C-FHAU, 31/ July/ 2017

14. Oil Cooler Blower P/N 9696 S/n 2243 removed on WO # 24562 to service C-FXDM, 10/Nov./2016
15. Torquemeter P/N PT-100-GA S/N 052706-083nremoved on WO # 24716 to service C-FXDM, 05/Dec./2016
16. Essential Bus Relay P/N M83536/33-003L removed on WO# 24482 for operational reasons. Currently in Whitecourt serviceable stores. 04/Nov./2016.
17. Boost pumps P/N 704A44-5100-40 S/N's F81633 and 23281 removed on WO# 24244 to service C-GHCT and one Whitecourt Serviceable stores.
18. Bonding Strap no part number recorded removed on WO# 25027 to service C-FXDM.

**Inspector: Sean Kennedy**

# Helicopter Inspection Report

**Helicopter:** EC120B

**Registration:** C-GEMU

**Location:** Grande Prairie, Alberta

**Operator:** Gemini.

**Date of Inspection:** March 21<sup>th</sup>, and 22<sup>th</sup>, 2018

**Aircraft Status:** Serviceable

Introduction: The scope of my visit/inspection was to conduct physical inspection of the helicopter, components and the aircraft technical record.

- The aircraft has a valid C of A, C of R, Radio Licence, and insurance.
- The component log cards are located in Calgary, Alberta
- The company uses an electronic work order system to record the maintenance. The program is Aeronet and crews have access via computers. This program provides maintenance tracking, Airworthiness Directives, and Alert Service Bulletin's. The program also has the record for all work packs (closed and those still open).

The aircraft is currently used for charter.

1. Gemini is no longer a part of the OpsMobil organization. Gemini now leases the EC120B from Opsmobil, effective January 1<sup>st</sup>, 2018.
2. Gemini has an arrangement with Opsmobil for the continued use of the AOC (Air Operator Certificate) and the AMO (Aircraft Maintenance Organization) until they have their own approval from Transport Canada. They are thinking that this could be ready in the coming weeks.
3. Gemini now has new management. Roch Dallaire ( [roch@geminiheli.ca](mailto:roch@geminiheli.ca) ) President and accountable Executive, 780-876-0097. Chris Hand

([chris@geminiheli.ca](mailto:chris@geminiheli.ca)) PRM, 780-897-6429. Adam Schular

([adam@geminiheli.com](mailto:adam@geminiheli.com)) Chief Pilot, 780-831-4369.

4. Gemini will be operating three aircraft, one EC120B ( C-GEMU ) and Qty. 2 AS350FX2 helicopters. In addition, they will also have short term helicopter leases on an as required basis.
5. Directional Gyro has been unserviceable since February 3, 2017. Instrument panel is placarded and it's also documented in the aircraft journey log.
6. Cargo Hook shows due for overhaul ( 19/ Sept./2017)
7. Tail Gearbox has an oil leak.
8. Main Gearbox has an oil leak
9. The only EC120 licenced engineer is the D.O.M for OpsMobil and a contract engineer.
10. The aircraft had an overtorque , WO# 25725, recorded in March, 2017. Subsequent inspections were completed and documented.
11. The aircraft has a main rotor overspeed on WO# 22439. All inspections recorded.
12. 24 month Transponder / Encoder Past Due.
13. Survival Kit Inspection past due.
14. Phases 5 through to 8 inspections past due.
15. 1500Hr. Inspection due.
16. ELT past due.
17. MGB 12 Yr. corrosion checks due.
18. L/H Windshield cracked past allowable limits.
19. The C of R needs to need changed over to Gemini from OpsMobil.
20. The current maintenance work is estimated to take 3 months to complete. My cost estimate is \$40,000.00 CDN for labour and \$25,000.00USD for parts, to complete. (Windshield alone is estimated to be \$10,000.00 USD).
21. I briefed the PRM on the storage issues surrounding the SAFRAN engine, and Airbus requirements, and suggested that this be researched on his part to ensure that no exceedances were incurred.

**Conclusion:** The current Gemini Staff are happy to be clear from the OpsMobil management and are clearly behind Roch Dallaire. The aircraft appears to be in good condition and the records are intact and documented with the Aeronet program.

**Recommendation:** I strongly recommend that ECN Counsel review the terms of the financial arrangement with Opsmobil and maybe reach out to Roch Dallaire to be check into the current arrangement between Gemini and Opsmobil. Just want to ensure that ECN is protected under the current arrangements.

**Inspector:** Sean Kennedy

THIS IS EXHIBIT "19" REFERRED TO IN THE AFFIDAVIT OF  
ALGIS VAITONIS, SWORN BEFORE ME  
THIS 18<sup>TH</sup> DAY OF NOVEMBER, 2018

A handwritten signature in black ink, appearing to read "Scott Azzopardi", is written over a horizontal line.

SCOTT AZZOPARDI

A Notary Public in the Province of Ontario



**Bennett Jones**

**Bennett Jones LLP**

4500 Bankers Hall East, 855 2nd Street SW

Calgary, Alberta, T2P 4K7 Canada

T: 403.298.3100

F: 403.265.7219

**Ken T. Lenz, Q.C.**  
**Partner**  
Direct Line: 403.298.3317  
e-mail: lenzk@bennettjones.com  
Our File No.: 78704.1

April 13, 2018

**Via Facsimile and Courier**

Gemini Helicopters, Inc.  
OpsMobil Inc.  
Lynn's Helicopter Leasing Ltd.  
810807 Alberta Ltd.  
Air Dallaire Ltd.  
280 - 700, 6th Avenue S.W.  
Calgary, AB T2P 0T8

**Attn: Ryan Tobber and Reid McDonald**

Dear Sirs:

**Re: Notice to Borrower and Guarantors of Events of Default**

We are counsel to ECN Aviation Inc. ("**ECN**") as successor in interest to Element Financial Corporation under, among other things, the following, each of which is dated March 28, 2014: the Aircraft Loan Agreement, between Gemini Helicopters Inc., as Borrower and ECN, as lender (the "**Loan Agreement**"); the Aircraft Security Agreement between Gemini Helicopters, as debtor and ECN as secured party (the "**Security Agreement**") and the Guarantee by OpsMobil Inc., Lynn's Helicopter Leasing Ltd., 810807 Alberta Ltd. and Air Dallaire Ltd., collectively, as guarantor, for the benefit of ECN, as lender (the "**Guarantee**"). Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to such terms in the Loan Agreement.

We refer you to the letter of our client of August 8, 2017, a copy of which is attached. The defaults set out in that letter have not been remedied and are continuing.

In addition, we are advised that you have failed to pay April 1, 2018 rent in the amount of \$17,981.00 which is an additional default under the Security Agreement and the Loan Agreement. As a result of the foregoing, ECN hereby declares the entire indebtedness, being \$1,079,528.28 plus interest of \$6,106.29 as of April 1, 2018 and any other charges provided for pursuant to the agreements (the "**Indebtedness**"), immediately due and payable and demands payment to our offices forthwith. Absent payment, we are instructed to enforce the security and collect the Indebtedness from the Borrower and the Guarantors in accordance with the Loan Agreement, the Security Agreement and the Guarantee.

April 13, 2018  
Page 2

Govern yourself accordingly.

Yours truly,

Ken T. Lenz

KTL:/dmk  
Enclosure



Bennett Jones



## Tracking Details

### Shipment Status

Shipment Created

Picked Up

In Transit

Delivered

#### Package Status

Package Tracking Number: 331384465877

**Delivered**

Wednesday, April 18, 2018 10:18

Received By: Nicola

Service Purolator Express  
Envelope  
Est. Shipment Weight 1 lb.  
Shipment Date Apr 17, 2018  
References 0398 /78704.1

From 855 2 ST SW  
Calgary, AB, CA  
To 9803 101 AVE  
Grande Prairie, AB, CA

#### Shipment Summary

| Tracking #   | Deliver By   | Status    |
|--------------|--------------|-----------|
| 331384465877 | Apr 18, 2018 | Delivered |

Packages 1 to 1 of 1

#### History

| Date         | Local Time | City               | Description                                                                                  |
|--------------|------------|--------------------|----------------------------------------------------------------------------------------------|
| Apr 18, 2018 | 10:18      | Grande Prairie, AB | Shipment delivered to NICOLA at: RECEPTION of GEMINI HELICOPTERS INC. 9803 101 AVE T8V0X6    |
| Apr 18, 2018 | 8:21       | Grande Prairie, AB | On vehicle for delivery                                                                      |
| Apr 18, 2018 | 7:27       | Grande Prairie, AB | Arrived at sort facility                                                                     |
| Apr 17, 2018 | 18:23      | Calgary, AB        | Arrived at sort facility                                                                     |
| Apr 17, 2018 | 17:01      | Calgary, AB        | Picked up by Purolator from BENNETT JONES SERVICES SLP at 855 2 ST SW 4500 CALGARY T2P4K7 AB |
| Apr 17, 2018 | 15:41      | Purolator          | Shipping label created with reference(s): 0398 /78704.1                                      |



## Tracking Details

### Shipment Status

Shipment Created

Picked Up

In Transit

Delivered

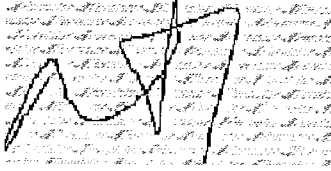
#### Package Status

Package Tracking Number: 331384459201

**Delivered**

Wednesday, April 18, 2018 10:18

Received By: Nicola



Service Purolator Express  
Envelope  
Est. Shipment Weight 1 lb.  
Shipment Date Apr 17, 2018  
References 0398 /78704.1

From 855 2 ST SW  
Calgary, AB, CA  
To 9803 101 AVE  
Grande Prairie, AB, CA

#### Shipment Summary

| Tracking #   | Deliver By   | Status    |
|--------------|--------------|-----------|
| 331384459201 | Apr 18, 2018 | Delivered |

Packages 1 to 1 of 1

#### History

| Date         | Local Time | City               | Description                                                                                  |
|--------------|------------|--------------------|----------------------------------------------------------------------------------------------|
| Apr 18, 2018 | 10:18      | Grande Prairie, AB | Shipment delivered to NICOLA at: RECEPTION of GEMINI HELICOPTERS INC. 9803 101 AVE T8V0X6    |
| Apr 18, 2018 | 8:21       | Grande Prairie, AB | On vehicle for delivery                                                                      |
| Apr 17, 2018 | 18:23      | Calgary, AB        | Arrived at sort facility                                                                     |
| Apr 17, 2018 | 17:01      | Calgary, AB        | Picked up by Purolator from BENNETT JONES SERVICES SLP at 855 2 ST SW 4500 CALGARY T2P4K7 AB |
| Apr 17, 2018 | 15:38      | Purolator          | Shipping label created with reference(s): 0398 /78704.1                                      |



## Tracking Details

### Shipment Status



#### Package Status

Package Tracking Number: 331384510813



**Delivered**

Wednesday, April 18, 2018 10:18

Received By: Nicola



Service Purolator Express  
Envelope  
Est. Shipment Weight 1 lb.  
Shipment Date Apr 17, 2018  
References 0398 /78704.1

From 855 2 ST SW  
Calgary, AB, CA  
To 9803 101 AVE  
Grande Prairie, AB, CA

#### Shipment Summary

| Tracking #   | Deliver By   | Status    |
|--------------|--------------|-----------|
| 331384510813 | Apr 18, 2018 | Delivered |

Packages 1 to 1 of 1

#### History

| Date         | Local Time | City               | Description                                                                                  |
|--------------|------------|--------------------|----------------------------------------------------------------------------------------------|
| Apr 18, 2018 | 10:18      | Grande Prairie, AB | Shipment delivered to NICOLA at: RECEPTION of GEMINI HELICOPTERS INC. 9803 101 AVE T8V0X6    |
| Apr 18, 2018 | 8:21       | Grande Prairie, AB | On vehicle for delivery                                                                      |
| Apr 18, 2018 | 7:27       | Grande Prairie, AB | Arrived at sort facility                                                                     |
| Apr 17, 2018 | 18:23      | Calgary, AB        | Arrived at sort facility                                                                     |
| Apr 17, 2018 | 17:01      | Calgary, AB        | Picked up by Purolator from BENNETT JONES SERVICES SLP at 855 2 ST SW 4500 CALGARY T2P4K7 AB |
| Apr 17, 2018 | 15:58      | Purolator          | Shipping label created with reference(s): 0398 /78704.1                                      |



## Tracking Details

### Shipment Status



#### Package Status

Package Tracking Number: 331384447958



**Delivered**

Wednesday, April 18, 2018 10:18

Received By: Nicola

Service Purolator Express  
Envelope  
Est. Shipment Weight 1 lb.  
Shipment Date Apr 17, 2018  
References 0398 /78704.1

From 855 2 ST SW  
Calgary, AB, CA  
To 9803 101 AVE  
Grande Prairie, AB, CA

#### Shipment Summary

| Tracking #   | Deliver By   | Status    |
|--------------|--------------|-----------|
| 331384447958 | Apr 18, 2018 | Delivered |

Packages 1 to 1 of 1

#### History

| Date         | Local Time | City               | Description                                                                                  |
|--------------|------------|--------------------|----------------------------------------------------------------------------------------------|
| Apr 18, 2018 | 10:18      | Grande Prairie, AB | Shipment delivered to NICOLA at: RECEPTION of GEMINI HELICOPTERS INC. 9803 101 AVE T8V0X6    |
| Apr 18, 2018 | 8:21       | Grande Prairie, AB | On vehicle for delivery                                                                      |
| Apr 18, 2018 | 7:29       | Grande Prairie, AB | Arrived at sort facility                                                                     |
| Apr 17, 2018 | 18:23      | Calgary, AB        | Arrived at sort facility                                                                     |
| Apr 17, 2018 | 17:01      | Calgary, AB        | Picked up by Purolator from BENNETT JONES SERVICES SLP at 855 2 ST SW 4500 CALGARY T2P4K7 AB |
| Apr 17, 2018 | 15:34      | Purolator          | Shipping label created with reference(s): 0398 /78704.1                                      |



West Direct Express Ltd.

2018-04-30

Job Details for **10420359**

**Shipper**

**BENNETT JONES SLP**

P3

855 2 ST

SW

Calgary

AB

T2P 4K7

**Consignee**

**OpsMobil Inc.**

1600

421 7 Ave

SW

Calgary

AB

**Details**

Service: C-90

Description: ENVELOPE

Pieces: 1

Weight: 1

Caller: courierdesk

Instructions:

**References**

Lwyr=0398

=

File=78704

Mtr=1

**TimeLine**

Apr 17 2018, 13:27 Trip Created

Apr 17 2018, 13:55 Trip Ready

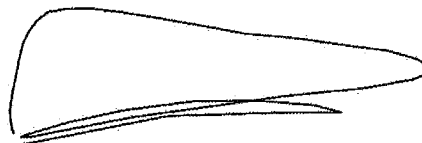
Apr 17 2018, 14:40 Trip marked Picked  
by Driver 031

-----  
Trip Due at (DCT): Apr 17 2018, 15:25

Trip Deliverd : Apr 17 2018, 15:18

Trip Signed By : Ahmed

Trip Invoiced on invoice: 18291084



THIS IS EXHIBIT "20" REFERRED TO IN THE AFFIDAVIT OF  
ALGIS VAITONIS, SWORN BEFORE ME  
THIS 18<sup>TH</sup> DAY OF NOVEMBER, 2018

A handwritten signature in black ink, appearing to read "Scott Azzopardi", is written over a horizontal line.

SCOTT AZZOPARDI

A Notary Public in the Province of Ontario

2012-010286  
Civil Enforcement Agency File Number

## Bailiff's Report

**CREDITOR** Element Financial Corporation / ECN Aviation Inc.

**DEBTOR** Opsmobil Group Inc.

I, Harry Sharphead, of the City/Town of Calgary, Alberta

report as follows:

*\* PLEASE SEE ATTACHED*

Is there an Addendum attached? Yes ☒ No ☐

If yes, 1 Addendum pages attached. (Each page forms part of this Report)  
Number

I hereby certify that the information contained in this Report is true and complete. I understand that any false information may lead to charges under the *Criminal Code* (Canada) and could result in the suspension or cancellation of my appointment as bailiff.

Dated at WHITE COURT, Alberta, on MAY 11, 2018 720 HRS  
City/Town Date

Harry N. Sharphead  
Signature of Bailiff

|                                 |  |  |                                                 |                      |             |
|---------------------------------|--|--|-------------------------------------------------|----------------------|-------------|
| Print Name of Instructing Party |  |  | Allied Shortridge Civil Enforcement Agency Inc. |                      |             |
| Address                         |  |  | Print Name of Civil Enforcement Agency          |                      |             |
| City/Town Province Postal Code  |  |  | Suite 126, 1111 - 6 Ave S.W.                    |                      |             |
|                                 |  |  | Address                                         |                      |             |
|                                 |  |  | CALGARY                                         | ALBERTA              | T2P 5M5     |
|                                 |  |  | City/Town                                       | Province             | Postal Code |
|                                 |  |  | (403) 237-5468                                  | (403) 263-7313       |             |
|                                 |  |  | (800) 643-3171                                  | (800) 462-0712       |             |
|                                 |  |  | Toll-Free Telephone Number                      | Toll-Free Fax Number |             |

ALLIED SHORTRIDGE

File Number: 2012-010287 – OPSMOBIL GROUP INC.

Received file  
Google Search Done  
Facebook Search Done

2018-05-11

Attend the White Court Airport Hanger one at 0900, David CANAVAN and produce my I.D. and inform him of why I am here. CANAVAN advise that the helicopter is there and that he would assist me with anything that I require. CANAVAN takes me out to the helicopter and helps me locate the logbook, which he then turns over to me. I then ask CANAVAN if there are any parts in the c cans and he informs me that he will have to talk with the mechanical department and he will be right back. Take pictures and confirm the S/N of the helicopter. CANAVAN comes back and he states that there is no parts at all in the c cans. I inform him that I will take out the parts and take individual pictures, I ask CANAVAN while I am doing this can he download the maintenance logs for me as I do not have access. Continue to take pictures of the helicopter and all the parts that where inside the helicopter as stated by CANAVAN. CANAVAN returns and informs me that no one here has access however they can download the information for my counterpart in Calgary. I then inform CANAVAN of the documents and have him read the bailee's undertaking. CANAVAN states that he understands the bailee's and I have him sign the paperwork. I inform CANAVAN that he has to look after the seized asset and he does understand. Leave from hanger one at 1020 with my required paperwork and the logbook for the helicopter. Attend the UPS office in Edmonton and have the logbook shipped to the Calgary office.

FILE CLOSED.

Harry N. Sharphead.

7.22

Contractual / PPSA Seizure

Form 5  
Civil Enforcement Regulation

2012-010287

Civil Enforcement Agency File Number

## Notice of Seizure of Personal Property

TO: OpsMobil Group Inc.

1600, 421 - 7th Avenue SW Calgary Alberta T2P 4K9

Name and Address of Debtor

Take notice that to satisfy a claim against you for the sum \$1,085,634.29 plus costs and related Writs, if applicable

Element Financial Corporation / EGN Aviation Inc.

c/o 4500, 855 - 2nd street SW Calgary Alberta T2P 4K7

Name and Address of Creditor

has caused the following personal property and personal property listed in the addendum to to be seized:

|   |                                                                                                                                                                 |
|---|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1 | 1998 Eurocopter AS350BA-FX2 Helicopter serial number: 3100 and CFXBP                                                                                            |
| 1 | Journey/ Flight Log for the above                                                                                                                               |
|   | All removed parts as per the attached Helicopter Inspection Report labelled as addendum "A" to this notice of seizure that are marked as seized on the addendum |

Addendum attached listing additional property. ☒ Yes ☐ NoNotice of Objection applicable to this seizure. ☐ Yes ☒ No

Dated at WHITECOURT, Alberta, on MAY 11, 2018

*Harry N. Sharphead*

Harry Sharphead

Debtors Signature

Print Name

Allied Shortridge Civil Enforcement Agency Inc.

Name of Civil Enforcement Agency

Suite 126, 1111 - 6 Ave S.W.

CALGARY

allied.shortridge@shaw.ca

Address of Civil Enforcement Agency

ALBERTA

T2P 5M5

City

(403) 237-5468

(403) 263-7313

(800) 643-3171

(800) 462-0712

Province

Postal Code

Telephone Number

Fax Number

Page \_\_\_\_ of \_\_\_\_

Notice: If you have concerns about the way this seizure was conducted, contact the Civil Enforcement Agency listed above. If you are unable to resolve your concerns with the Civil Enforcement Agency, you may contact the Sheriff - Civil Enforcement at (780) 422-2481.



## Helicopter Inspection Report

Helicopter: AS350FX2

Registration: C-FXHP

Location: Whitecourt, Alberta

Operator: OpsMobil

Date of Inspection: March 19<sup>th</sup>, and 20<sup>th</sup>, 2018

Aircraft Status: Unserviceable and stored Outside

Introduction: This is my second visit to Whitecourt to conduct a physical inspection of C-FXHP. I was asked to get a feel for the operation and the moral of the employees. Additionally I was to continue to build the file on the progress or lack of, to return this helicopter to service.

- The aircraft has a valid C of A, C of R, Radio Licence, and insurance.
- The component log cards are located in Calgary, Alberta
- The company uses an electronic work order system to record the maintenance. The program is Aeronet and crews have access on computers and via the internet. This program provides maintenance tracking, Airworthiness Directives, and Alert Service Bulletin's. The program also has the record for all work orders (closed and those still open).

The aircraft has not flown since September, 2016. Many components have been removed from this aircraft mostly to service other aircraft (Cannibalization). The aircraft requires a lot of work. Currently the aircraft is being stored outside with covers installed. Many Parts are stored within the cockpit/ cabin area.

### C-FXHP Status:

1. Complete engine S/N 1E43005C with accessories removed on work order # 21090, 25/ January, 2016. Due to low power.

SEIZED ON  
2018-05-11

Addendum "A" to Agency file 2012-010287 Notice of Seizure of Personal Property

Page 2 of 3

Engine LE-46044C installed on WO# 21090, 25/ January / 2016 then removed on WO# 21109 9<sup>th</sup>/May/ 2016.

Engine LE-46171C installed on WO# 21109.

Engine LE46171C removed on WO# 24058 to service C-FHAU. 26/Sept/2016

2. Tail Rotor, P/N 350A12-0050-10 S/N 16765 removed on WO# 26627 for service on C-FHAP, July 17, 2017
3. Cargo Hook and swing assembly, P/N 210-201-01 S/N 198 (swing assy.) and P/N 528-023-01 S/N 602 remove on WO# 24507. It was removed to service C-FXED on February 9<sup>th</sup>, 2016. This aircraft has since been sold or returned to Rippla?
4. Both door struts P/N 350A25-1095-21 removed to service C-FHCT on WO# 24321, 20<sup>th</sup>, October, 2016.
5. Bonding Straps, quantity 2, P/N 350A31-1851-00 removed to service C-FVYI on WO# 26110, 21/Sept. 2106.
6. Anti Vibrator, P/N 350A31-0033-06 S/N M1650 removed to service C-FHAP on WO# 26273, 07/June/2017.
7. Hydraulic Pressure Switch, P/N MA124-01 removed on WO# 26683 for maintenance convenience. Currently in serviceable stores in Whitecourt, Alberta. 26/July/ 2017.
8. Both forward seat belts removed to service C-FXDM on WO# 24052. P/N AFG0348026 S/N 00313 and AFG0315387. 23/Sept/2016
9. First Aid Kit, P/N FIRST AID KIT S/N A122-MH22 removed on WO# 24060 for service on another aircraft.
10. Survival Kit P/N SK-6 S/N GP0018 removed on WO# 24061 for service on another aircraft. 21/Sept/2016.
11. Vertical Speed Indicator, P/N 38210-490 S/N 1365 removed on WO# 27075 for operational purposes and currently in serviceable stores in Grand Prairie, Alberta.
12. Generator Control Unit P/N 504-2A S/N 1042 removed on WO# 24095 to service C-FHCT, 28/September / 2016
13. Airspeed Indicator P/N 38399-490 S/N 1735 removed on WO # 26711 to service C-FHAU, 31/ July/ 2017

Addendum "A" to Agency file 2012-010287 Notice of Seizure of Personal Property

Page 3 of 3

14. Oil Cooler Blower P/N 9696 S/n 2243 removed on WO # 24562 to service C-FXDM, 10/Nov./2016
15. Torquemeter P/N PT-100-GA S/N 052706-083 removed on WO # 24716 to service C-FXDM, 05/Dec./2016
16. Essential Bus Relay P/N M83536/33-003L removed on WO# 24482 for operational reasons. Currently in Whitecourt serviceable stores. 04/Nov./2016.
17. Boost pumps P/N 704A44-5100-40 S/N's F81633 and 23281 removed on WO# 24244 to service C-GHCT and one Whitecourt Serviceable stores.
18. Bonding Strap no part number recorded removed on WO# 25027 to service C-FXDM.

Inspector: Sean Kennedy

### Explanation of Bailee's Undertaking

The Bailee is responsible to the Civil Enforcement Agency and their Bailiff for the seized personal property. The seized personal property must be preserved in its present condition and value until he or she is relieved of this responsibility by the Civil Enforcement Agency. The Bailee agrees to keep the seized property in their possession or control and is responsible for its safekeeping and delivery to the Agency or its Bailiff upon demand.

The Bailee shall advise the Civil Enforcement Agency in writing of any changes of address or any incidents involving the seized property that would affect the value of the property in any way.

If the Bailee is the debtor, he or she may use the seized property in the normal fashion it was designed and purchased for.

The Bailee may request in writing that the Civil Enforcement Agency relieve him or her of their responsibility for the seized personal property in the event that he or she no longer wishes to be responsible for the seized property, or is planning to move.

NOTE:

The Bailee is not relieved of his or her responsibility pursuant to the Bailee's undertaking until notified in writing by the Civil Enforcement Agency or the Agency's Bailiff removes the seized property from the Bailee's possession.

EXCERPTS FROM THE CRIMINAL CODE - Section 324

Theft by Bailee of things under seizure

Everyone who is a Bailee of anything that is under lawful seizure by a Peace Officer of Public Officer in the execution of the duties of his or her office, and who is obliged by law or agreement to produce and deliver it to that officer or another person entitled thereto at a certain time and place, or on demand, steal it if he or she does not produce or deliver it in accordance with his or her obligation, but he or she does not steal it if his or her failure to produce or deliver it is not the result of willful act or omission by him or her.

Dated at WHITECOURT, Alberta, on MAY 11, 2018

Bailee:

David Caravan  
Signature of Bailee

David Caravan  
Print Name

Signing acknowledges having read, understood and accepting responsibility

Witness

Harry N. Sharphead  
Signature of Witness

HARRY N. SHARPHEAD  
Print Name

Allied Shortridge Civil Enforcement Agency Inc  
#126, 1111 - 6 Avenue S.W.  
Calgary, AB T2P 5M5  
Telephone: 403-237-5468  
Fax: 403-263-7313

Form 6  
Civil Enforcement Regulation

2012-010287

Civil Enforcement Agency File Number

## Bailee's Undertaking

In consideration of the seized personal property listed in the attached Notice of Seizure of Personal Property being left in my possession, I agree to act as Bailee for the Civil Enforcement Agency and keep the said personal property in good condition at:

Hangar 1, Whitecourt, AB

Address of Bailor Location Where Personal Property Will Be Stored

and deliver it to the Civil Enforcement Agency whenever and wherever it may be required.

I understand that non-delivery or conversion of the personal property may result in a conviction under the Criminal Code for which a term of imprisonment may be imposed.

Dated at WHITECOURT, Alberta, on MAY 11, 2018

Bailee:

[Signature]  
Signature of BaileeDavid Canavan  
Print Name6 Soper St.WhitecourtAB

Address of Bailee

City

Province

T7S1V2  
Postal Code780-779-0329  
Telephone No.  
Fax No.

Witness:

[Signature]  
Signature of WitnessHARRY N. SHARPHEAD  
Print NamePO Box 355ENDSITTAB

Address of Witness

City

Province

T7X 3Y3  
Postal Code780 862 2681  
Telephone No.  
Fax No.

Allied Shortridge Civil Enforcement Agency Inc.

Name of Civil Enforcement Agency

Suite 126, 1111 - 6 Ave S.W.

CALGARY

allied.shortridge@shaw.ca

Address of Civil Enforcement Agency

City

ALBERTA

T2P 5M5

(403) 237-5468

(403) 263-7313

(800) 643-3171

(800) 462-0712

Province

Postal Code

Telephone Number

Fax Number

NOTE: ATTACH TO EACH COPY OF THE NOTICE OF SEIZURE OF PERSONAL PROPERTY

Form 6 - Bailee's Undertaking

## **NOTICE - DEBTOR'S APPOINTMENT AS BAILIEE**

Under Section 13 (2) (i) & (j) of the Civil Enforcement Act, you are hereby appointed as bailee, for the goods contained within the attached Notice of Seizure.

### **Alberta Civil Enforcement Act:**

13 (2) For the purpose of carrying out civil enforcement proceedings, the following applies:

- (i) a bailiff may appoint the debtor or some other person as bailee of the personal property that is under seizure if the debtor or other person signs an undertaking
- (j) a debtor who has possession of or control over personal property that is under seizure and has been served with the seizure documents or the documents authorizing the carrying out of the distress in respect of that property.
  - (i) holds that property as bailee for the bailiff and the agency, and
  - (ii) must deliver up that personal property to the bailiff or the agency
    - (A) when required to do so by the bailiff or the agency and
    - (B) at a location specified by the bailiff or the agency.

Whether or not the debtor has signed an undertaking referred to in clause (i);

As noted above, you as the Bailee are responsible to the Civil Enforcement Agency and their Bailiff for the seized personal property. The seized personal property must be preserved in its present condition and value until you are relieved of this responsibility by the Civil Enforcement Agency. You are required to keep the seized property in their possession or control and are responsible for safekeeping and delivery to the Agency or its Bailiff upon demand. You are required to advise the Civil Enforcement agency in writing of any change of address or incidents involving the seized property that would affect the value of the property in any way.

You may continue to use the seized property in the normal fashion it was designed and purchased for.

### **EXCERPTS FROM THE CRIMINAL CODE**

#### **Theft by Bailee of Things Under Seizure (Section 324)**

Everyone who is a Bailee of anything that is under lawful seizure by a Peace Officer or Public Officer in the execution of the duties of his or her office, and who is obliged by law or agreement to produce and deliver it to that officer or another person entitled thereto at a certain time and place, or on demand, steals it if he or she does not produce or deliver it in accordance with his or her obligation, but he or she does not steal if it is his or her failure to produce or deliver it is not the result of a willful act or omission by him or her.

#### **Punishment for Theft (Section 334)**

Except where otherwise provided by law, every one who commits theft (a) is guilty of an indictable offence and liable to imprisonment for a term not exceeding ten years, where the property stolen is a testamentary instrument or where the value of what is stolen exceeds five thousand dollars; or (b) is guilty (i) of an indictable offence and is liable to imprisonment for a term not exceeding two years, or (ii) of an offence punishable on summary conviction, where the value of what is stolen does not exceed five thousand dollars.

[illegible]

Dated at WHITE COURT Alberta, on MAY 11, 2018


 Harry N. Sharphead  
 \_\_\_\_\_  
 Student Signature Print Name

Page of

~~Don~~  
Hals

# The UPS Store



The UPS Store #300  
17008 - 90th Avenue  
Edmonton, Alberta T5T 1L6  
780-484-6002

Cashier: Mess  
Invoice: 10128  
05-11-2018 15:28

| Product            | Qty | Price | Disc | Total |
|--------------------|-----|-------|------|-------|
| UPS EXPRESS CANADA | 1   | 50.21 | 0.0% | 50.21 |
| Sub Total          |     |       |      | 50.21 |
| GST                |     |       |      | 2.51  |
| Total              |     |       |      | 52.72 |
| Debit              |     |       |      | 52.72 |

EXPRESS 1Z 610 49E 03 2517 4270

GST/HST # GST# 814056057RT0001

Thank you for visiting our store,  
we look forward to doing business  
with you again soon.  
Visit us online today at  
[www.theupsstore.ca/300](http://www.theupsstore.ca/300)

THE UPS STORE #300  
17008 90 AVE  
EDMONTON, AB T5T1L6  
7804846002

Merchant ID: 87299140012  
Term ID: 001

Ref #: 003

## Sale

XXXXXXXXXXXX5262

DEBIT

Entry Method: Chip

Acct Type: Chequing

05/11/18

15:27:51

Inv #: 000003

Appr Code: 152806

Apprvd

Batch#: 000034

Trace: 00807985

Retrieval Ref.#: 00000001

Total:

\$

52.72

No signature required. Verified by PIN.  
Your account will be debited with the  
above amount.  
Retain this copy for statement  
verification.

Application Label: Interac  
AID: A0000002771810  
TVR: 00 00 00 00 00  
TSI: E8 00

Customer Copy

**CREDITOR** Element Financial Corporation / ECN Aviation Inc.

DEBTOR      Opsmobil Group Inc.

I, Shirley Rieger, of the City/Town of Peace River, Alberta

Is there an Addendum attached? Yes ☒ No ☐

If yes, \_\_\_\_\_ Addendum pages attached. (Each page forms part of this Report)  
Number

I hereby certify that the information contained in this Report is true and complete. I understand that any false information may lead to charges under the *Criminal Code* (Canada) and could result in the suspension or cancellation of my appointment as bailiff.

Dated at Cambridge, Alberta, on May 14, 2010

Signature of Bailiff

Print Name of Instructing Party

**Address**

City/Town

Province

Postal Code

Allied Shortridge Civil Enforcement Agency Inc.

Print Name of Civil Enforcement Agency

Salte 126, 1111 - 6 Ave S.W.

Address

CALGARY

ALBERTA

72P 5M5

City/Town

Province

Postal Code

(403) 237-5468

(403) 263-7313

(800) 643-3171

(800) 462-0712

**Toll-Free Telephone Number**

**Toll-Free Fax Number**

**Bailiff's Report  
ADDENDUM**

**2012-010287**  
Civil Enforcement Agency File Number:

May 11, 2018 attended to 10931-123 Street Grande Prairie security VIN verified photos taken advised that windshield for Helicopter had been purchased by Gemini receipts confirmed prepaid by Gemini Called Allied advised windshield should not be seized Warrant and Notice of Seizure of Personal Property served to Chris Hann who signed Bailee's Undertaking and Explanation of Bailee's Undertaking and downloaded Maintenance Logs for EC 120B Helicopter s/n 1057 onto USB

May 14, 2018 Journey/Flight Logs and USB containing Maintenance Logs for EC 120B Helicopter s/n 1057 sent to Allied Shortridge Civil Enforcement Calgary office via Loomis Express tracking number D042758262

Handwritten signature: Shirley Rieger

7.22

## Contractual / PPSA Seizure

Form 5  
Civil Enforcement Regulation

2012-010287

Civil Enforcement Agency File Number

## Notice of Seizure of Personal Property

TO: OpsMobil Group Inc.

1600, 421 - 7th Avenue SW Calgary Alberta T2P 4K9

Name and Address of Debtor

Take notice that to satisfy a claim against you for the sum \$1,085,634.29 plus costs and related Writs, if applicable

Element Financial Corporation / ECN Aviation Inc.

c/o 4500, 855 - 2nd street SW Calgary Alberta T2P 4K7

Name and Address of Creditor

has caused the following personal property and personal property listed in the addendum to to be seized:

1 2000 Eurocopter EC 120B Helicopter serial number: 1057

1 Journey/ Flight Log for the above

~~Spare windshield(s) for the seized Helicopter~~Addendum attached listing additional property. ☒ Yes ☐ NoNotice of Objection applicable to this seizure. ☐ Yes ☒ No

Dated at Grande Prairie, Alberta, on May 11, 2018

Beliffs Signature

Shirley Rieger  
Print Name

Allied Shortridge Civil Enforcement Agency Inc.

Name of Civil Enforcement Agency

Suite 126, 1111 - 6 Ave S.W.

CALGARY

allied.shortridge@shaw.ca

Address of Civil Enforcement Agency

ALBERTA

T2P 5M5

City

(403) 237-5468

(403) 263-7313

(800) 643-3171

(800) 462-0712

Province

Postal Code

Telephone Number

Fax Number

Page 1 of 2

Notice: If you have concerns about the way this seizure was conducted, contact the Civil Enforcement Agency listed above. If you are unable to resolve your concerns with the Civil Enforcement Agency, you may contact the Sheriff - Civil Enforcement at (780) 422-2481.

Form 5 - Notice of Seizure of Personal Property



# Contractual / PPSA Seizure

Form 8  
Civil Enforcement Regulation

7.25

2012-010287

Civil Enforcement Agency File Number

## Bailee's Undertaking

In consideration of the seized personal property listed in the attached Notice of Seizure of Personal Property being left in my possession, I agree to act as Bailee for the Civil Enforcement Agency and keep the said personal property in good condition at:

Gemini Heli Ltd 10931-123 Street Grande Prairie AB

Address or Land Location Where Personal Property Will Be Stored

and deliver it to the Civil Enforcement Agency whenever and wherever it may be required.

I understand that non-delivery or conversion of the personal property may result in a conviction under the Criminal Code for which a term of imprisonment may be imposed.

Dated at Grande Prairie, Alberta, on May 11, 2018

Bailee:

Signature of Bailee

CHRIS HANN  
Print Name

10931-123 Street Grande Prairie AB  
Address of Bailee City Province

T8V 7Z3 780-402-2444 780-402-2448  
Postal Code Telephone No. Fax No.

Witness:

Signature of Witness

Shirley Rieger  
Print Name

126-1111-6 Ave S.W. Calgary AB  
Address of Witness City Province

T2P 5M5 780 625 8081 403-263-7313  
Postal Code Telephone No. Fax No.

Allied Shortridge Civil Enforcement Agency Inc.  
Name of Civil Enforcement Agency

Suite 126, 1111 - 6 Ave S.W.

CALGARY

allied.shortridge@shaw.ca

Address of Civil Enforcement Agency

ALBERTA

T2P 5M5

(403) 237-5468

(403) 263-7313

Province

Postal Code

Telephone Number

Fax Number

NOTE: ATTACH TO EACH COPY OF THE NOTICE OF SEIZURE OF PERSONAL PROPERTY

Form 6 - Bailee's Undertaking

### Explanation of Bailee's Undertaking

The Bailee is responsible to the Civil Enforcement Agency and their Bailiff for the seized personal property. The seized personal property must be preserved in its present condition and value until he or she is relieved of this responsibility by the Civil Enforcement Agency. The Bailee agrees to keep the seized property in their possession or control and is responsible for its safekeeping and delivery to the Agency or its Bailiff upon demand.

The Bailee shall advise the Civil Enforcement Agency in writing of any changes of address or any incidents involving the seized property that would affect the value of the property in any way.

If the Bailee is the debtor, he or she may use the seized property in the normal fashion it was designed and purchased for.

The Bailee may request in writing that the Civil Enforcement Agency relieve him or her of their responsibility for the seized personal property in the event that he or she no longer wishes to be responsible for the seized property, or is planning to move.

NOTE:

The Bailee is not relieved of his or her responsibility pursuant to the Bailee's undertaking until notified in writing by the Civil Enforcement Agency or the Agency's Bailiff removes the seized property from the Bailee's possession.

EXCERPTS FROM THE CRIMINAL CODE -- Section 324

Theft by Bailee of things under seizure

Everyone who is a Bailee of anything that is under lawful seizure by a Peace Officer of Public Officer in the execution of the duties of his or her office, and who is obliged by law or agreement to produce and deliver it to that officer or another person entitled thereto at a certain time and place, or on demand, steal it if he or she does not produce or deliver it in accordance with his or her obligation, but he or she does not steal it if his or her failure to produce or deliver it is not the result of wilful act or omission by him or her.

Dated at Grande Prairie, Alberta, on May 11, 2018

Bailee: [Signature]

Signature of Bailee

CHRIS HARMAN

Print Name

Signing acknowledges having read, understood and accepting responsibility

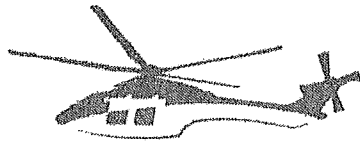
Witness [Signature]

Signature of Witness

Shirley Rieger

Print Name

Allied Shortridge Civil Enforcement Agency Inc  
#126, 1111 - 6 Avenue S.W.  
Calgary, AB T2P 5M5  
Telephone: 403-237-5468  
Fax: 403-263-7313



**TECH-TOOL PLASTICS**

**Tech-Tool Plastics, Inc.**

7800 Skyline Park Drive  
Fort Worth, TX 76108  
PH:817-246-4694  
Fax:817-246-7402  
info@tech-tool.com

**Invoice**

Invoice: 047536  
Customer: Gemini Heli Ltd.  
Date: 2/7/2018  
Order: 047536

**Bill To:**

Gemini Heli Ltd  
10931 123 Street  
Grand Prairie, AB T8V 7Z3  
Canada

**Ship To:**

Gemini Heli Ltd  
10931 123 Street  
Grand Prairie, AB T8V 7Z3  
Canada

| Purchase Order | Ship Via               | FOB       | Reference | Entered By  | Terms           |
|----------------|------------------------|-----------|-----------|-------------|-----------------|
| 125957         | FedEx Int'l - Priority | Warehouse |           | LN 2/6/2018 | MC/Visa Prepaid |

| Product                      | Quantity | Description                                                          | Price       | Amount   | Tax |
|------------------------------|----------|----------------------------------------------------------------------|-------------|----------|-----|
| EC12010011 (RE/Color: Clear) | 1.00 Ea  | P/N EC120-1001-1 Windshield LH (Reinforced Edging) (Clear) SN: 13182 | 5,950.00 Ea | 5,950.00 | Non |
| Frt                          | 1.00 Ea  | Fed Ex Freight Priority                                              | 407.40 Ea   | 407.40   | Non |

FedEx Int'l - Tracking: PRO# 3824439625

Harmonized Code:  
8803.30.0010  
Country of Origin: USA  
Currency: US Dollars  
NLR

Broker: Jori International  
Tel: 403-571-3200  
Jackie Newsham

|           |            |
|-----------|------------|
| Sub-total | \$6,357.40 |
| Tax       | 0.00       |
| Total     | \$6,357.40 |



**TECH-TOOL PLASTICS**

**Tech-Tool Plastics, Inc.**

7800 Skyline Park Drive  
Fort Worth, TX 76108  
PH:817-246-4694  
Fax:817-246-7402  
info@tech-tool.com

**Packing List**

**047536**



**Ordered 2/6/2018**

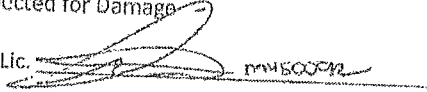
**S  
H  
I  
P  
T  
O**  
Gemini Heli Ltd  
10931 123 Street  
Grand Prairie, AB T8V 7Z3  
Canada

**S  
O  
L  
D  
T  
O**  
Gemini Heli Ltd  
10931 123 Street  
Grand Prairie, AB T8V 7Z3  
Canada

|                              |                                                                         |           |           |             |
|------------------------------|-------------------------------------------------------------------------|-----------|-----------|-------------|
| Purchase Order               | Ship Via                                                                | Reference | Sales rep | Entered By  |
| 125957                       | FedEx Int'l - Priority                                                  |           | SC        | LN 2/6/2018 |
| Product                      | Description                                                             | Quantity  | Unit      | Shipped     |
| EC12010011 (RE/Color: Clear) | P/N EC120-1001-1 Windshield LH (Reinforced Edging) (Clear)<br>SN: 13182 | 1.00      | Ea        |             |

Incoming Parts / Receiving Inspection Check

PN/SN Correct ✓  
Certification Documentation Correct ✓  
Traceability Documentation Correct ✓  
Component History Review Complete ✓  
AD / SB Search Performed ✓  
Shelf Life / Limited Life Applicable ✓  
Visually Inspected for Damage ✓

Signature & Lic. 

RELEASE VERIFICATION:  
I CERTIFY THAT THE AERONAUTICAL PRODUCT(S)  
DESCRIBED HEREON CONFORM TO APPROVAL  
DESIGN DATA AND IS IN A CONDITION FOR  
SAFE OPERATION.

SIGNED: 

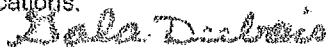
QUALITY CONTROL MANAGER

Certificate of Conformance

Tech-Tool Plastics, Inc. hereby certifies that:

The items referred to by the part number listed above were manufactured in conformance with all applicable governmental and/or buyer specifications as referenced in the above contract or purchase order.

The items furnished under the above contract or purchase order and on the above referenced invoice/packing slip number were either materials furnished by the buyer for the production of said parts or were purchased with conformance with the required specifications.



Quality Control Manager

**\*\*AOG\*\***

8130, C OF C & CANADIAN STAMP REQUIRED  
EMAIL Invoice to chris@geminiheli.ca & chris@geminiheli.ca

1. Approving Civil Aviation  
Authority/Country:  
FAA/United States

2. **AUTHORIZED RELEASE CERTIFICATE**  
FAA Form 8130-3, AIR WORTHINESS APPROVAL TAG

3. Form Tracking Number:  
8854

4. Organization Name and Address: Tech-Tool Plastics, Inc.  
7800 Skyline Park Drive  
Fort Worth, TX 76108

(PQ0504SW)

5. Work Order/Contract/Invoice Number:  
Inv. 047636

| 6. Item: | 7. Description: | 8. Part Number: | 9. Quantity: | 10. Serial Number: | 11. Status/Work: |
|----------|-----------------|-----------------|--------------|--------------------|------------------|
| 1        | Windshield LH   | EC120-1001-1    | 1            | 13182              | NEW              |

12. Remarks: Produced by the STC design approval holder. Eligible on Model Airbus Helicopters Model EC102B.

13a. Certifies the items identified above were manufactured in conformity to:  
☒ Approved design data and are in a condition for safe operation.  
☐ Non-approved design data specified in Block 12.

|                                                                                                                 |                                              |
|-----------------------------------------------------------------------------------------------------------------|----------------------------------------------|
| 13b. Authorized Signature:<br> | 13c. Approval/Authorization No:<br>789899771 |
| 13d. Name (Typed or Printed):<br>Tim Browning                                                                   | 13e. Date (dd/mm/yyyy):<br>06 Feb 2018       |

**User/Installer Responsibilities**

It is important to understand that the existence of this document alone does not automatically constitute authority to install the aircraft engine(s)/propeller(s)/article(s). Where the user/installer performs work in accordance with the national regulations of an airworthiness authority different than the airworthiness authority of the country specified in Block 1, it is essential that the user/installer ensures that his/her airworthiness authority accepts aircraft engine(s)/propeller(s)/article(s) from the airworthiness authority of the country specified in Block 1. Statements in Blocks 13a and 14a do not constitute installation certification. In all cases, aircraft maintenance records must contain an installation certification issued in accordance with the national regulations by the user/installer before the aircraft may be flown.

PURCHASE ORDER  
BON DE COMMANDE

|                       |                            |                |                                       |                                                                                                                    |
|-----------------------|----------------------------|----------------|---------------------------------------|--------------------------------------------------------------------------------------------------------------------|
| TO<br>A               | Tech-Tool Plastics Inc.    |                | 125957                                | THIS NUMBER MUST APPEAR ON ALL INVOICES, PACKAGES, ETC.<br>CE NUMÉRO DOIT APPARAÎTRE SUR TOUT COLIS, FACTURE, ETC. |
| ADDRESS<br>ADRESSE    | 7800 Skyline Park Drive    |                |                                       |                                                                                                                    |
|                       | Fort Worth Texas 76108     | 1-800-433-2210 |                                       |                                                                                                                    |
| SHIP TO<br>EXPÉDIER A | Gemini Heli Ltd.           |                | REQ. NO. OR DEPT.<br>N° DEM. OU SERV. |                                                                                                                    |
| ADDRESS<br>ADRESSE    | 10931 123 STREET           |                | DATE                                  | 06 Feb 2018.                                                                                                       |
|                       | Grande Prairie, AB T8V 7Z3 |                | FOR<br>POUR                           | C-GEMD                                                                                                             |

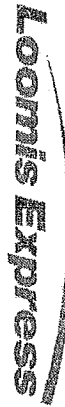
| QUANTITY<br>QUANTITÉ | DESCRIPTION                             | PRICE<br>PRIX | UNIT<br>UNITÉ | AMOUNT<br>MONTANT |
|----------------------|-----------------------------------------|---------------|---------------|-------------------|
| 1                    | EC120-1001-1 windshield LH (Reinforced) | 5950 00       | 1             |                   |
| 2                    | * Please provide 8130 with shipment.    |               |               |                   |
| 3                    |                                         |               |               |                   |
| 4                    |                                         |               |               |                   |
| 5                    |                                         |               |               |                   |
| 6                    |                                         |               |               |                   |
| 7                    |                                         |               |               |                   |
| 8                    |                                         |               |               |                   |
| 9                    |                                         |               |               |                   |
| 10                   |                                         |               |               |                   |

|                               |      |     |                                 |   |                                                          |
|-------------------------------|------|-----|---------------------------------|---|----------------------------------------------------------|
| DATE REQUIRED<br>DATE REQUISE | ACQ. | VIA | PLEASE SEND<br>VEUILLEZ ENVOYER | 1 | COPY(IES) OF YOUR INVOICE.<br>COPIE(S) DE VOTRE FACTURE. |
| TERMS<br>CONDITIONS           |      |     | PURCHASING AGENT<br>ACHETEUR    |   |                                                          |

PLEASE NOTIFY US IMMEDIATELY IF YOU ARE UNABLE TO SHIP COMPLETE ORDER BY DATE SPECIFIED.  
VEUILLEZ NOUS AVISER IMMÉDIATEMENT S'IL EST IMPOSSIBLE D'EXPÉDIER LA COMMANDE COMPLÈTE À LA DATE SPÉCIFIÉE.

STAPLES 53B

|                                     |                          |                                     |                 |
|-------------------------------------|--------------------------|-------------------------------------|-----------------|
| NAME FROM                           | S H I R L E Y            | E I E G E R                         | A L L A S A C E |
| NAME (DE)                           |                          |                                     |                 |
| ADDRESS                             | 9901-99 Ave              |                                     |                 |
| CITY                                | LEAC                     | DELE R                              |                 |
| VILLE                               |                          |                                     |                 |
| POSTAL CODE                         | 78515                    | TELEPHONE                           | 780             |
| CODE POSTAL                         |                          | TELEPHONE                           | 625             |
| NAME (TO)                           | A L L I Z O              | S H O R T R I O G E                 |                 |
| NAME (A)                            |                          |                                     |                 |
| ADDRESS                             | SUZTE 136 + 1111 + 6 Ave |                                     |                 |
| ADDRESS                             |                          |                                     |                 |
| CITY                                | LEAC                     | DELE R                              |                 |
| VILLE                               |                          |                                     |                 |
| POSTAL CODE                         | 72244                    | TELEPHONE                           | 403             |
| CODE POSTAL                         |                          | TELEPHONE                           | 237             |
|                                     |                          |                                     | 5468            |
| TO COMPTANT NAME / A NOM DU CONTACT | DAN                      |                                     |                 |
| INSTRUCTIONS                        |                          |                                     |                 |
| REFERENCE                           | 2012-010287              |                                     |                 |
| CORRECTED WEIGHT                    |                          | CORRECTED DIMENSIONS / POIDS REVISÉ | X X             |



**Loomis Express**

www.loomis-express.com

1-855-21LOOMIS (1-855-256-6647)

DATE NO. 05/14/18

DATE NO. 05/14/18

SEE TERMS AND CONDITIONS ON BACK

VOIR LES TERMES ET CONDITIONS AU VERSO

SHIPMENT TYPE / TYPE DE COLIS

EXPRESS

1-1

SHIPMENT TYPE / TYPE DE COLIS

EXPRESS

1-1

D042758262

SHIPPER / EXPEDITEUR

# BAILIFF'S REPORT

(STATUTORY DECLARATION)

CREDITOR ECN AVIATION INC.

DEBTOR OPSMOBIL GROUP INC.

I, JAMES J. WOLSTENHOLME of the City/Town of CALGARY Alberta  
Name of Bailiff

Hereby solemnly declare that on the 11 of May 2018  
☒ Effectuated SEIZURE ☐ Attempted to effect SEIZURE ☐ made removal ☐ attempted to make removal

at # 1200 - 815-8 Ave SW Calgary  
Address / Land Description where Seizure / Removal / Attempt Made

☐ Warrant (if applicable) ☒ Notice of Seizure of Personal Property Registered Mail

☐ Information for Debtor Form ☐ Notice of Objection to Seizure of Personal Property

☒ On the debtor(s) or adult member of the Debtor's household, Employee ☐ by attaching the documents to the seized personal property / posting in a conspicuous place.

The seized personal property was:  
☐ Left on a Bailee's Undertaking at:

☒ Removed/Surrendered to: #126-1111-6 Ave SW

COMMENTS

Calgary

Is there an Addendum attached? ☒ Yes ☐ No

I hereby certify that the information contained in this Report is true and complete. I understand that any false information may lead to Charges under the Criminal Code and could result in the Suspension or cancellation of my appointment as a Bailiff.

Dated at Calgary, Alberta, on May 12/18  
Date

J Wolstenholme  
Bailiff Signature

## BENNETT JONES LLP

Name of Instructing Party

C/O 4500 BANKERS HALL EAST, 855 - 2 STREET SW CALGARY  
Address of Instructing Party City

AB T2P 4K7  
Province Postal Code

403-298-3323

Toll Free Phone Number

403-265-7219

Toll Free Fax Number

## ALLIED SHORTRIDGE CIVIL ENFORCEMENT AGENCY INC.

Name of Civil Enforcement Agency

126, 1111-6 AVENUE SW CALGARY  
Address of Civil Enforcement Agency

AB T2P 5M5  
Province Postal Code

403-237-5468

Toll Free Phone Number

403-263-7313

Toll Free Fax Number

E-mail: Allied.shortridge@shaw.ca

Jan. 01/04

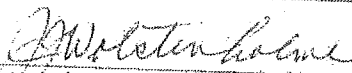
PAGE 1 of 1

## Bailiff's Report

5/9/18 I had several calls from the office concerning the above file. File received. Arrangements have been made with other Bailiffs to attend locations on Friday AM.

5/10/18 9 00 AM I met with the President & CEO, Ryan Tobber, who advised that no information is kept at this location. He called Roch Dallaire at 1 780 876 0097 and advised him I was at the Calgary Office, wherein, he indicated that someone was at his location. He told him to deal with the matter as he is too busy. Tobber, indicated that one unit is down as it needs a new motor. Honeywell has the engine but it costs \$400,000.00 and they are not shipping it until they get paid. I advised the office. I spoke to the 2nd Calgary Bailiff who is speaking to Chris Dallaire a member at the NE location. I was advised there are records at the office and to return and speak to Anick.

9 20 AM I returned to the location; she knew what I was looking for and found two boxes one for XHP and the other one EMU. We pulled the paperwork and were able to combine everything in one box. Box was removed and taken to our office. I had several more calls from the office. The gentleman, Chris, believes I have collected all the necessary information but will come to our office on Monday to review what I collected. He is going to provide the office with some other items requested by the client. Report and Invoice will be forwarded to the office. File closed

  
Signature of Bailiff

Page 2 of 2

2012 010287

Civil Enforcement Agency File Number

## NOTICE OF SEIZURE OF PERSONAL PROPERTY

TO: OPSMOBIL GROUP INC.

1600, 421 - 7 AVENUE SW, CALGARY, AB, T2P 4K9  
Name and Address of Debtor

Take notice that to satisfy a claim against you for \$1,085,634.29 Plus costs and related Writs, if applicable.

ECN AVIATION INC.

C/O 4500 BANKERS HALL EAST, 855 - 2 STREET SW, CALGARY, AB, T2P 4K7  
Name and Address of Creditor

has caused the following personal property and personal property listed in the addendum to be seized:

ALL COMPONENT LOG CARDS FOR 1998 EUROCOPTER - AS350BA-FX2 VIN # 3100

AND CFXHP 5/23/14 - 3/21/15 & to 7/9/15 Tech Logbook (J. Brown) & Req Card

ALL COMPONENT LOG CARDS FOR 2000 EUROCOPTER EC120B VIN# 1057 AND CGEMU

Log-Books (older ones)

Addendum attached listing additional property.

☐ Yes ☒ No *JW*

NOTICE OF OBJECTION IF APPLICABLE

☐ Yes ☒ No *JW*

STRIKE  
OUT  
IF NOT

-If you object to the seizure, you must deliver the attached Notice of Objection within 15 days from the date of seizure to the Civil Enforcement Agency listed below within 15 days from the day that the seizure documents were served.

Dated at Calgary Alberta, on May 11 2018

Bailiff's Signature

J. J. WOLSTENHOLME  
Print Name

ALLIED SHORTRIDGE CIVIL ENFORCEMENT AGENCY INC.  
Name of Civil Enforcement Agency

126, 1111 - 6<sup>TH</sup> AVENUE SW  
Address of Civil Enforcement Agency

CALGARY  
City

ALBERTA  
Province

T2P 5M5

Postal Code

Allied.shorridge@shaw.ca  
E-mail

800-643-3171

Telephone Number

800-462-0712  
Fax Number

Notice: If you have concerns about the way that this seizure was conducted, contact the Civil Enforcement Agency listed above. If you are unable to resolve your concerns with the Civil Enforcement Agency, you may contact the Sheriff - Civil Enforcement at (780) 422-2481.

Civil Enforcement Agency File Number  
2012 010287

*[Redacted Content]*

## Bailiff's Report- Addendum

Comments – continued:

Ops**Mobil**

**Ryan Tobber**  
President & CEO

[www.opsmobil.com](http://www.opsmobil.com)

1200 - 815 8th Avenue SW  
Calgary, Alberta T2P 3P2  
T: (403) 930 - 1702  
C: (403) 797 - 0375  
[Ryan.Tobber@opsmobil.com](mailto:Ryan.Tobber@opsmobil.com)

Signature of Bailiff

Jan. 01/04

PAGE \_\_\_\_ of \_\_\_\_

Form 9  
Civil Enforcement Regulation2012-010287  
Civil Enforcement Agency File Number

## Bailiff's Report

CREDITOR ECN-AVIATION INCDEBTOR OPSMOBIL GROUP Inc.I, Terry Wagman, of the City/Town of Calgary, Alberta

report as follows: May 11 900 AM attended 480 Aviation Way  
the office of Railpa Enterprises I met Christian Delavie  
who after the Warrant was produced a discussion  
as to property to be seized he was very willing to  
assist and produced all log books on CFMU  
and records for this. The other log books CFY  
were at the downtown office. All logs  
turned over to Allied Shortridge Civil Enforcement  
Warrant + Notice of seizure served

Is there an Addendum attached? Yes No ☒If yes, \_\_\_\_\_ Addendum pages attached. (Each page forms part of this Report)  
Number

I hereby certify that the information contained in this Report is true and complete. I understand that any false information may lead to charges under the Criminal Code (Canada) and could result in the suspension or cancellation of my appointment as bailiff.

Dated at Calgary, Alberta, on May 11, 2018  
City/Town Date

Signature of Bailiff

ECN-AVIATION INC  
40 Bennett Drive  
4500 Barkin Hall  
855 2nd St  
Calgary AB T2P 4K7  
City/Town Province Postal Code

Allied Shortridge Civil Enforcement Agency Inc.  
Print Name of Civil Enforcement Agency  
Suite 126, 1111 - 6 Ave S.W.  
Address  
CALGARY ALBERTA T2P 5M5  
City/Town Province Postal Code  
(403) 237-5468 (403) 263-7313  
(800) 643-3171 (800) 462-0712  
Toll-Free Telephone Number Toll-Free Fax Number

7.22

## Contractual / PPSA Seizure

Form 5  
Civil Enforcement Regulation

2012-010287

Civil Enforcement Agency File Number

## Notice of Seizure of Personal Property

Form 5 - Notice of Seizure of Personal Property

TO: OpsMobil Group Inc.

1600, 421 - 7th Avenue SW Calgary Alberta T2P 4K9

Name and Address of Debtor

Take notice that to satisfy a claim against you for the sum \$1,085,634.29 plus costs and related Writs, if applicable

Element Financial Corporation / ECN Aviation Inc.

c/o 4500, 855 - 2nd street SW Calgary Alberta T2P 4K7

Name and Address of Creditor

has caused the following personal property and personal property listed in the addendum to to be seized:

3 all log Books on CCEMU + records  
all components

Addendum attached listing additional property. ☒ Yes ☐ NoNotice of Objection applicable to this seizure. ☐ Yes ☒ NoDated at Calgary, Alberta, on May 11 - 2018

Terry Wagman

Debtors Signature

Print Name

Allied Shortridge Civil Enforcement Agency Inc.

Name of Civil Enforcement Agency

Suite 126, 1111 - 6 Ave S.W.

CALGARY

allied.shortridge@shaw.ca

Address of Civil Enforcement Agency

ALBERTA

T2P 5M5

City

(403) 237-5468

(403) 263-7313

(800) 643-3171

(800) 462-0712

Province

Postal Code

Telephone Number

Fax Number

Page \_\_\_\_ of \_\_\_\_

Notice: If you have concerns about the way this seizure was conducted, contact the Civil Enforcement Agency listed above. If you are unable to resolve your concerns with the Civil Enforcement Agency, you may contact the Sheriff - Civil Enforcement at (780) 422-2481.



11/05/2018 09:10



11/05/2018 09:10



11/05/2018 09:10



11/05/2018 09:10

A close-up photograph of the tail fin of an aircraft. The fin is painted with alternating red and white diagonal stripes. The top edge of the fin is lined with a row of small, dark rivets. The text "350 FX2" is printed in white on the red upper portion of the fin.

350 FX2

11/05/2018 09:10



11/05/2018 09:11

# EUROCOPTER AS350BA

Type Certificate: H-83,H9EU

Date of Manufacture: 1998

Serial Number: 3100

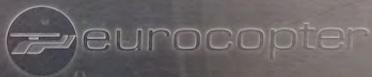
Date of Delivery: September 2008

## HELI-LYNX HELICOPTERS

STONEY CREEK, ONTARIO, CANADA

350FX STC COMPLETION

[www.helilynx.com](http://www.helilynx.com)



MODEL DESIGNATION

AS 350 BA

SERIAL NUMBER

3100

TYPE CERTIFICATE NUMBER

H9EU

8052033,90

DATE

06 / 98

CONTROL

JAN 11  
F00

11/05/2018 09:11

**EUROCOPTER AS350BA**

*Type Certificate:* **H-83,H9EU**

*Date of Manufacture:* **1998**

*Serial Number:* **3100**

*Date of Delivery:* **September 2008**

---

**HELI-LYNX HELICOPTERS**

**STONE CREEK, ONTARIO, CANADA**

**350FX STC COMPLETION**

**[www.helilynx.com](http://www.helilynx.com)**

11/05/2018 09:11



eurocopter

350FX STC COMPLETION

[www.helilynx.com](http://www.helilynx.com)



eurocopter

MODEL DESIGNATION

AS 350 BA

SERIAL NUMBER

3100

TYPE CERTIFICATE NUMBER

H9EU

ECSS2033.90

DATE

06 / 98

CONTROL

JAR 21  
F.G.003

11/05/2018 09:11



11/05/2018 09:11



11/05/2018 09:11



11/05/2018 09:11



11/05/2018 09:12



FIRST AID KIT  
LOCATED HERE

11/05/2018 09:12



11/05/2018 09:12



11/05/2018 09:12



11/05/2018 09:12





11/05/2018 09:13



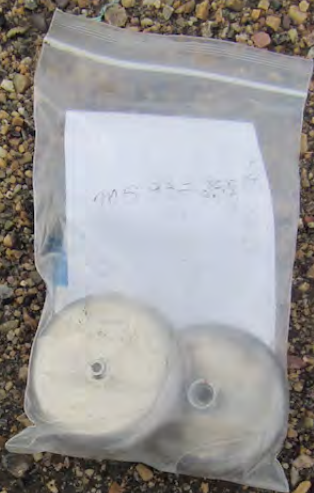
11/05/2018 09:21



11/05/2018 09:21



11/05/2018 09:21



11/05/2018 09:21



11/05/2018 09:21

FCU  
Arm

11/05/2018 09:21



11/05/2018 09:21



11/05/2018 09:22



11/05/2018 09:22

3 bushings are  
in order



11/05/2018 09:22



11/05/2018 09:22



11/05/2018 09:22



11/05/2018 09:22



11/05/2018 09:22



11/05/2018 09:22



11/05/2018 09:22

FCU  
Inlet

11/05/2018 09:22



11/05/2018 09:22

FCH vent

11/05/2018 09:22



11/05/2018 09:22



11/05/2018 09:22



11/05/2018 09:22



11/05/2018 09:22



REGISTRATION: C-FXHP MANUFACTURER: airbus MODEL: AS350BA/FXR  
SERIAL NUMBER: 3100

- See Weight and Balance Configurations for weight and balance and loading information.
- A pilot's initials on "Safe" in the "ADSB" box means that the AD or SB designated by the letter as described in the table below has been complied with and found satisfactory.  
Pilots can use no visual aids like a magnifying glass to conduct AD or SB inspections under Elementary Work.
- A pilot's initials in the "D1" box means that the following post flight inspections (as required) and post flight checks as per the Flight Manual have been conducted and found satisfactory

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Airbus AS 350 series</b><br>A) AD2010-0006 Part 2 T/R Pitch Change Links - Inspection (ASB 05.00.06 Para. 2B2)<br>B) AD2012-0257-E Part 1 Tail Rotor Laminated half bearing inspection - (EASB 05.00.71 - Paragraph 3.B.2)<br>C) AD2009-0039 Part 1 T/R Blade Insp. (SB05.00.40 Rev 2 Para. 2B1)<br>D) AD84-064-037(B)R3 Part 1 T/R Blade Spar (SB 05.11R5 1C (1))<br>E) AD2008-0044 Part 1 Seat Cushions and Sliding Doors (as required)<br><br><b>Daily Preflight Checks</b> - Daily BFF, ALF Checks as per POH requirements<br><b>15hr/7day Checks C/W during DI as per POH Sec 7, servicing, daily ops check</b><br><b>Onboard Cargo Hook</b> - tracked by hook hrs when hook in use only<br><br><b>Power Checks</b> - weekly or every 25 Hours, whichever comes first | <b>Eurocopter EC120B</b><br>A) AD 2010-0026-E Part 1 M/R Head - Rotor Hub Inspection. Perform a visual inspection to detect cracks in the inspection areas of the rotor hub (SB05A012R1, Part 2B2) Applies to all EC120's<br><br><b>Daily Preflight Checks</b> - Daily BFF, ALF Checks as per POH requirements<br><br><b>The following task must be conducted as part of the Daily Inspection:</b> Cargo control mechanical release check - Function Check prior to use<br><br><b>Onboard Cargo Hook</b> - tracked by hook hrs when hook in use only<br><br><b>Power Checks</b> - weekly or every 25 Hours, whichever comes first |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

AD's that apply to this A/C: A ✓ B ✓ C    D    E ✓

Pages 14501 to 14501

Date: 09 July 2015 to                     

**"Cert" column legend:**

A = "The maintenance described above has been performed in accordance with the applicable airworthiness requirements."

B = "The maintenance described above has been performed in accordance with the applicable airworthiness requirements and is subject to a satisfactory test flight."

C = "I have inspected the flight/engine controls or other item that was disturbed by the maintenance performed"

REGISTRATION: C-FXHPMANUFACTURER: AIRBUSMODEL: AS350BA/FX2SERIAL NUMBER: 8100

- See Weight and Balance Configurations for weight and balance and loading information
- A pilot's initials on "Satis." in the "AD/SB" box means that the AD or SB designated by the letter as described in the table below has been complied with and found satisfactory. Pilots can use **no visual aids** like a magnifying glass to conduct AD or SB inspections under Elementary Work.
- A pilot's initials in the "D.I." box means that the following post flight inspections (as required) and post flight checks as per the Flight Manual have been conducted and found satisfactory.

**Airbus AS 350 series**

- A) AD2010-0006 Part 2 T/R Pitch Change Links – Inspection {ASB 05 00.06 Para. 2B2}  
B) AD2012-0257-E Part 1 Tail Rotor Laminated half bearing inspection (EASB 05.00.71 – Paragraph 3.B.2)  
C) AD2009-0039 Part 1 T/R Blade Insp. {SB05 00.40 Rev.2 Para. 2B1}  
D) AD84-064-037(B)R3 Part 1 T/R Blade Spar {SB 05 11R5 1C (1)}  
E) AD2008-0044 Part 1 Seat Cushions and Sliding Doors (as required)

**Daily Preflight Checks** – Daily BFF, ALF Checks as per POH requirements  
**15hr/7day Checks C/W during DI as per POH Sec 7, servicing, daily ops check**

**Onboard Cargo Hook** – tracked by hook hrs when hook in use only

**Power Checks** – weekly or every 25 Hours, whichever comes first

**Eurocopter EC120B**

- A) AD 2010-0026-E Part 1 M/R Head – Rotor Hub Inspection. Perform a visual inspection to detect cracks in the inspection areas of the rotor hub {SB05A012R1, Part 2B2} Apply EC120's.

**Daily Preflight Checks** – Daily BFF, ALF Checks as per POH requirements

**The following task must be conducted as part of the Daily Inspection:** Cargo mechanical release check – Function Check prior to use

**Onboard Cargo Hook** – tracked by hook hrs when hook in use only

**Power Checks** – weekly or every 25 Hours, whichever comes first

AD's that apply to this A/C: A ☒ B ☒ C ☐ D ☐ E ☒

Pages 14501 to 14550

Date: 09 July 2018 to                     

**"Cert" column legend:**

A = "The maintenance described above has been performed in accordance with the applicable airworthiness requirements."

B = "The maintenance described above has been performed in accordance with the applicable airworthiness requirements, subject to a test flight."

C = "I have inspected the flight/engine controls or other item that was disturbed by the maintenance performed"

11/05/2018 09:29



11/05/2018 09:29



11/05/2018 09:30



11/05/2018 09:30



11/05/2018 09:30



11/05/2018 09:30



11/05/2018 09:30



11/05/2018 09:30



11/05/2018 09:30



11/05/2018 09:30



11/05/2018 09:30



11/05/2018 09:30



11/05/2018 09:30



11/05/2018 09:30



11/05/2018 09:30



11/05/2018 09:30





11/05/2018 09:32

CHARGE MAXI 120 kg  
MAX. LOAD 264 lb

XND

XND

11/05/2018 09:33















A/C SERIAL N° : 1057

WEIGHT :

C. OF G. :

DATE



eurocopter

MODEL DESIGNATION

EC 120 B

SERIAL NUMBER

1056

TYPE CERTIFICATE NUMBER

199

PRODUCTION ORGANISATION

APPROVAL NUMBER

DATE OF S

IT OF CONFORMITY

11600

ECS2033.15



eurocopter

MODEL DESIGNATION

EC 120 B

SERIAL NUMBER

1057

TYPE CERTIFICATE NUMBER

189

PRODUCTION ORGANISATION

APPROVAL NUMBER

DATE OF STATEMENT OF CONFORMITY:

11/99

JAR 21  
FC003

Transport  
Canada

## SPECIAL FLIGHT PERMIT

|                                                                                                                                                                                                                                                                                                                                                                                             |                |                                             |                             |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|---------------------------------------------|-----------------------------|
| Operator/Company<br>Opuslink                                                                                                                                                                                                                                                                                                                                                                |                | Flight Permit Application Number<br>2018-01 |                             |
| Aircraft<br>Airbus                                                                                                                                                                                                                                                                                                                                                                          | Model<br>H1200 | Serial Number<br>1057                       | Registration Mark<br>C-GOMC |
| Aircraft has met the applicable airworthiness requirements for the following reasons:<br>Logbook 4/8 past due. 24000 transponder/encoder check past due. Survival kit insp. past due. phases 1 through 6 inspections past due. 1500hrs insp. due on 28 March 2018. ELT annual check past due. Windshield cracked past acceptable limit.                                                     |                |                                             |                             |
| Aircraft is authorized to fly over the following territory:<br>From<br>Grande Prairie airport<br>To<br>High level airport (company facility)<br>Date (yyyy-mm-dd)<br>2018-03-26                                                                                                                                                                                                             |                |                                             |                             |
| Remarks:<br>Action to be taken prior to flight:<br>Windshield crack to be repaired as per AC43-13. Aircraft to be inspected by an AME to ensure it is fit and safe for flight including a satisfactory ground run and leak check and function of all systems. A logbook entry is required stating it is operating on a company flight permit. Flight permit is valid until 23 March 2018.   |                |                                             |                             |
| FLIGHT SHALL BE SUBJECT TO THE FOLLOWING STANDARD OPERATING LIMITATIONS:<br>Carry no passengers only - no passengers.<br>Carry no cargo and no other authority required prior to flight over this territory.<br>The value of cargo or other authority, performance of the permit is in any way degraded, or safety control is to be advised both in the flight plan and on initial contact. |                |                                             |                             |
| Is it subject to VMC? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No                                                                                                                                                                                                                                                                                                   |                |                                             |                             |
| SHALL BE OPERATED IN COMPLIANCE WITH THE FOLLOWING SPECIAL OPERATING LIMITATIONS:                                                                                                                                                                                                                                                                                                           |                |                                             |                             |
| Sole to verify statement has been entered in the Journey Log by:                                                                                                                                                                                                                                                                                                                            |                |                                             |                             |
| Flight under above limitations has been authorized by:                                                                                                                                                                                                                                                                                                                                      |                |                                             |                             |
| Form prepared by (if other than person signing below):                                                                                                                                                                                                                                                                                                                                      |                |                                             |                             |
| Signature<br>                                                                                                                                                                                                                                                                                                                                                                               |                |                                             |                             |
| Date (yyyy-mm-dd)<br>2018-03-05                                                                                                                                                                                                                                                                                                                                                             |                |                                             |                             |

Transport  
CanadaTransport  
Canada

## SPECIAL FLIGHT PERMIT

|                                          |                        |                                                      |                                                     |
|------------------------------------------|------------------------|------------------------------------------------------|-----------------------------------------------------|
| Name of Air Operator<br><b>Opekkhili</b> |                        | Flight Permit Authorization Number<br><b>2018-01</b> |                                                     |
| Aircraft Identification<br><b>A1004</b>  | Model<br><b>EC120B</b> | Serial Number<br><b>1057</b>                         | Registration and Registration Mark<br><b>C-GEMD</b> |

Record notes and notes the applicable airworthiness requirements for the following reasons:

cargo hook O/S past due, 24MHz transponder/encoder check past due, Survival kit insp. past due, phases 5 through 8 inspections past due, 1500hrs insp. due on 09 March 2018, ELT annual check past due, Windshield cracked past acceptable limit.

A ferry flight is authorized to a later status maintenance can be carried out according to the following itinerary:

|                                       |                                                    |                                        |
|---------------------------------------|----------------------------------------------------|----------------------------------------|
| From<br><b>Grande Prairie airport</b> | To<br><b>High Level airport (company facility)</b> | Date (yyyy-mm-dd)<br><b>2018-03-06</b> |
|---------------------------------------|----------------------------------------------------|----------------------------------------|

Intermediate stops (if any)

None

Action to be taken prior to flight

Windshield crack to be repaired as per AC43-13. Aircraft to be inspected by an AME to ensure it fit and safe for flight including a satisfactory ground run and leak check and function of all systems. A log book entry is required stating it is operating on a company flight permit. Flight permit is valid until 23 March 2018.

THE FLIGHT SHALL BE SUBJECT TO THE FOLLOWING STANDARD OPERATING LIMITATIONS:

- Essential crew members only - No passengers
- Permission of foreign civil aviation authority required prior to flight over their territory
- Where, by virtue of damage or unserviceability, performance of the aircraft is in any way degraded, air traffic control is to be advised both in the flight plan and on initial contact.

4. Flight is limited to VMC: ☒ Yes ☐ No

FLIGHT SHALL BE OPERATED IN COMPLIANCE WITH THE FOLLOWING SPECIAL OPERATING LIMITATIONS:

PRINT  
NAME

Safe for ferry statement has been entered in the Journey Log by:

Flight under above limitations has been authorized by:

Form prepared by (if other than person signing below):

Signature of Authorized Person

Date (yyyy-mm-dd)

2018-03-05

REGISTRATION: C-6EmuSERIAL NUMBER: 1057MANUFACTURER: AvcoMODEL: EC120BOps MSA# RAXE-4136-EC120B

- See Weight and Balance Configurations for weight and balance and loading information
- A pilot's initials on "Satin" in the "ADSB" box means that the AD or SB designated by the letter as described in the table below has been completed with all listed instructions
- Pilots can use **no** visual aids like a magnifying glass to conduct AD or SB inspections under Elementary Work.
- A pilot's initials in the "D1" box means that the following post flight inspections (as required) and post flight checks as per the Flight Manual have been conducted and found satisfactory.

**Airbus AS 350 series**

- A) AD2010-0006 Part 2 T/R Pitch Change Links - Inspection (ASB 05.00.06 Para. 2B2)
- B) AD2012-0257-E Part 1 Tail Rotor Laminated half bearing inspection (EASB 05.00.71 - Paragraph 3 B.2)
- C) AD2009-0039 Part 1 T/R Blade Insp (SB05.00.40 Rev 2 Para. 2B1)
- D) AD84-064-037(B)R3 Part 1 T/R Blade Spar (SB 05.11R5 1C 11)
- E) AD2008-0044 Part 1 Seat Cushions and Sliding Doors (as required)

**Daily Preflight Checks** - Daily BFF, ALF Checks as per POH requirements**15hr/7day Checks C/W during DI as per POH Sec 7, servicing, daily ops check.****Onboard Cargo Hook** - tracked by book hrs when book in use only**Power Checks** - weekly or every 25 Hours, whichever comes first**Eurocopter EC120B**

A) AD 2010-0026-E Part 1 M/R Head - Initial H/W Inspection Performs a visual inspection to detect cracks in the inspection areas of the rotor hub (SB05.06.12B, Part 2B2). Applies to all EC120's.

**Daily Preflight Checks** - Daily BFF, ALF Checks as per POH requirements**The following task must be conducted as part of the Daily Inspection:** Cargo control mechanical release check - Function Check prior to use**Onboard Cargo Hook** - tracked by book hrs when book in use only**Power Checks** - weekly or every 25 Hours, whichever comes firstAD's that apply to this A/C: A ☒ B ☐ C ☐ D ☐ E ☐Pages 14951 to 15000Date: 3 Sept 2015 to     **"Cert" column legend:**

A = "The maintenance described above has been performed in accordance with the applicable airworthiness requirements"

B = "The maintenance described above has been performed in accordance with the applicable airworthiness requirements and is subject to a satisfactory test flight."

C = "I have inspected the flight/engine controls or other item that was disturbed by the maintenance performed"

C-GEMU





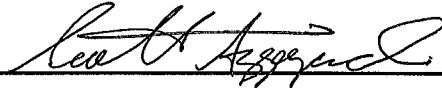








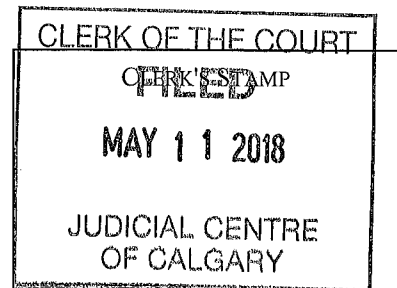
THIS IS EXHIBIT "21" REFERRED TO IN THE AFFIDAVIT OF  
ALGIS VAITONIS, SWORN BEFORE ME  
THIS 18<sup>TH</sup> DAY OF NOVEMBER, 2018

A handwritten signature in black ink, appearing to read "Scott Azzopardi", is written over a horizontal line.

SCOTT AZZOPARDI

A Notary Public in the Province of Ontario

FORM 10  
[RULE 3.25]



COURT FILE NUMBER

1801-06796

COURT

COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE

CALGARY

PLAINTIFF

**ECN AVIATION INC., successor in interest to  
ELEMENT FINANCIAL CORPORATION**

DEFENDANTS

**OPSMOBIL GROUP INC. (previously known  
as GEMINI HELICOPTERS INC., and the  
amalgamation successor to LYNN'S  
HELICOPTER LEASING LTD. and 810807  
ALBERTA LTD.), LYNN'S HELICOPTER  
LEASING LTD., 810807 ALBERTA LTD.,  
OPSMOBIL INC. and AIR DALLAIRE LTD.**

DOCUMENT

**STATEMENT OF CLAIM**

ADDRESS FOR SERVICE AND  
CONTACT INFORMATION OF  
PARTY FILING THIS DOCUMENT

**BENNETT JONES LLP**  
Barristers and Solicitors  
4500 Bankers Hall East  
855 – 2 Street SW  
Calgary, Alberta T2P 4K7  
  
Attention: Kelsey Meyer  
Telephone No.: 403-298-3323  
Fax No.: 403-265-7219  
Client File No.: 78704.1

**NOTICE TO DEFENDANTS**

You are being sued. You are a defendant.

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

**Note: State below only facts and not evidence (Rule 13.6)**

**Statement of facts relied on:**

**Parties**

1. The Plaintiff, ECN Aviation Inc., successor in interest to Element Financial Corporation, is extra-provincially incorporated pursuant to the laws of the Province of Alberta and carries on business in the Province of Alberta.
2. The Defendant, OpsMobil Group Inc., is incorporated pursuant to the laws of the Province of Alberta, carries on business in the Province of Alberta, and is the amalgamation successor to OpsMobil Group Inc., Lynn's Helicopter Leasing Ltd. and 810807 Alberta Ltd. OpsMobil Group Inc. was previously known as Gemini Helicopters Inc.
3. The Defendant, Lynn's Helicopter Leasing Ltd., amalgamated pursuant to the laws of the Province of Alberta to become OpsMobil Group Inc.
4. The Defendant, 810807 Alberta Ltd., amalgamated pursuant to the laws of the Province of Alberta to become OpsMobil Group Inc.
5. The Defendant, OpsMobil Inc., is incorporated pursuant to the laws of the Province of Alberta and carries on business pursuant to the laws of the Province of Alberta.
6. The Defendant, Air Dallaire Ltd., is incorporated pursuant to the laws of the Province of Alberta and carries on business in the Province of Alberta.

**Summary of Action**

7. The Defendant, OpsMobil Group Inc. (previously known as Gemini Helicopters Inc.), is the borrower (the "**Borrower**") pursuant to a loan agreement entered into with the Plaintiff. The loan was guaranteed by Lynn's Helicopter Leasing Ltd., 810807 Alberta Ltd. (each of which are amalgamation predecessors to the Borrower), Ops Mobil Inc. and Air Dallaire (collectively, the "**Guarantors**").
8. The Borrower has defaulted on the loan with the Plaintiff. That loan is secured by a security agreement in favour of the Plaintiff, granted by the Borrower. The Plaintiff has

demanded payment of the full amount outstanding on the loan from Borrower and the Guarantors, but payment has not been made by the Borrower or the Guarantors.

### **Aircraft Loan Agreement**

9. Capitalized terms used herein and not otherwise defined shall bear the meanings given to them in the Aircraft Loan Agreement dated March 28, 2014.
10. Pursuant to an Aircraft Loan Agreement dated March 28, 2014 (the "**Loan Agreement**"), the Plaintiff (the "**Lender**", on the date of the Loan Agreement, Plaintiff's predecessor in interest, Element Financial Corporation) agreed to provide a term loan facility to the Borrower on a non-revolving basis, for an amount up to but not exceeding the lesser of: (a) CDN\$1,600,000; or (b) 80% of the Fair Market Value of certain aircraft, which was to be used by the Borrower exclusively for the purposes of: (i) financing the acquisition of Aircraft 1 by the Borrower; and (ii) the refinancing of Aircraft 2.
11. Aircraft 1 and Aircraft 2 (collectively, the "**Aircraft**") are described and defined in the Loan Agreement as:

one (1) 1998 Eurocopter model AS350BA-FX-2 aircraft bearing manufacturer's serial number 3100 (described on the International Registry by free text entry as Eurocopter model AS350-BA manufacturer's serial number 3100) and Canadian registration marks C-FXHP, including one (1) Lycoming (Honeywell) model LTS101-700D2 engine installed on the airframe bearing manufacturer's serial number LE-43005C (described on the International Registry by free text entry as Honeywell model LTS 101 manufacturer's serial number LE43005)

("Aircraft 1"); and

one (1) 2000 Eurocopter model EC120B aircraft bearing manufacturer's serial number 1057 (described on the International Registry by free text entry as Eurocopter model EC120B manufacturer's serial number 1057) and Canadian registration marks C-GEMU, including one (1) Turbomeca model Arrius 2F engine installed on the airframe bearing manufacturer's serial number 34069 (described on the International Registry by free text entry as Turbomeca model Arrius 2F manufacturer's serial number 1057 (described on the International Registry by free text entry)

("Aircraft 2")

and all parts, accessories, appliances, appurtenances, components, furnishings, instruments, modules, navigational and communications equipment and all other goods, tangible, personal property and other equipment of whatever nature that may from time to time be incorporated or installed in or attached to the foregoing airframes, engines or auxiliary power unit, as the case may be, and all records, logs, maintenance records, manuals, technical data, training aids, computer software, and other materials relating to the airframes, engines, propellers or auxiliary power unit, as the case may be, and any property substituted for any of the foregoing.

12. Pursuant to the Loan Agreement, the parties agreed:

- (a) that the Borrower shall pay interest on the Outstanding Principal Amount of the Loan which shall accrue from day-to-day, and shall be calculated and compounded monthly in arrears at a rate as set out in the Loan Agreement (the "**Interest Rate**");
- (b) that any amount which is not paid when due, in principal, interest, fees, costs, accessories or otherwise shall bear interest at a rate per annum equal to twelve percent (12%) calculated and compounded daily (the "**Default Interest Rate**") and further, that interest at the applicable rates shall accrue and be payable before maturity and before and after default and judgment, with interest on overdue interest at the same rate;
- (c) that the Borrower shall make payments in sixty (60) equal successive blended monthly payments of principal and interest of CDN\$17,981.00 each calculated at the Interest Rate in effect at the time of the advance of the Loan using an amortization period of one hundred and twenty (120) months, on the first day of each and every month, with any remaining Outstanding Principal Amount due and payable on the Repayment Date of April 11, 2019; and
- (d) that as a specifically bargained inducement for the Lender to enter into the Loan Agreement and extend credit to the Borrower, the Borrower agreed to indemnify and hold the Lender harmless from and to reimburse the Lender for all attorneys' fees and for all costs, fees, damages, Taxes, expenses and liabilities incurred by the Lender (except as may arise solely from the gross negligence or willful

misconduct of the Lender) for which the Lender became obligated, as more specifically described in the Loan Agreement, all of which is part of the Indebtedness of the Borrower owed to the Lender payable upon demand and secured by the Security.

13. As a condition precedent to the advance of the Loan, the Borrower and each of the Guarantors (collectively, the "**Borrower Entities**" and each a "**Borrower Entity**") were required to authorize, execute, deliver and register, as general and continuing collateral security for the payment of all Indebtedness of each Borrower Entity owed to the Lender:

- (a) the Aircraft Security Agreement from the Borrower granting the Lender a first-priority Security Interest, International Interest and Associated Rights in the Aircraft, the related property, and all proceeds related thereto, registered: (i) in the Province of Alberta under the *Personal Property Security Act* (Alberta) and the Province of British Columbia *Personal Property Security Act* (British Columbia); and (ii) with the International Registry;
- (b) the Guarantee, from each Guarantor, of the obligations of the Borrower to the Lender;
- (c) a power of attorney (one per Aircraft) in favour of the Lender permitting the de-registration of the Aircraft with the Aviation Authority upon the occurrence and continuance of an Event of Default;
- (d) an irrevocable de-registration and exportation request authorization (IDERA) (one per Aircraft) in favour of the Lender regarding de-registration of the Aircraft with the Aviation Authority to be filed with the Aviation Authority;
- (e) a subordination agreement by the Operator with respect to each Lease Agreement; and
- (f) such other documents and security as reasonably requested by the Lender from time to time;

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

14. Pursuant to the Loan Agreement, the Borrower covenanted and agreed with the Lender that until the Outstanding Amount was paid in full, the Borrower would, among other things:
- (a) carry on business only as a helicopter holding company and lease the Aircraft only to OpsMobil Inc.;
  - (b) pay or cause to be paid to the Lender all principal, interest and fees;
  - (c) not sell, transfer or otherwise dispose of or enter into any agreement to sell, transfer or otherwise dispose, all or any part of the Aircraft and related proceeds charged by the Security without the prior written consent of the Lender;
  - (d) not enter into any corporate transaction (whether by way of reconstruction, reorganization, consolidation, amalgamation, merger or otherwise) or alter its share capital structure without the approval of the Lender, which such approval will not be unreasonably withheld or delayed;
  - (e) permit the Lender to inspect and/or conduct independent physical and desktop appraisals of the Aircraft and/or the Manuals and Technical Records;
  - (f) at its expense, at all times, service, repair, maintain and overhaul the Airframe, Engines, and Major Components, and replace all defective, lost, damaged, destroyed, worn out or unusable parts thereof, which may from time to time be incorporated or installed in or attached to or otherwise included as part of the Airframe Engines and Major Components: (i) so as to keep the Airframe, Engines and Major Components in good operating condition and conformity with standards maintained by major air carriers operating aircraft of the same type as the Airframe, Engines and Major Components in accordance with the Maintenance Programs; (ii) so as to keep the Airframe, Engines and Major Components in good operating condition in conformity with the standards maintained by the Borrower in respect to the other similar aircraft and engines in its fleet; and (iii) so as to keep the Airframe, Engines and Major Components in such operating and other condition and may be necessary to enable the Certificate

of Airworthiness issued by the Aviation Authority to be maintained in good standing under all applicable regulations of the Aviation Authority;

- (g) at its expense, at all times, maintain or cause to be maintained all records, logs and other documents required by the Aviation Authority and good airline practice to be maintained in respect of the Aircraft; and
  - (h) not maintain, use or operate the Aircraft in violation of any applicable Law or any rule, regulation or order of any government or governmental authority (domestic or foreign) having jurisdiction, or in violation of any Certificate of Airworthiness, license or registration applicable and relating to the Aircraft issued by any such authority, and to maintain the Aircraft in proper operating condition under applicable Laws, rules, regulations and orders.
15. The Parties further agreed that, provided no Event of Default or Default shall have occurred and be continuing, the Borrower could, without the prior consent of the Lender, among other things:
- (a) remove any of the Engines from the Aircraft, provided that such Engine remains free and clear of all Security Interests other than Permitted Encumbrances; and further provided that: (i) it shall inform the Lender of the location of the original Engines; (ii) at any time an original Engine has been removed from an Aircraft or any Airframe, the Borrower shall maintain insurance in respect of the removed Engine; and (iii) the Borrower shall be entitled to install on the Aircraft, for a period of up to ninety (90) days after the date of written notice to Lender of same, a replacement engine comparable to the Engine so removed; and, provided, further, that the Borrower shall promptly, but in any event within such ninety (90) day period, replace such replacement engine with the Engine so removed or an engine which shall: (i) be free and clear of all Security Interests other than Permitted Encumbrances; (ii) have the same make and model as the Engine so removed, or an improved or advanced version thereof; (iii) have a value and utility at least equal to, and being in as good operating condition as, the Engine so removed; (iv) be made subject to all rights, title and interest of the Lender under

the Security; and (v) cause the Lender to have a first-priority Security Interest in such installed engine, free and clear of all Security Interests other than Permitted Encumbrances;

- (b) remove any of the Major Components from an Aircraft; provided that such Major Components so removed remain free and clear of all Security Interests other than Permitted Encumbrances; and further provided that: (i) the Borrower shall inform the Lender of the location of such removed Major Components; (ii) at any time an original Major Component has been removed from an Aircraft or Airframe, the Borrower shall maintain insurance in respect of such removed Major Component; and (iii) the Borrower shall be entitled to install on the Aircraft, for a period of up to 90 days after written notice to the Lender of the Borrower's intention to do so, a replacement major component comparable to the Major Component so removed; and, provided, further, that the Borrower shall promptly, but in any event within such 90-day period replace such replacement major component with the Major Component so removed, or an engine which shall be free and clear of all Security Interests other than Permitted Encumbrances, which replacement shall have the same make and model as the Major Component so removed, or an improved or advanced version thereof, and a value and utility at least equal to, and being in as good operating condition as, the Major Component so removed; and which replacement shall be made subject to all rights, title and interest of the Lender under the Security and the Lender shall have a first priority Security Interest in such installed engine free and clear of all Security Interests other than Permitted Encumbrances;
- (c) at its expense, promptly replace or cause to be replaced all Parts (including any Major Components or any other Parts comprising part of an Engine, but not including a complete Engine) which may from time to time be incorporated or installed in or attached to an Aircraft and which may from time to time become worn out, lost, stolen, destroyed, seized, confiscated, damaged beyond repair, or unserviceable, otherwise than by reason of an Event of Loss; or, in the ordinary course of maintenance, service, repair, overhaul, or testing, the Borrower may

remove any Parts; provided that the Borrower shall replace such Parts as promptly as practicable; and all such replacement parts shall be free and clear of all Security Interests, except for Permitted Encumbrances, and shall be in good operating condition, and of the same value, utility and interchangeable modification status as the replaced Parts;

- (d) any Part at any time removed from the Aircraft shall be subject to the Security until such time as: (i) any replacement shall have been incorporated or installed in or attached to the applicable Aircraft, which replacement shall have a value and utility at least equal to that required by the terms of the Loan Agreement with respect to replacements; and (ii) title thereto shall have passed to the Borrower and such replacement parts shall have become subject to the Security, free and clear of all Security Interests except for Permitted Encumbrances immediately upon any replacement part becoming incorporated or installed in or attached to the applicable Aircraft as above; provided, such replacement part shall become subject to the Loan Agreement and the Security and be deemed part of the applicable Aircraft to the same extent as the Part originally incorporated or installed in or attached or related to the applicable Aircraft;
- (e) not, without the Lender's prior consent, make or permit to be made any major modifications or alterations (collectively referred to hereafter as "**Modifications**", as more particularly described in the Loan Agreement) to the Aircraft. All permitted Modifications shall be accomplished by the Borrower at the Borrower's expense. The Borrower shall: (i) provide advance copies of all drawings and data to be used by the Borrower in accomplishing such Modifications for the Lender's approval prior to such accomplishment, such approval not to be unreasonably withheld or delayed; and (ii) at the Borrower's expense, make such alterations, modifications and additions in or to the Aircraft as may be required to meet the standards of the Aviation Authority, the Federal Aviation Authority of the United States of America and any other equivalent Aviation Authority of any other jurisdiction to which the applicable Aircraft or the Borrower may be subject and required to maintain the Aircraft's certificate of airworthiness.

16. The parties agreed pursuant to the Loan Agreement that the Borrower shall furnish to the Lender:
- (a) promptly upon availability and in any event within sixty (60) days after the end of each fiscal quarter of any Borrower Entity, unaudited and internally prepared consolidated Financial Statements of such Borrower Entity; and
  - (b) promptly upon availability and in any event within one hundred twenty (120) days after the end of the fiscal year of any Borrower Entity, commencing with the fiscal year in which the Closing Date falls, the annual consolidated Financial Statements of such Borrower Entity prepared in accordance with GAAP;
- each as more particularly described in the Loan Agreement; and
- (c) promptly upon any Borrower Entity obtaining knowledge of any condition or event which constitutes a Default or an Event of Default, a certificate of a senior officer of such Borrower Entity specifying the nature and occurrence of such Default or Event of Default and what action such Borrower Entity has taken or proposes to take with respect thereto.
17. Pursuant to the Loan Agreement, the parties agreed that at all times during the Term of the Loan Agreement, including, without limiting the generality of the foregoing, upon the occurrence of any one or more of the following events which is still continuing (each being an "**Event of Default**"), the Lender may, without notice to the Borrower, forthwith cancel the Loan and declare all the Indebtedness to be immediately due and payable, whereupon all such Indebtedness (including any Prepayment Indemnity) shall become immediately due and payable without any notice or demand, and the Borrower expressly waives presentation, protest or other notice of any kind:
- (a) if the Borrower fails to pay when due the Outstanding Principal Amount, interest thereon or any part thereof as and when due;
  - (b) if the Borrower fails to pay when due any other amount payable under the Loan Agreement or any other Document within five (5) Business Days of its due date;

- (c) if a Borrower Entity fails to duly perform or observe any other term, condition or covenant (other than the obligation to maintain insurance), and fails to remedy any such failure within thirty (30) days after having received written notice from the Lender, contained in: (i) the Loan Agreement or any other Document; or (ii) any other document, agreement or instrument made between any Borrower Entity and the Lender;
  - (d) if any Borrower Entity abandons its undertaking, property and assets or any material part thereof, or ceases or threatens to cease to carry on business;
  - (e) if without the prior written consent of the Lender there occurs any change in the Control of the Borrower;
  - (f) if without the prior written consent of the Lender any Borrower Entity effects or passes an effective resolution authorizing: (i) any consolidation, merger or amalgamation with any Person unless the entity that survives any consolidation, merger or amalgamation assumes in writing all of the obligations of such Borrower Entity and is no less creditworthy, in the opinion of the Lender, than such Borrower Entity immediately prior to such consolidation, merger or amalgamation; or (ii) the disposition of all or a substantial part of its assets to one or more Persons;
  - (g) if there occurs any Material Adverse Change in the financial condition of any Borrower Entity, as determined in the Lender's sole discretion.
18. Pursuant to the Loan Agreement, upon the occurrence of an Event of Default which is continuing and at all times thereafter the Lender may, at its option, exercise any one or more remedies in the Loan Agreement, in any Document evidencing the Security, and any remedy available to the Lender under law or the Cape Town Convention, including but not limited to the following rights and remedies: (a) terminate any commitment to make an advance; (b) declare the Indebtedness to be immediately due and payable; (c) reduce any claim to judgment; (d) pursue and enforce any of the Lender's rights and remedies under the Documents or otherwise provided under or pursuant to any applicable

law or agreement; (e) avail itself of the benefits of Cape Town Alternative A and all other remedies under the Cape Town Convention with respect to the right to take possession of the Aircraft, Airframe or Engine; and (f) without notice to the Borrower or to any other Person, any such notice having been expressly waived, to set-off and appropriate any and all deposits (general or special, including but not limited to, indebtedness evidenced by certificates of deposit, whether matured or unmatured, but not including trust accounts) and any other indebtedness at any time held or owing by the Lender or any of its Affiliates or subsidiaries to or for the credit of any Borrower Entity against the Outstanding Amount.

19. The parties further agreed pursuant to the Loan Agreement that:

- (a) failure by the Lender to exercise any right, remedy or option under any Document or delay by the Lender in exercising such right, remedy or option will not operate as a waiver by the Lender of its right to exercise any such right, remedy or option. No waiver by the Lender will be effective unless it is in writing and then only to the extent specifically stated. The Lender's rights and remedies under the Documents will be cumulative and not exclusive of any other right or remedy which the Lender may have; and
- (b) demand, presentment, protest, notice of default, notice of acceleration, notice of intention to accelerate and notice of non-payment are waived by the Borrower. The Borrower also waives the benefit of all laws pertaining to or otherwise concerning any valuation, appraisal and exemption of the Borrower's property. Recourse to any security held by the Lender pursuant to the Loan Agreement is not be required at any time.

20. Pursuant to the Loan Agreement, the parties agreed to irrevocably submit to the non-exclusive jurisdiction of the Courts of the Province of Alberta.

### **The Guarantee**

21. The Guarantors entered into a guarantee with the Lender dated March 28, 2014 (the "**Guarantee**"). Pursuant to the Guarantee, each Guarantor unconditionally and

irrevocably guarantees to the Lender full and prompt payment and satisfaction when due, whether at stated maturity, by required payment, by acceleration, declaration, demand or otherwise, and at any times following when due, of all indebtedness, liabilities and obligations of the Borrower to the Lender, interest, and costs, as more particularly described in the Guarantee (the "**Guaranteed Indebtedness**"). Payment of the Guaranteed Indebtedness is required within fifteen (15) days after demand.

22. The Guarantors and the Lender specifically agree that the Lender is not bound to exhaust its recourse against any Borrower Entity or any other Person, or any security, before being entitled to payment from the Guarantors.
23. The Guarantors specifically acknowledge and agree that if they amalgamated with any other corporation or corporations, then the indebtedness, liabilities and obligations created by the Guarantee would become the indebtedness, liabilities and obligations of the amalgamated corporation.

#### **Lease Subordination Agreement**

24. The Defendant, OpsMobil Group Inc. (known at that time as Gemini Helicopters Inc.), leased the Aircraft to OpsMobil Inc. pursuant to a lease agreement dated February 19, 2014 (the "**Lease**").
25. Pursuant to a Lease Subordination Agreement dated as of March 28, 2014, the Defendant, OpsMobil Inc., agreed to subordinate all of its rights, title and interest in and to the Aircraft (including all rights to control, use, operate, possess or exercise any option to purchase the Aircraft) pursuant to the Lease or otherwise arising, to the right, security interests, title and interest therein of the Plaintiff.

#### **The Aircraft Security Agreement**

26. The Defendant, OpsMobil Group Inc. (known at that time as Gemini Helicopters Inc.), entered into an Aircraft Security Agreement with the Plaintiff dated March 28, 2014 (the "**Security Agreement**").

27. Pursuant to the Security Agreement, as general and continuing collateral security for the due and punctual payment and performance of all Obligations, the Defendant, OpsMobil Group Inc., granted, sold, assigned, conveyed, transferred, mortgaged, pledged and charged, as and by way of a fixed and specific mortgage, pledge and charge to and in favour of the Plaintiff and granted and created a security interest in the Aircraft, and:

- (a) all Associated Rights related to the Collateral;
- (b) all International Interests related to the Collateral;
- (c) all Leases and all rentals and other amounts due under any Lease;
- (d) all warranties of Aircraft, Engines and Parts to the extent the same relate to continuing rights of the Defendant, OpsMobil Group Inc., in respect of any warranty, indemnity or agreement, express or implied, as to title, workmanship, maintenance, repair, servicing, overhaul or design or patent infringement with respect to the Aircraft, Engines or Parts;
- (e) the benefit of any agreements, right, franchise, license or permit relating to the Aircraft and the operation thereof including, without limitation, any purchase agreement, bill of sale and operating agreement together with the rights of the Defendant, OpsMobil Group Inc., to receive, either directly or indirectly, from any Person, any payments due under such agreements;
- (f) all personal property related to the Aircraft including, without limitation, any and all accounts, intangibles, contract rights, inventory, equipment, money, drafts, instruments, deposit amounts or other tangible and intangible personal property; and
- (g) all proceeds and property in any form derived directly or indirectly from any dealing with any of the items set forth in paragraphs (a) and (f) above, including without limitation, any insurance proceeds, and the right of the Defendant, OpsMobil Group Inc., to receive such proceeds, and any other property that indemnifies or compensates for such property or undertaking destroyed, damaged,

expropriated, stolen or lost and proceeds of process whether of the same type, class or kind as the original proceeds; proceeds in the form of goods, accounts, notes, instruments, securities, money, trade-ins, chattel paper, documents and title, contract rights, rental payments, licenses, instruments and general intangibles incorporeal including all substitutions and replacements thereof, and the proceeds thereof, in whatever form, of any sale, charter, lease or disposition thereof and all substitutions and replacements of such items and any increases, additions and accessions thereto;

(collectively, the “**Collateral**”, with capitalized terms in this paragraph not otherwise defined herein bearing the meanings given to them in the Security Agreement).

28. Pursuant to the Security Agreement, the Defendant, OpsMobil Group Inc., agrees that if any Event of Default shall have occurred and be continuing, then the security interest granted pursuant to the Security Agreement becomes enforceable and in every such case, subject to any mandatory requirements, including applicable notice periods and the Secured Party, or a receiver acting in the name of the Secured Party, may, in addition to any rights existing under Applicable Law, and the Cape Town Convention, elect to exercise the following rights, remedies and powers:
- (a) declare any or all of the Obligations to be immediately due and payable;
  - (b) exercise all rights and remedies upon default, in foreclosure and otherwise, available to mortgagees or secured parties under the provisions of Applicable Law;
  - (c) personally, or by agents, receivers or attorneys, immediately take possession of the Collateral or any part thereof, from the Defendant, OpsMobil Group Inc., or any other person (including any lessee) who then has possession of any part thereof with or without notice or process of law, and for that purpose may enter upon any premises where all or any part of the Collateral is located and remove same and use in connection with such removal all services, supplies, aides and other facilities of OpsMobil Group Inc. or any lessee that the Plaintiff, in its

opinion, considers necessary, or, take possession of such premises with power to exclude OpsMobil Group Inc., its agents and servants from such premises;

- (d) commence, continue or defend proceedings in any court of competent jurisdiction in its own name or that of the Plaintiff or the Defendant, OpsMobil Group Inc.;
  - (e) sell, assign or otherwise liquidate, or direct the Defendant, OpsMobil Group Inc., to sell, assign or otherwise liquidate the Collateral or any part thereof, and take possession of the proceeds of any such sale or liquidation; and
  - (f) take possession of the Collateral or any part thereof, by directing OpsMobil Group Inc. in writing to deliver same to the Plaintiff at any place or places designated by the Plaintiff, in which event OpsMobil Group Inc. shall, at its own expense, comply therewith including in the case of the Aircraft:
    - (i) forthwith fly or cause to be flown all or any part of the Aircraft to such airport or airports in Canada so designated by the Plaintiff and there deliver the Aircraft to the Plaintiff;
    - (ii) store and keep all or any part of the Aircraft so delivered to the Plaintiff at such place or places pending further action by the Plaintiff; and
    - (iii) while all or any part of the Aircraft shall be so stored and kept, provide such security and maintenance services as shall be necessary to protect same and preserve and maintain it in the condition required by this Agreement.
29. Pursuant to the Security Agreement, the parties agreed that the Collateral, or any part thereof repossessed by the Plaintiff, whether or not physically so repossessed by the Plaintiff, may be sold, assigned, leased or otherwise disposed of under one or more contracts or in their entirety, in a commercially reasonable manner.
30. The parties specifically agreed that no delay or remission of the Plaintiff, or a receiver acting on behalf of the Plaintiff, to exercise any remedy shall impair any such remedy or shall be construed to be a waiver of any Event of Default or acquiescence therein.

31. The Defendant, OpsMobil Group Inc. agreed to yield up possession of the Collateral to the Plaintiff upon demand whenever the Plaintiff shall have a right of entry under the provisions of the Security Agreement and agreed to put no obstacles in the way of, but to facilitate by all legal means, the actions of the Plaintiff.
32. The parties further agreed that the Defendant, OpsMobil Group Inc., shall remain liable to the extent of any deficiency between the amounts of the proceeds of the Collateral or any part thereof in the aggregate amount of the Obligations required to be paid to the Plaintiff.

### **Further Security**

33. As agreed upon by the parties pursuant to the Loan Agreement, the Defendant, OpsMobil Group Inc., provided to the Plaintiff:
  - (a) a power of attorney (one per Aircraft) in favour of the Lender permitting the de-registration of the Aircraft with the Aviation Authority upon the occurrence and continuance of an Event of Default; and
  - (b) an irrevocable de-registration and exportation request authorization (IDERA) (one per Aircraft) in favour of the Lender regarding de-registration of the Aircraft with the Aviation Authority to be filed with the Aviation Authority.
34. Further, the Plaintiff's Security Interests were registered at the Alberta Personal Property Registry and with the International Registry.

### **Events of Default**

35. By letter dated August 8, 2017, the Plaintiff provided notice to the Defendants that a recent inspection of the Aircraft revealed extensive discrepancies in the condition of Aircraft 1, including, without limitation, that:
  - (a) the Engine was not mounted on the airframe;
  - (b) Aircraft 1 was partially disassembled with parts taken from Aircraft 1 and installed in other aircraft;

- (c) the main doors, flight manual, survivor kit, first aid kit, generator control unit, pilot seat belts, pilot seat cushions, tail rotor, tail gearbox cowling, tail rotor driveshaft cowlings, lower belly cowlings, cargo hook and suspension cables were missing;
  - (d) the main rotor blades and gearbox had been removed; and
  - (e) the Engine for Aircraft 1 was removed from the airframe on January 24, 2016 and was sent to Intermountain Turbine Services, Inc., in Utah, for service, which servicing has not commenced.
36. The Borrower had also confirmed to the Plaintiff, shortly before the letter dated August 8, 2017, that the annual consolidated Financial Statements, prepared in accordance with GAAP, of the Borrower had not yet been prepared, and, upon the Lender's request for the quarterly financial statements as required in accordance with the Loan Agreement, the Borrower refused to provide them.
37. The Borrower advised the Lender that the Borrower was using sixty percent to seventy percent of the Borrower's fleet of aircraft and that strained cash flow had adversely affected the Borrower's ability to maintain the Borrower's fleet of aircraft and meet certain other obligations.
38. By way of letter dated August 8, 2017, the Lender provided the Borrower and the Guarantors notice of the occurrence and continuation of multiple Events of Default under the Loan Agreement, and specifically, sections 10.1.14 (Maintenance of the Aircraft), 10.1.20 (Use of the Aircraft), 10.1.21 (Replacement of Parts), 10.1.22 (Alterations, Modifications and Additions), and 10.6 (Accounting, Financial Statements and Other Information).
39. Pursuant to Section 11.1.3 of the Loan Agreement, the Plaintiff gave the Borrower thirty (30) days from the date of its receipt of the notice to remedy each and every one of the Events of Default, together with any and all other Events of Default that may have occurred and be continuing of which the Plaintiff may have been unaware.

40. The Plaintiff also advised that immediately upon any failure to timely and fully to cure the continuing Events of Default identified in the letter dated August 8, 2017, that the Default Rate of interest of twelve (12) percent per annum would be imposed for the duration of the term of the Loan Agreement.
41. No response was received from the Defendants to the August 8, 2017 letter, other than acknowledgement of its receipt by representatives of one or more of the Defendants via email and telephone.
42. The Events of Default as set out in the letter dated August 8, 2017 are continuing and have not been cured.

#### **Further Events of Default**

43. On or about March 19 to 20, 2018, in accordance with the Loan Agreement, the Plaintiff arranged for an inspector to inspect the Aircraft, located at or near a hangar at the airport at Whitecourt, Alberta. With respect to Aircraft 1, the inspector observed and reported to the Plaintiff that:
  - (a) Aircraft 1 was unserviceable and stored outdoors;
  - (b) the engine had been removed and, as far as is known to the Plaintiff, remains in Utah for servicing and repair, which has not been completed, with no replacement engine installed in Aircraft 1;
  - (c) many components had been removed from Aircraft 1 and were indicated to be in storage:
    - (i) a hydraulic pressure switch, removed and in storage in Whitecourt;
    - (ii) the vertical speed indicator, removed and in storage in Grande Prairie, Alberta;
    - (iii) the essential bus relay, removed and in storage in Whitecourt; and
    - (iv) one boost pump, removed and in storage in Whitecourt; and

(d) many components had been removed from Aircraft 1 and installed on other aircraft that were not subject to security in favour of the Plaintiff (the “**Other Aircraft**”):

- (i) the tail rotor;
- (ii) the cargo hook and swing assembly, which had been removed and installed onto an Other Aircraft which had since been sold or otherwise transferred by the Borrower;
- (iii) both door struts;
- (iv) two bonding straps;
- (v) an anti-vibrator;
- (vi) both forward seatbelts;
- (vii) the first aid kit;
- (viii) the survival kit;
- (ix) the generator control unit;
- (x) the airspeed indicator;
- (xi) the oil cooler blower;
- (xii) the torque meter;
- (xiii) a boost pump; and
- (xiv) a bonding strap.

44. None of these parts removed from Aircraft 1 had been replaced with replacement parts as required pursuant to the terms of the Loan Agreement, and their removal and the

Defendants' failure to replace the same in accordance with the terms of the Loan Agreement constitute further Events of Default pursuant to the Loan Agreement.

45. On or about March 21 to 22, 2018, in accordance with the Loan Agreement, the Plaintiff arranged for an inspector to inspect Aircraft 2, located at or near a hangar at the airport at Grande Prairie, Alberta. With respect to Aircraft 2, the inspector observed and reported to the Plaintiff that:

- (a) the management of the Borrower had changed;
- (b) certain parts required repair, service or replacement, including:
  - (i) the directional gyro;
  - (ii) the cargo hook;
  - (iii) the tail gearbox;
  - (iv) the main gearbox;
  - (v) numerous inspections (required inspections of the transponder / encoder, survival kit, the Phases 5 through 8 inspections, the 1500 Hour inspection, the ELT, and the MGB 12 Year corrosion check) were past due; and
  - (vi) the windshield was cracked beyond allowable limits;

all constituting further Events of Default pursuant to the Loan Agreement.

**Notice of Events of Default dated April 17, 2018**

46. By letter dated April 17, 2018, the Plaintiff advised the Defendants that the Borrower had failed to pay the April 1, 2018 loan payment in the amount of CDN\$17,981.00, which was an additional Event of Default under the Security Agreement and the Loan Agreement, and noted that the Events of Default set out in the letter of August 8, 2017 had not been remedied and were continuing.

47. The Plaintiff provided notice to the Defendants that as a result of the Events of Default as set out in the letters dated August 8, 2017 and April 17, 2018, the entire Indebtedness, being CDN\$1,079,528.28 plus interest of CDN\$6,106.29 as of April 1, 2018 and any other charges provided for pursuant to the Loan Agreement, the Guarantee and the Security Agreement had become immediately due and payable, and demanded payment forthwith.
48. The April 17, 2018 letter was delivered to the Defendants on or about April 18, 2018.
49. The Defendant, OpsMobil Group Inc., paid the April 1, 2018 loan payment on April 30, 2018; however, it defaulted in paying its loan payment due May 1, 2018, along with the other continuing Events of Default referenced herein. The amount of the May 1, 2018 payment was ultimately obtained by the Lender by the Lender's debiting of such amount from a deposit account of the Borrower, as permitted pursuant to the Loan Agreement.
50. The Defendants have failed or refused to pay the outstanding Indebtedness owed to the Plaintiff, or to remedy the other continuing Events of Default referenced herein.
51. The Defendants, jointly and severally, owed the Plaintiff CDN\$1,079,528.28 as of April 1, 2018, plus interest, costs, and all other charges provided for pursuant to the Loan Agreement.

### **Conduct at Trial**

52. The Plaintiff proposes that the Trial of this Action be held at the Calgary Court Centre in Calgary, Alberta.

### **Remedy Sought:**

53. The Plaintiff claims against the Defendant, OpsMobil Group Inc.:
  - (a) a declaration that the Defendant, OpsMobil Group Inc., is in default of the Loan Agreement;
  - (b) a declaration that the Security held by the Plaintiff is valid and enforceable as against the Defendant, OpsMobil Group Inc.;

- (c) the appointment of a receiver and manager, or alternatively a receiver, over all of the assets, undertakings and property of the Defendant, OpsMobil Group Inc. that are secured in favour of the Plaintiff; and
  - (d) an Order approving the sale of the assets, undertakings and property of the Defendant, OpsMobil Group Inc., that are secured in favour of the Plaintiff, and directing that the proceeds of sale be paid to the Plaintiff.
54. The Plaintiff claims as against all of the Defendants, jointly and severally:
- (a) a declaration that the Guarantors are in default of the Guarantee of the Loan;
  - (b) judgment in the amount of CDN\$1,079,528.28 outstanding to the Plaintiff as of April 1, 2018, or in such other amount as may be proven at trial;
  - (c) interest at the default rate of 12% per annum in accordance with the terms of the Loan Agreement, or in the alternative, interest at a rate of interest otherwise in accordance with the terms of the Loan Agreement, or in the further alternative, interest pursuant to the provisions of the *Judgment Interest Act*, RSA 2000 c. J-1, or as otherwise deemed appropriate by this Honourable Court;
  - (d) solicitor-client costs of this Action, or costs on such other basis as this Honourable Court deems appropriate; and
  - (e) such further and other relief as to this Honourable Court may seem appropriate.

## **NOTICE TO THE DEFENDANTS**

You only have a short time to do something to defend yourself against this claim:

20 days if you are served in Alberta

1 month if you are served outside Alberta but in Canada

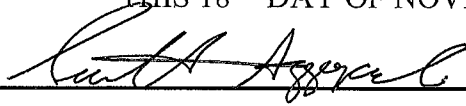
2 months if you are served outside Canada.

You can respond by filing a statement of defence or a demand for notice in the office of the clerk of the Court of Queen's Bench at Calgary, Alberta, AND serving your statement of defence or a demand for notice on the plaintiff(s)' address for service.

## **WARNING**

If you do not file and serve a statement of defence or a demand for notice within your time period, you risk losing the law suit automatically. If you do not file, or do not serve, or are late in doing either of these things, a court may give a judgment to the plaintiff(s) against you.

THIS IS EXHIBIT "22" REFERRED TO IN THE AFFIDAVIT OF  
ALGIS VAITONIS, SWORN BEFORE ME  
THIS 18<sup>TH</sup> DAY OF NOVEMBER, 2018

A handwritten signature in black ink, appearing to read "Scott Azzopardi", is written over a solid horizontal line.

SCOTT AZZOPARDI

A Notary Public in the Province of Ontario

ECN

7.24

Contractual / PPSA Seizure

Notice of Surrender

Civil Enforcement Agency File Number

ECN Aviation Inc. c/o Bennett Jones LLP

Creditor

vs.

Opsmobil Group Inc.

Debtor

## Notice of Surrender

TAKE NOTICE THAT pursuant to Section 58(5) of the Personal Property Act, I hereby surrender possession or the right of possession of the property seized as described in the attached Notice of Seizure of Personal Property dated the 14 day of JUNE 2018

to KELSEY MEYER / BENNETT JONES

Dated at CALGARY, Alberta, on 14 JUNE 2018

at 140 ~~AM~~/PM.

Bailiffs Signature

John Shortridge

Print Name

Signature of Creditor/Designated Agent to Whom Property is Surrendered

Kelsey Meyer

Print Name

Allied Shortridge Civil Enforcement Agency Inc.

Name of Civil Enforcement Agency

Suite 126, 1111 - 6 Ave S.W.

CALGARY

Address of Civil Enforcement Agency

City

ALBERTA

T2P 5M5

(403) 237-5468

(800) 643-3171

(403) 263-7313

(800) 462-0712

Province

Postal Code

Telephone Number

Fax Number

7.22

Contractual / PPSA Seizure

Form 5 - Notice of Seizure of Personal Property

Form 5  
Civil Enforcement Regulation

2012-010287

Civil Enforcement Agency File Number

## Notice of Seizure of Personal Property

TO: OpsMobil Group Inc.1600, 421 - 7th Avenue SW Calgary Alberta T2P 4K9

Name and Address of Debtor

Take notice that to satisfy a claim against you for the sum \$1,085,634.29 plus costs and related Writs, if applicableElement Financial Corporation / ECN Aviation Inc.c/o 4500, 855 - 2nd street SW Calgary Alberta T2P 4K7

Name and Address of Creditor

has caused the following personal property and personal property listed in the addendum to to be seized:

3 all log Books on C6 EMU + record  
all componentsAddendum attached listing additional property. ☒ Yes ☐ NoNotice of Objection applicable to this seizure. ☐ Yes ☒ NoDated at Calgary, Alberta, on May 11 - 2018Terry Wagman

Debtors Signature

Print Name

Allied Shortridge Civil Enforcement Agency Inc.

Name of Civil Enforcement Agency

Suite 126, 1111 - 6 Ave S.W.

CALGARY

allied.shortridge@shaw.ca

Address of Civil Enforcement Agency

ALBERTA

T2P 5M5

City

(403) 237-5468

(403) 263-7313

(800) 643-3171

(800) 462-0712

Province

Postal Code

Telephone Number

Fax Number

Page 1 of 1

Notice : If you have concerns about the way this seizure was conducted, contact the Civil Enforcement Agency listed above. If you are unable to resolve your concerns with the Civil Enforcement Agency, you may contact the Sheriff - Civil Enforcement at (780) 422-2481.

## NOTICE OF SEIZURE OF PERSONAL PROPERTY

TO: OPSMOBIL GROUP INC.

1600, 421 - 7 AVENUE SW, CALGARY, AB, T2P 4K9  
Name and Address of Debtor

Take notice that to satisfy a claim against you for \$1,085,634.29 Plus costs and related Writs, if applicable.

ECN AVIATION INC.

C/O 4500 BANKERS HALL EAST, 855 - 2 STREET SW, CALGARY, AB, T2P 4K7  
Name and Address of Creditor

has caused the following personal property and personal property listed in the addendum to be seized:

ALL COMPONENT LOG CARDS FOR 1998 EUROCOPTER - AS350BA-FX2 VIN # 3100

AND CFXHP 5/23/14 - July 15/15 & to 7/9/15 Tech Log Book (Hawthorne) & Reg Book

ALL COMPONENT LOG CARDS FOR 2000 EUROCOPTER EC120B VIN# 1057 AND CGEMU

Log Books (old & new)

Addendum attached listing additional property.

☐ Yes ☒ No *HW*

NOTICE OF OBJECTION IF APPLICABLE

☐ Yes ☒ No *HW*

STRIKE  
OUT  
IF NOT

If you object to the seizure, you must deliver the attached Notice of Objection within 15 days from the date of seizure to the Civil Enforcement Agency listed below within 15 days from the day that the seizure documents were served.

Dated at Calgary Alberta, on May 11 2015

Bailiff's Signature *JAW*

J.J. WOLSTENHOLME  
Print Name

ALLIED SHORTRIDGE CIVIL ENFORCEMENT AGENCY INC.  
Name of Civil Enforcement Agency

126, 1111 - 6<sup>TH</sup> AVENUE SW  
Address of Civil Enforcement Agency

CALGARY  
City

ALBERTA  
Province

T2P 5M5  
Postal Code

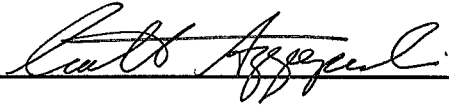
Allied.shorridge@shaw.ca  
E-mail

800-643-3171  
Telephone Number

800-462-0712  
Fax Number

Notice: If you have concerns about the way that this seizure was conducted, contact the Civil Enforcement Agency listed above. If you are unable to resolve your concerns with the Civil Enforcement Agency, you may contact the Sheriff - Civil Enforcement at (780) 422-2481.

THIS IS EXHIBIT "23" REFERRED TO IN THE AFFIDAVIT OF  
ALGIS VAITONIS, SWORN BEFORE ME  
THIS 18<sup>TH</sup> DAY OF NOVEMBER, 2018

A handwritten signature in cursive script, appearing to read "Scott Azzopardi", is written over a solid horizontal line.

SCOTT AZZOPARDI

A Notary Public in the Province of Ontario

I hereby certify this to be a true copy of  
the original order  
dated this 5 day of July 2018  
for Clerk of the Court

Clerk's stamp:



COURT FILE NUMBER 1801-09424

COURT OF QUEEN'S BENCH  
OF ALBERTA

JUDICIAL CENTRE CALGARY

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

AND IN THE MATTER OF A PLAN OF  
COMPROMISE OR ARRANGEMENT OF RANCH  
ENERGY CORPORATION, OPSMOBIL INC., 1734163  
ALBERTA INC., 1859821 ALBERTA INC., AIR  
DALLAIRE LTD., OPSMOBIL GROUP INC.,  
OPSMOBIL CONSTRUCTION INC., OPSMOBIL  
ENERGY SERVICES INC. and K.L. CAPITAL CORP.

APPLICANTS RANCH ENERGY CORPORATION, OPSMOBIL INC.,  
1734163 ALBERTA INC., 1859821 ALBERTA INC.,  
AIR DALLAIRE LTD., OPSMOBIL GROUP INC.,  
OPSMOBIL CONSTRUCTION INC., OPSMOBIL  
ENERGY SERVICES INC. and K.L. CAPITAL CORP.

RESPONDENT THIRD EYE CAPITAL CORPORATION

COURT FILE NUMBER 1801-09188

COURT OF QUEEN'S BENCH  
OF ALBERTA

JUDICIAL CENTRE CALGARY

IN THE MATTER OF THE RECEIVERSHIP OF  
OPSMOBIL INC., RANCH ENERGY CORPORATION,  
1734163 ALBERTA INC., 1859821 ALBERTA INC.,  
AIR DALLAIRE LTD., OPSMOBIL GROUP INC.,  
OPSMOBIL CONSTRUCTION INC., OPSMOBIL  
ENERGY SERVICES INC. and K.L. CAPITAL CORP.

APPLICANT THIRD EYE CAPITAL CORPORATION

RESPONDENTS RANCH ENERGY CORPORATION, OPSMOBIL INC.,  
1734163 ALBERTA INC., 1859821 ALBERTA INC.,  
AIR DALLAIRE LTD., OPSMOBIL GROUP INC.,  
OPSMOBIL CONSTRUCTION INC., OPSMOBIL

ENERGY SERVICES INC. and K.L. CAPITAL CORP.

DOCUMENT

ORDER FOR INTERIM STAY

ADDRESS FOR SERVICE AND  
CONTACT INFORMATION OF  
PARTY FILING THIS DOCUMENT

**Gowling WLG (Canada) LLP**  
1600 – 421 7<sup>th</sup> Ave SW  
Calgary, AB T2P 4K9  
Telephone: 403-298-1938 / 403-298-1831  
Facsimile: 403-695-695-3538  
Email: [tom.cumming@gowlingwlg.com](mailto:tom.cumming@gowlingwlg.com) /  
[anthony.mersich@gowlingwlg.com](mailto:anthony.mersich@gowlingwlg.com)  
File Number: V41817

**DATE ON WHICH ORDER WAS PRONOUNCED:** July 4, 2018

**NAME OF JUDGE WHO MADE THIS ORDER:** Honourable Justice B.E.C. Romaine

**LOCATION OF HEARING:** Calgary

UPON the application of (1) Ranch Energy Corporation, OPS Mobil Inc., 1734163 Alberta Inc., 1859821 Alberta Inc., Air Dallaire Ltd., OpsMobil Group Inc., OpsMobil Construction Inc., OpsMobil Energy Services Inc. and K.L. Capital Corp. (collectively, the “**Companies**”) for an initial order under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**” and such application the “**CCAA Application**”); and (2) the application of Third Eye Capital Corporation (“**Third Eye**”) to appoint Ernst & Young Inc. (“**E&Y**”) as receiver of the assets, undertakings and property of the Companies (the “**Receivership Application**”); AND UPON having read the *CCAA Application*, the Affidavit of Ryan Tobber sworn July 3, 2018, the Pre-Filing Report of Alvarez & Marsal Canada Inc., the proposed monitor in the *CCAA Application*, dated July 3, 2018, the Receivership Application, the Affidavit of Mark Horrox sworn June 28, 2018, the Affidavit of Casey Howell sworn July 4, 2018; and the Affidavit of Kenneth I. Mizera sworn June 29, 2018; AND UPON hearing counsel for the Companies and Third Eye; **IT IS HEREBY ORDERED AND DECLARED THAT:**

**SERVICE**

1. The time for service of the notice of application for this order is hereby abridged and deemed good and sufficient and this application is properly returnable today.

## APPLICATION

2. The Companies' application for an initial order pursuant to the *Companies' Creditors Arrangement Act*, RSC 1985, c C-36 is hereby adjourned to July 10, 2018 to be heard concurrently with the Receivership Application.
3. This Order is without prejudice to the respective positions of the Companies and Third Eye on the merits of the *CCAA* Application or the Receivership Application and any of the relief sought therein.

## POSSESSION OF PROPERTY AND OPERATIONS

4. The Companies shall:
  - (a) remain in possession and control of its current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the "**Property**");
  - (b) subject to further order of this Court, continue to carry on business in a manner consistent with the preservation of their business (the "**Business**") and Property; and
  - (c) be authorized and empowered to continue to retain and employ the employees, consultants, agents, experts, accountants, counsel and such other persons (collectively "**Assistants**") currently retained or employed by it, with liberty to retain such further Assistants as it deems reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order,

provided that notwithstanding the terms of this Order, until further Order of this Court, (i) Airborne Energy Solutions Inc. ("**AES**") shall continue to be in possession of and to operate the aerial surveillance and scanning, chemical spraying and local charter business (the "**Aircraft Assets**") that are the object of the purchase and sale agreement dated December 14, 2017 between OpsMobil and AES; and (ii) the revenues arising from the Assets will continue to be subject to the terms of the Order of the Honourable Madam Justice Eidsvik in Court of Queen's Bench of Alberta Action No. 1801-08383 pronounced on June 14, 2018 (the "**Aircraft Revenues**").

## NO PROCEEDINGS AGAINST THE *COMPANIES* OR THE PROPERTY

5. Until and including July 10, 2018 or such later date as this Court may order (the “**Stay Period**”), no proceeding or enforcement process in any court (each, a “**Proceeding**”) shall be commenced or continued against or in respect of the Companies, or affecting the Business or the Property of the Companies, except with leave of this Court, and any and all Proceedings currently under way against or in respect of the Companies or affecting the Business or the Property are hereby stayed and suspended pending further order of this Court, save and except for the filing and service of materials in relation to the Receivership Application.

## NO EXERCISE OF RIGHTS OR REMEDIES

6. During the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being “**Persons**” and each being a “**Person**”), whether judicial or extra-judicial, statutory or non-statutory against or in respect of the Companies, or affecting the Business or the Property of the Companies, are hereby stayed and suspended and shall not be commenced, proceeded with or continued except with leave of this Court, provided that nothing in this Order shall:
  - (a) empower the Companies to carry on any business which the Companies are not lawfully entitled to carry on;
  - (b) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by section 11.1 of the *CCAA*;
  - (c) prevent the filing of any registration to preserve or perfect a security interest; or
  - (d) prevent the registration of a claim for lien.
7. Nothing in this Order shall prevent any party from taking an action against the Companies where such an action must be taken in order to comply with statutory time limitations in order to preserve their rights at law, provided that no further steps shall be taken by such party except in accordance with the other provisions of this Order.

## **NO INTERFERENCE WITH RIGHTS**

8. During the Stay Period, no person shall accelerate, suspend, discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Companies, except with the written consent of the Companies, or leave of this Court.

## **CONTINUATION OF SERVICES**

9. During the Stay Period, all persons having:
- (a) statutory or regulatory mandates for the supply of goods and/or services; or
  - (b) oral or written agreements or arrangements with the Companies, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation, services, utility or other services to the Business or the Companies,
- are hereby restrained until further Order of this Court from discontinuing, altering, interfering with, suspending or terminating the supply of such goods or services as may be required by the Companies or exercising any other remedy provided under such agreements or arrangements. The Companies shall be entitled to the continued use of its current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the usual prices or charges for all such goods or services received after the date of this Order are paid by the Companies in accordance with the payment practices of the Companies, or such other practices as may be agreed upon by the supplier or service provider, or as may be ordered by this Court. Nothing in this Order has the effect of prohibiting a person from requiring immediate payment for goods, services, use of leased or licensed property or other valuable consideration provided on or after the date of this Order.

## **PROCEEDINGS AGAINST DIRECTORS AND OFFICERS**

10. During the Stay Period, and except as permitted by subsection 11.03(2) of the *CCAA*, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of the Companies with respect to any claim against the directors or

officers that arose before the date hereof and that relates to any obligations of the Companies whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a compromise or arrangement in respect of the Companies, if one is filed, is sanctioned by this Court or is refused by the creditors of the Companies or this Court or a receiver is appointed over its Property.

### **CRITICAL PAYMENTS DURING THE STAY PERIOD**

11. To the extent that the Companies believe necessary, Third Eye shall provide funds in accordance with the cash flows prepared by the Companies and approved by E&Y during the Stay Period up to the amount \$856,000 (the “**Borrowing Limit**”) to permit the Companies to pay the critical suppliers contemplated thereby (the “**Interim Borrowings**”), provided that all revenues received by any of the Companies party to and bound by the existing blocked account arrangements with Third Eye continue to be deposited in such blocked accounts, and further that a \$300,000 pre-payment contemplated by the cash flows has been deposited in such blocked accounts.
12. The Interim Borrowings shall bear interest at the rate of 12% per annum, calculated and compounded monthly, and payable on the earlier of the termination of the Stay Period or further order of this Court.
13. Third Eye shall be entitled to the benefits of and is hereby granted a charge (the “**Charge**”) on the Property to secure the Interim Borrowings, which charge shall not exceed an aggregate amount of the Borrowing Limit plus interest on advances under the Interim Borrowing, as security for the Interim Borrowings, the filing, registration or perfection of which Charge shall not be required, and which Charge shall be valid and enforceable for all purposes, including against any right, title or interest filed, registered, recorded or perfected subsequent to the Charge coming into existence, shall be treated as an interim charge for the purposes of section 11.2 of the *CCAA*, in the event that the *CCAA* Application is granted, and a charge under paragraph 19 of the draft order appointing a receiver, in the event that the Receivership Application is granted. If the *CCAA* Application is granted, the Charge will rank in priority to any other interim

financing charge granted pursuant to section 11.2 of the *CCAA*, provided that a party providing initial financing shall be entitled to payout such Interim Borrowings together with interest thereon and subrogate to Third Eye's position in respect of such Charge.

14. The Charge shall constitute a charge on the Property and subject always to section 34(11) of the *CCAA* such Charge shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**") in favour of any Person, provided that if it is determined by final decision of a court of competent jurisdiction that AES is entitled to the Aircraft Assets and the Aircraft Revenues, the Charge will not attach to the Aircraft Assets and the Aircraft Revenues to the extent of that entitlement.
15. The Charge shall not be rendered invalid or unenforceable and the rights and remedies of Third Eye thereunder shall not otherwise be limited or impaired in any way by:
  - (a) the pendency of these proceedings and the declarations of insolvency made in this Order;
  - (b) any application(s) for bankruptcy order(s) issued pursuant to *Bankruptcy and Insolvency Act* (the "**BIA**"), or any bankruptcy order made pursuant to such applications;
  - (c) the filing of any assignments for the general benefit of creditors made pursuant to the *BIA*;
  - (d) the provisions of any federal or provincial statutes; or
  - (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "**Agreement**") which binds the Applicants, and notwithstanding any provision to the contrary in any Agreement:

- (i) the creation of the Charge shall not shall create or be deemed to constitute a new breach by the Applicants of any Agreement to which it is a party; and
  - (ii) Third Eye shall have no any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the creation of the Charge; and
  - (iii) the granting of the Charge does not and will not constitute a preference, fraudulent conveyance, transfer at undervalue, oppressive conduct or other challengeable or voidable transactions under any applicable law.
16. Third Eye shall be treated as unaffected in any plan of compromise or arrangement filed by the Companies under the *CCAA*, or any proposal filed by the Companies under the *BIA*, with respect to the Interim Borrowings.

#### **GENERAL**

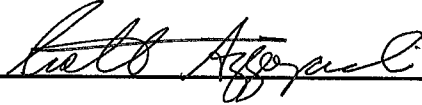
17. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this Order and to assist the Companies and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Companies as may be necessary or desirable to give effect to this Order, or to assist the Companies in carrying out the terms of this Order.
18. The Companies shall be at liberty and are hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.

19. This Order and all of its provisions are effective as of 12:01 a.m. Mountain Standard Time on the date of this Order.

A handwritten signature in black ink, consisting of stylized initials and a long horizontal stroke, positioned above a horizontal line.

Justice of the Court of Queen's Bench of Alberta

THIS IS EXHIBIT "24" REFERRED TO IN THE AFFIDAVIT OF  
ALGIS VAITONIS, SWORN BEFORE ME  
THIS 18<sup>TH</sup> DAY OF NOVEMBER, 2018

A handwritten signature in cursive script, appearing to read "Scott Azzopardi", is written over a horizontal line.

SCOTT AZZOPARDI

A Notary Public in the Province of Ontario

## Kelsey Meyer

---

**From:** Kelsey Meyer  
**Sent:** 09 July 2018 11:43 PM  
**To:** Cumming, Tom; Joseph Reynaud  
**Cc:** Michael Selnes; Mersich, Anthony; David Price  
**Subject:** Seizures of helicopters from OpsMobil Group Inc. [BJ-L.FID4223451]  
**Attachments:** Z10466659.pdf; Z10466662.pdf; Signed Notice of Disposition of Collateral.pdf; Notices of Seizures, May 11, 2018.pdf; Aircraft Security Agreement.pdf; International Registry Priority Search Certificate - ESN LE43005.pdf; International Registry Priority Search Certificate - ESN 34069.pdf; International Registry Search, s\_n 3100.pdf; International Registry Search, s\_n 1057.pdf

Tom and Joseph,

Thank you for the calls with each of you today regarding the above-noted matter. As you know from our respective discussions, my client is ECN Aviation Inc. ("ECN"), a secured creditor of OpsMobil Group Inc. On May 11, 2018, ECN, through its civil enforcement agents, effected a seizure of two helicopters and related log books, component log cards and maintenance records from OpsMobil Group Inc. The two helicopters were left on a bailee's undertaking, and the civil enforcement agent took possession of the log books, component log cards and maintenance records (which we've since determined are incomplete). ECN's security over the two helicopters is in first priority.

On Thursday, July 5, 2018, we couriered our Notice of Disposition of Collateral with respect to the two helicopters to each of OpsMobil Group Inc. and Third Eye Capital Corporation. We learned of your respective applications for an initial order pursuant to the CCAA and for a receivership order when the civil enforcement agents attended at the locations of each of the seized helicopters on Friday, July 6, 2018, for the purpose of taking possession of the same (at which time the civil enforcement agents were provided with a copy of the Interim Stay Order granted by Madam Justice Romaine).

It is our position that in the circumstances where ECN seized the two helicopters on May 11, 2018, long before the granting of the Interim Stay Order, that the two helicopters should not be subject to that order or to any initial order pursuant to the CCAA or a receivership order, and that ECN should be permitted to take possession of the two helicopters for the purpose of marketing and selling the same, in accordance with the PPSA. It is also our position that a CCAA proceeding or a receivership will not benefit ECN, in the circumstances where ECN has already seized the collateral secured in its favour, and as such, that ECN should not be prejudiced by court-ordered charges taking priority to ECN's security over that seized collateral.

As per our discussions today, I have put together a package of materials for each of you which support the above. Please find attached:

- Alberta Personal Property Registry searches of each of the above-noted Aircraft, which include the security registrations in favour of ECN Aviation Inc. over each of the two Aircraft as well as registration of the seizures of each of those Aircraft;
- International Registry searches demonstrating that ECN Aviation Inc. has registered its security interest over the Aircraft and the engines for those Aircraft with the International Registry;
- A copy of the Notices of Seizures of each of the Aircraft and of the related log books, log component cards and maintenance records, all of which were seized on May 11, 2018. Each of the Aircraft were seized on a bailee's undertaking, whereas the log books, component log cards and maintenance records were seized and physically

removed by the civil enforcement agency on that date (we have since become aware that these records are incomplete);

- A copy of the Aircraft Security Agreement entered into between the predecessor to OpsMobil Group Inc. and Element Financial Corporation, the predecessor in interest to ECN; and
- The Notice of Disposition of Collateral dated July 5, 2018, which was sent by courier to OpsMobil Group Inc. and to Third Eye Capital Corporation on that date.

As we also discussed, I recognize that you will not be able to review these materials and seek instructions on the same in advance of tomorrow morning's application.

In those circumstances, regardless of whether an initial order pursuant to the CCAA or a receivership order (or a further interim stay order) is granted tomorrow, I am writing to request that the order include the following language:

"This Order is without prejudice to the right of ECN Aviation Inc. to apply for an Order declaring that the assets of OpsMobil Group Inc. that were seized on May 11, 2018 on behalf of ECN Aviation Inc. are not subject to the provisions of this Order, and that ECN Aviation Inc. is entitled to take possession and dispose of the said assets, in accordance with the *Personal Property Security Act*, RSA 2000, c P-7."

If you have the opportunity in advance of tomorrow's applications, please advise if you agree to the inclusion of this language. Once tomorrow's application is addressed, I would ask that we then discuss a possible consent order making such declarations.

Thanks and regards,

Kelsey

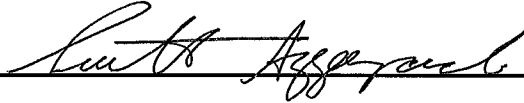


**Kelsey Meyer**  
**Partner\*, Bennett Jones LLP**  
**\*Denotes Professional Corporation**

4500 Bankers Hall East, 855 - 2nd Street SW, Calgary, AB, T2P 4K7  
T. 403 298 3323 | F. 403 265 7219  
E. [meyerk@bennettjones.com](mailto:meyerk@bennettjones.com)  
[BennettJones.com](http://BennettJones.com)



THIS IS EXHIBIT "25" REFERRED TO IN THE AFFIDAVIT OF  
ALGIS VAITONIS, SWORN BEFORE ME  
THIS 18<sup>TH</sup> DAY OF NOVEMBER, 2018

A handwritten signature in cursive script, appearing to read "Scott Azzopardi", is written over a solid horizontal line.

SCOTT AZZOPARDI

A Notary Public in the Province of Ontario

Clerk's stamp:



COURT FILE NUMBER: 1801-09424

COURT OF QUEEN'S BENCH OF  
ALBERTA

JUDICIAL CENTRE OF CALGARY

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

I hereby certify this to be a true copy of  
the original order

Dated this 10 day of July 2018

[Signature]  
for Clerk of the Court

AND IN THE MATTER OF A PLAN OF  
COMPROMISE OR ARRANGEMENT OF  
RANCH ENERGY CORPORATION, OPSMOBIL  
INC., 1734163 ALBERTA INC., 1859821  
ALBERTA INC., AIR DALLAIRE LTD.,  
OPSMOBIL GROUP INC., OPSMOBIL  
CONSTRUCTION INC., OPSMOBIL ENERGY  
SERVICES INC. and K.L. CAPITAL CORP.

APPLICANTS: RANCH ENERGY CORPORATION, OPSMOBIL  
INC., 1734163 ALBERTA INC., 1859821  
ALBERTA INC., AIR DALLAIRE LTD.,  
OPSMOBIL GROUP INC., OPSMOBIL  
CONSTRUCTION INC., OPSMOBIL ENERGY  
SERVICES INC. and K.L. CAPITAL CORP.

RESPONDENT: THIRD EYE CAPITAL CORPORATION

DOCUMENT: INITIAL ORDER

ADDRESS FOR SERVICE OF PARTY  
FILING DOCUMENT

**Gowling WLG (Canada) LLP**  
1600 – 421 7<sup>th</sup> Ave SW  
Calgary, AB T2P 4K9  
Telephone: 403-298-1938 / 403-298-1831  
Facsimile: 403-695-695-3538  
Email: [tom.cumming@gowlingwlg.com](mailto:tom.cumming@gowlingwlg.com) /  
[anthony.mersich@gowlingwlg.com](mailto:anthony.mersich@gowlingwlg.com)  
File Number: V41817

DATE ON WHICH ORDER WAS PRONOUNCED: July 10, 2018

NAME OF JUDGE WHO MADE THIS ORDER: The Honourable Madam Justice  
B.E.C. Romaine

LOCATION OF HEARING: Calgary

**UPON** the application of Ranch Energy Corporation, OPS Mobil Inc., 1734163 Alberta Inc., 1859821 Alberta Inc., Air Dallaire Ltd., OpsMobil Group Inc., OpsMobil Construction Inc., OpsMobil Energy Services Inc. and K.L. Capital Corp. (collectively, the “**Applicants**”); **AND UPON** having read the Originating Application and the first and second Affidavit of Ryan Tobber; **AND UPON** hearing the consent of Ernst & Young Inc. to act as Monitor and upon noting that the secured creditors who are likely to be affected by the charges created herein have been provided notice of this application; **AND UPON** hearing counsel for the Applicants and Third Eye Capital Corporation (the “**Interim Lender**”); **AND UPON** having previously granted an interim stay order in respect of the Applicants on July 4, 2018 (the “**Interim Stay Order**”), pursuant to which a stay of proceedings in favour of the Companies was issued until and including July 10, 2018, and an emergency interim financing in an amount of \$856,000 guaranteed by a super-priority charge over the assets of the Companies was provided by the Interim Lender; **IT IS HEREBY ORDERED AND DECLARED THAT:**

#### **SERVICE**

1. The time for service of the notice of application for this order is hereby abridged and deemed good and sufficient and this application is properly returnable today.

#### **APPLICATION**

2. The Applicants are each companies to which the *CCAA* applies.

#### **PLAN OF ARRANGEMENT**

3. The Applicants shall have the authority to file and may, subject to further order of this Court, file with this Court a plan of compromise or arrangement (hereinafter referred to as the “**Plan**”).

#### **POSSESSION OF PROPERTY AND OPERATIONS**

4. The Applicants shall, subject to the Monitor’s supervision:
  - (a) remain in possession and control of their current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the “**Property**”);

- (b) subject to further order of this Court, continue to carry on business in a manner consistent with the preservation of business (the “**Business**”) and Property; and
- (c) be authorized and empowered to continue to retain and employ the employees, consultants, agents, experts, accountants, counsel and such other persons (collectively “**Assistants**”) currently retained or employed by them, with liberty to retain such further Assistants as they deem reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order,

provided that notwithstanding the terms of this Order, until further Order of this Court: (i) Airborne Energy Solutions Inc. (“**AES**”) shall continue to be in possession of and to operate the aerial surveillance and scanning, chemical spraying and local charter business (the “**Aircraft Assets**”) that are the object of the purchase and sale agreement dated December 14, 2017 between OpsMobil and AES; and (ii) the revenues from the Aircraft Assets, including those revenues subject to the terms of the Order of the Honourable Madam Justice Eidsvik in Court of Queen’s Bench of Alberta Action No. 1801-08383 pronounced on June 14, 2018, (the “**Aircraft Revenues**”) shall be dealt with as contemplated by such Order.

5. Subject to the supervision of the Monitor and to the extent permitted by law, the Applicants shall be entitled but not required to pay the following expenses, incurred prior to or after this Order:
  - (a) all outstanding and future wages, salaries, employee and pension benefits, vacation pay and expenses payable on or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements;
  - (b) the fees and disbursements of any Assistants retained or employed by the Applicants in respect of these proceedings, at their standard rates and charges; and
  - (c) amounts owing to suppliers that the Monitor has determined are critical to the continued operations of the Applicants and are provided for in the Cashflows (as hereinafter defined).

6. Except as otherwise provided to the contrary herein, the Applicants shall, subject to the supervision of the Monitor, be entitled but not required to pay all reasonable expenses incurred by the Applicants in carrying on the Business in the ordinary course after this Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

- (a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors and officers insurance), maintenance and security services; and
- (b) payment for goods or services actually supplied to the Applicants following the date of this Order.

7. The Applicants shall remit, in accordance with legal requirements, or pay:

- (a) any statutory deemed trust amounts in favour of the Crown in Right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without limitation, amounts in respect of:

- (i) employment insurance,
- (ii) Canada Pension Plan, and
- (iv) income taxes,

but only where such statutory deemed trust amounts arise after the date of this Order, or are not required to be remitted until after the date of this Order, unless otherwise ordered by the Court;

- (b) all goods and services or other applicable sales taxes (collectively, "**Sales Taxes**") required to be remitted by the Applicants in connection with the sale of goods and services by the Applicants, but only where such Sales Taxes are accrued or collected after the date of this Order, or where such Sales Taxes were accrued or collected prior to the date of this Order but not required to be remitted until on or after the date of this Order; and

- (c) any amount payable to the Crown in Right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the Applicants.
8. Until a real property lease is disclaimed or resiliated in accordance with the *CCAA*, the Applicants may pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable as rent to the landlord under the lease) based on the terms of existing lease arrangements or as otherwise may be negotiated by the Applicants from time to time for the period commencing from and including the date of this Order ("**Rent**"), but shall not pay any rent in arrears.
  9. Except as specifically permitted in this Order, the Applicants are hereby directed, until further order of this Court:
    - (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Applicants to any of their creditors as of the date of this Order;
    - (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of their Property; and
    - (c) not to grant credit or incur liabilities except in the ordinary course of the Business.

## RESTRUCTURING

10. The Applicants shall, in consultation with and under the supervision of the Monitor, and subject to such requirements as are imposed by the *CCAA*, have the right to:
  - (a) permanently or temporarily cease, downsize or shut down any of their business or operations and to dispose of redundant or non-material assets not exceeding \$100,000 in any one transaction or \$500,000 in the aggregate, provided that any sale that is either (i) in excess of the above thresholds, or (ii) in favour of a person

- related to the Applicants (within the meaning of section 36(5) of the *CCAA*), shall require authorization by this Court in accordance with section 36 of the *CCAA*;
- (b) terminate the employment of such of their employees or temporarily lay off such of their employees as they deem appropriate on such terms as may be agreed upon between the Applicants and such employee, or failing such agreement, to deal with the consequences thereof in the Plan; and
  - (c) pursue all avenues of refinancing of its Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing,

all of the foregoing to permit the Applicants to proceed with an orderly restructuring of the Business (the “**Restructuring**”).

11. The Applicants shall provide each of the relevant landlords with notice of the Applicants’ intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal. If the landlord disputes the Applicants’ entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Applicants, or by further order of this Court upon application by the Applicants on at least two (2) days’ notice to such landlord and any such secured creditors. If the Applicants disclaim or resiliate the lease governing such leased premises in accordance with section 32 of the *CCAA*, they shall not be required to pay Rent under such lease pending resolution of any such dispute (other than Rent payable for the notice period provided for in section 32(5) of the *CCAA*, and the disclaimer or resiliation of the lease shall be without prejudice to the Applicants’ claim to the fixtures in dispute.
12. If a notice of disclaimer or resiliation is delivered pursuant to section 32 of the *CCAA*, then:
  - (a) during the notice period prior to the effective time of the disclaimer or resiliation, the landlord may show the affected leased premises to prospective tenants during

normal business hours, on giving the Applicants and the Monitor 24 hours' prior written notice; and

- (b) at the effective time of the disclaimer or resiliation, the relevant landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims or rights such landlord may have against the Applicants in respect of such lease or leased premises and such landlord shall be entitled to notify the Applicants of the basis on which it is taking possession and to gain possession of and re-lease such leased premises to any third party or parties on such terms as such landlord considers advisable, provided that nothing herein shall relieve such landlord of its obligation to mitigate any damages claimed in connection therewith.

#### **NO PROCEEDINGS AGAINST THE APPLICANTS OR THE PROPERTY**

- 13. Until and including July 20, 2018, or such later date as this Court may order (the "**Stay Period**"), no proceeding or enforcement process in any court (each, a "**Proceeding**") shall be commenced or continued against or in respect of the Applicants or the Monitor, or affecting the Business or the Property, except with leave of this Court, and any and all Proceedings currently under way against or in respect of the Applicants or affecting the Business or the Property are hereby stayed and suspended pending further order of this Court.

#### **NO EXERCISE OF RIGHTS OR REMEDIES**

- 14. During the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being "**Persons**" and each being a "**Person**"), whether judicial or extra-judicial, statutory or non-statutory against or in respect of the Applicants or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended and shall not be commenced, proceeded with or continued except with leave of this Court, provided that nothing in this Order shall:
  - (a) empower the Applicants to carry on any business which the Applicants are not lawfully entitled to carry on;

- (b) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by section 11.1 of the *CCAA*;
  - (c) prevent the filing of any registration to preserve or perfect a security interest; or
  - (d) prevent the registration of a claim for lien.
15. Nothing in this Order shall prevent any party from taking an action against the Applicants where such an action must be taken in order to comply with statutory time limitations in order to preserve their rights at law, provided that no further steps shall be taken by such party except in accordance with the other provisions of this Order, and notice in writing of such action be given to the Monitor at the first available opportunity.

#### **NO INTERFERENCE WITH RIGHTS**

16. During the Stay Period, no person shall accelerate, suspend, discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Applicants, except with the written consent of the Applicants and the Monitor, or leave of this Court.

#### **CONTINUATION OF SERVICES**

17. During the Stay Period, all persons having:
- (a) statutory or regulatory mandates for the supply of goods and/or services; or
  - (b) oral or written agreements or arrangements with the Applicants, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation, services, utility or other services to the Business or the Applicants

are hereby restrained until further Order of this Court from discontinuing, altering, interfering with, suspending or terminating the supply of such goods or services as may be required by the Applicants or exercising any other remedy provided under such agreements or arrangements. The Applicants shall be entitled to the continued use of its current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the usual prices or charges for all such goods or services received after the date of this Order are paid by the Applicants in accordance

with the payment practices of the Applicants, or such other practices as may be agreed upon by the supplier or service provider and each of the Applicants and the Monitor, or as may be ordered by this Court. Nothing in this Order has the effect of prohibiting a person from requiring immediate payment for goods, services, use of leased or licensed property or other valuable consideration provided on or after the date of this Order.

#### **NO OBLIGATION TO ADVANCE MONEY OR EXTEND CREDIT**

18. Notwithstanding anything else contained in this Order, no creditor of the Applicants shall be under any obligation on or after the date of this Order to advance or re-advance any monies or otherwise extend any credit to the Applicants.

#### **PROCEEDINGS AGAINST DIRECTORS AND OFFICERS**

19. During the Stay Period, and except as permitted by subsection 11.03(2) of the *CCAA* and paragraph 15 of this Order, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of the Applicants with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of the Applicants whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a compromise or arrangement in respect of the Applicants, if one is filed, is sanctioned by this Court or is refused by the creditors of the Applicants or this Court.

#### **DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE**

20. The Applicants shall indemnify its directors and officers against obligations and liabilities that they may incur as directors and or officers of the Applicants after the commencement of the within proceedings except to the extent that, with respect to any officer or director, the obligation was incurred as a result of the director's or officer's gross negligence or wilful misconduct.
21. The directors and officers of the Applicants shall be entitled to the benefit of and are hereby granted a charge (the "**Directors' Charge**") on the Property, which charge shall not exceed an aggregate amount of \$100,000, as security for the indemnity provided in

paragraph 20 of this Order. The Directors' Charge shall have the priority set out in paragraphs 35 and 37 herein.

22. Notwithstanding any language in any applicable insurance policy to the contrary:
- (a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors' Charge; and
  - (b) the Applicants' directors and officers shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under any directors' and officers' insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph 20 of this Order.

#### **APPOINTMENT OF MONITOR**

23. Ernst & Young Inc. is hereby appointed pursuant to the *CCAA* as the Monitor, an officer of this Court, to monitor the Property, Business and financial affairs and the Applicants with the powers and obligations set out in the *CCAA* or set forth herein and that the Applicants and its shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Applicants pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.
24. The Monitor, in addition to its prescribed rights and obligations under the *CCAA*, is hereby directed and empowered to:
- (a) monitor the Applicants' receipts and disbursements, Business and dealings with the Property;
  - (b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein and immediately report to the Court if in the opinion of the Monitor there is a material adverse change in the financial circumstances of the Applicants;

- (c) assist the Applicants, to the extent required by the Applicants, in its dissemination to the Interim Lender and its counsel on a bi-weekly basis of financial and other information as agreed to between the Applicants and the Interim Lender which may be used in these proceedings, including reporting on a basis as reasonably required by the Interim Lender;
- (d) advise the Applicants in its preparation of the Applicants' cash flow statements and reporting required by the Interim Lender, which information shall be reviewed with the Monitor and delivered to the Interim Lender and its counsel on a periodic basis, but not less than monthly, or as otherwise agreed to by the Interim Lender;
- (e) advise the Applicants in its development of the Plan and any amendments to the Plan;
- (f) advise the Applicants, to the extent required by the Applicants, with the holding and administering of creditors' or shareholders' meetings for voting on the Plan;
- (g) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form and other financial documents of the Applicants to the extent that is necessary to adequately assess the Applicants' Property, Business and financial affairs or to perform its duties arising under this Order;
- (h) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order;
- (i) hold funds in trust or in escrow, to the extent required, to facilitate settlements between the Applicants and any other Person;
- (j) perform such other duties as are required by this Order or by this Court from time to time; and
- (k) subject to paragraph 4 hereof, open trust accounts to hold all revenues and funds received by the Applicants and permit payments from such accounts to pay amounts contemplated by the 13 week cash flow projections of the Applicants

which have been reviewed and approved by the Monitor (collectively, the “**Cash Flows**”), provided that the payment of such amounts are approved in advance by the Monitor.

25. Subject to paragraph 24(k) hereof, the Monitor shall not take possession of the Property. The Monitor shall take no part whatsoever in the management of the Business and shall not, by fulfilling its obligations hereunder, or by inadvertence in relation to the due exercise of powers or performance of duties under this Order, be deemed to have taken or maintain possession or control of the Business or Property, or any part thereof. Nothing in this Order shall require the Monitor to occupy or to take control, care, charge, possession or management of any of the Property that might be environmentally contaminated, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal or waste or other contamination, provided however that this Order does not exempt the Monitor from any duty to report or make disclosure imposed by applicable environmental legislation.
26. The Monitor shall provide any creditor of the Applicants and the Interim Lender with information provided by the Applicants in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Applicants is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Applicants may agree.
27. The Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the *CCAA* or any applicable legislation.
28. The Monitor, counsel to the Monitor and counsel to the Applicants shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, by the

Applicants as part of the costs of these proceedings. The Applicants are hereby authorized and directed to pay the accounts of the Monitor, counsel for the Monitor and counsel for the Applicants on a weekly basis.

29. The Monitor and its legal counsel shall pass their accounts from time to time.
30. The Monitor, counsel to the Monitor, if any, and the Applicants' counsel, as security for the professional fees and disbursements incurred both before and after the granting of this Order, shall be entitled to the benefits of and are hereby granted a charge (the "**Administration Charge**") on the Property, which charge shall not exceed an aggregate amount of \$200,000, as security for their professional fees and disbursements incurred at the normal rates and charges of the Monitor and such counsel, both before and after the making of this order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs 37 and 37 hereof.

#### **INTERIM FINANCING**

31. The Companies are hereby authorized and empowered to obtain and borrow under a credit facility from the Interim Lender in order to finance the Borrowers' working capital requirements and other general corporate purposes and capital expenditures, provided that borrowings under such credit facility shall not exceed, unless permitted by further order of this Court, a total amount of \$1,356,000 (the "**Interim Financing**"), which Interim Financing includes the amount of \$856,000 already advanced by the Interim Lender as "Interim Borrowings" pursuant to the Interim Stay Order.
32. The Interim Financing shall be provided on terms and subject to the conditions that apply to the Interim Borrowings approved by this Court in the Interim Stay Order of July 4, 2018.
33. The Interim Lender shall be entitled to the benefits of and is hereby granted a charge (the "**Interim Lender's Charge**") on the Property to secure all obligations in connection with the Interim Borrowings and the Interim Financing incurred on or after the date of the Interim Stay Order, which charge shall not exceed the aggregate amount advanced on or after the date of the Interim Stay Order, plus applicable interest. The Interim Lender's Charge shall have the priority set out in paragraphs 37 and 37 hereof.

34. Notwithstanding any other provision of this Order, paragraphs 14 to 16 of the Interim Stay Order shall apply to the Interim Financing and to the Interim Lender's Charge.

#### **VALIDITY AND PRIORITY OF CHARGES**

35. The priorities of the Interim Lender's Charge, the Administration Charge and the Directors' Charge, shall be as follows:

First – Interim Lender's Charge up to the amount set out in paragraph 31 of this Initial Order;

Second – Administration Charge (to the maximum amount of \$200,000); and

Third – Directors' Charge (to the maximum amount of \$100,000).

36. The filing, registration or perfection of the Directors' Charge, the Administration Charge or the Interim Lender's Charge (collectively, the "**Charges**") shall not be required, and the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.
37. Each of the Directors' Charge, the Administration Charge and the Interim Lender's Charge (all as constituted and defined herein) shall constitute a charge on the Property and subject always to section 34(11) of the CCAA such Charges shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**") in favour of any Person, provided that if it is determined by final decision of this Court that AES is entitled to the Aircraft Assets and the Aircraft Revenues, the Charges will not attach to the Aircraft Assets and the Aircraft Revenues to the extent of that entitlement.
38. Except as otherwise expressly provided for herein, or as may be approved by this Court, the Applicants shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the Directors' Charge, the Administration Charge or the Interim Lender's Charge, unless the Applicants also obtain the prior written consent of the Monitor, the Interim Lender and the beneficiaries of the Directors' Charge and the Administration Charge, or further order of this Court.

39. The Directors' Charge, the Administration Charge and the Interim Lender's Charge shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges and/or the Interim Lender thereunder shall not otherwise be limited or impaired in any way by:

- (a) the pendency of these proceedings and the declarations of insolvency made in this Order;
- (b) any application(s) for bankruptcy order(s) issued pursuant to *BIA*, or any bankruptcy order made pursuant to such applications;
- (c) the filing of any assignments for the general benefit of creditors made pursuant to the *BIA*;
- (d) the provisions of any federal or provincial statutes; or
- (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "**Agreement**") which binds the Applicants, and notwithstanding any provision to the contrary in any Agreement:
  - (i) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of any documents in respect thereof, including the Commitment Letter or the Definitive Documents, shall create or be deemed to constitute a new breach by the Applicants of any Agreement to which it is a party;
  - (ii) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the creation of the Charges, or the Applicants entering into the Commitment Letter, or execution, delivery or performance of the Definitive Documents; and
  - (iii) the payments made by the Applicants pursuant to this order, including the Commitment Letter or the Definitive Documents, and the granting of the Charges, do not and will not constitute preferences, fraudulent

conveyances, transfers at undervalue, oppressive conduct or other challengeable or voidable transactions under any applicable law.

## ALLOCATION

40. Any interested Person may apply to this Court on notice to any other party likely to be affected, for an order to allocate the Administration Charge, the Interim Lender's Charge and the Directors' Charge amongst the various assets comprising the Property.

## SERVICE AND NOTICE

41. The Monitor shall (i) without delay, publish in the Calgary Herald and the Daily Oil Bulletin, a notice containing the information prescribed under the *CCAA*; (ii) within five (5) days after the date of this Order (A) make this Order publicly available in the manner prescribed under the *CCAA*, (B) send, in the prescribed manner, a notice to every known creditor who has a claim against the Applicants of more than \$1,000 and (C) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with section 23(1)(a) of the *CCAA* and the regulations made thereunder.
42. The Applicants and the Monitor shall be at liberty to serve this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery, facsimile transmission or e-mail to the Applicants' creditors or other interested Persons at their respective addresses as last shown on the records of the Applicants and that any such service or notice by courier, personal delivery, facsimile transmission or e-mail shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing. The Monitor shall establish and maintain a website in respect of these proceedings at [www.ey.com/ca/ranchenergy](http://www.ey.com/ca/ranchenergy) and shall post there as soon as practicable:
- (a) all materials prescribed by statute or regulation to be made publically available; and
  - (b) all applications, reports, affidavits, orders or other materials filed in these proceedings by or behalf of the Monitor, or served upon it, except such materials

These documents are confidential and the subject of a sealing order or pending application for a sealing order.

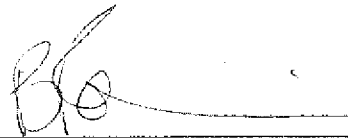
### RECEIVERSHIP APPLICATION

43. The receivership application of Third Eye Capital Corporation having Court File Number 1801-09188 is hereby adjourned *sine die*.

### GENERAL

44. The Applicants or the Monitor may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.
45. Notwithstanding Rule 6.11 of the *Alberta Rules of Court*, unless otherwise ordered by this Court, the Monitor will report to the Court from time to time, which reporting is not required to be in affidavit form and shall be considered by this Court as evidence.
46. Nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the Applicants, the Business or the Property.
47. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this Order and to assist the Applicants, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicants and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicants and the Monitor and their respective agents in carrying out the terms of this Order.
48. Each of the Applicants and the Monitor are at liberty and are hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever

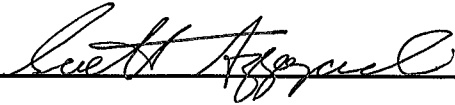
- located, for the recognition of this Order and for assistance in carrying out the terms of this Order and that the Monitor is authorized and empowered to act as a representative in respect of the within proceeding for the purpose of having these proceedings recognized in a jurisdiction outside Canada.
49. This Order is without prejudice to the right of ECN Aviation Inc. to apply to this Court for an Order declaring that (i) the assets of OpsMobil Group Inc. that were seized on May 11, 2018 on behalf of ECN Aviation Inc. are not subject to the provisions of this Order, and (ii) ECN Aviation Inc. is entitled to take possession and dispose of the said assets in accordance with the *Personal Property Security Act*, RSA 2000, c P-7.
50. Any interested party (including the Applicants, the Interim Lender and the Monitor) may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.
51. This Order and all of its provisions are effective as of 12:01 a.m. Mountain Standard Time on the date of this Order.



---

Justice of the Court of Queen's Bench of Alberta

THIS IS EXHIBIT "26" REFERRED TO IN THE AFFIDAVIT OF  
ALGIS VAITONIS, SWORN BEFORE ME  
THIS 18<sup>TH</sup> DAY OF NOVEMBER, 2018

A handwritten signature in cursive script, appearing to read "Scott Azzopardi", is written over a horizontal line.

SCOTT AZZOPARDI

A Notary Public in the Province of Ontario

## Kelsey Meyer

---

**From:** Allison Endersby  
**Sent:** 17 July 2018 1:22 PM  
**To:** Neil Narfason; tom.cumming@gowlingwlg.com; jreynaud@stikeman.com  
**Cc:** Kelsey Meyer  
**Subject:** Secured Claim of ECN Aviation Inc. against OpsMobil Group Inc. [BJ-L.FID4223451]  
**Attachments:** International Registry Priority Search Certificate - ESN LE43005.pdf; International Registry Priority Search Certificate - ESN 34069.pdf; International Registry Search, s\_n 3100.pdf; Z10466659.pdf; Z10466662.pdf; Aircraft Loan Agreement.pdf; Aircraft Security Agreement.pdf; International Registry Search, s\_n 1057.pdf; Notices of Seizures, May 11, 2018.pdf; Signed Notice of Disposition of Collateral.pdf; Lease Subordination Agreement March 28, 2014.PDF; Helicopter C-FXHP Inspection Report March20th,2018 v1.pdf; Helicopter C-GEMU Inspection Report March22,2018.pdf; Letter to Mr. Narfason, Mr. Cumming and Mr. Reynaud, July 17, 2018.PDF

Good afternoon,

Please see the attached correspondence and enclosures from Ms. Meyer.



**Allison Endersby**

***Assistant to Kelsey Meyer and Isabel Langlois, Bennett Jones SLP***

4500 Bankers Hall East, 855 - 2nd Street SW, Calgary, AB, T2P 4K7

T. 403 298 4481 | F. 403 265 7219

E. [endersbya@bennettjones.com](mailto:endersbya@bennettjones.com)

[BennettJones.com](http://BennettJones.com)





Bennett Jones

Bennett Jones LLP  
4500 Bankers Hall East, 855 2nd Street SW  
Calgary, Alberta, T2P 4K7 Canada  
T: 403.298.3100  
F: 403.265.7219

Kelsey Meyer  
Partner  
Direct Line: 403.298.3323  
e-mail: meyerk@bennettjones.com  
Our File No.: 78704-1

July 17, 2018

**Via E-Mail**

Mr. Neil Narfason  
Senior Vice President  
Ernst & Young Inc.  
Calgary City Centre  
2200, 215 2nd Street SW  
Calgary, AB T2P 1M4

Mr. Thomas A. Cumming  
Partner  
Gowling WLG  
Suite 1600  
421 7th Ave SW  
Calgary, AB T2P 4K9

Mr. Joseph Reynaud  
Partner  
Stikeman Elliott LLP  
1155 René-Lévesque Blvd West  
41st Floor  
Montréal, QC H3B 3V2

Dear Sirs:

**Re: Secured Claim of ECN Aviation Inc. against OpsMobil Group Inc.**

Further to my previous email correspondence to Mr. Reynaud and Mr. Cumming on July 9, 2018, we are legal counsel for ECN Aviation Inc. ("ECN"), a secured creditor of OpsMobil Group Inc. ("OMGI"). ECN holds security over the following aircraft:

One (1) 1998 Eurocopter model AS350BA-FX-2 aircraft bearing manufacturer's serial number 3100 and Canadian registration mark C-FXHP, including one (1) Lycoming (Honeywell) model LTS101-700D2 engine installed on the airframe bearing manufacturer's serial number LE-43005C

("C-FXHP") and

One (1) 2000 Eurocopter model EC120B aircraft bearing manufacturer's serial number 1057 and Canadian registration mark C-GEMU, including one (1) Turbomeca model Arrius 2F engine installed on the airframe bearing manufacturer's serial number 34069

("C-GEMU")

and all parts, accessories, appliances, appurtenances, components, furnishings, instruments, modules, navigational and communications equipment and all other goods, tangible, personal property and other equipment of whatever nature that may from time to time be incorporated or installed in or attached to the foregoing airframes, engines or auxiliary power unit, as the case may be, and all records, logs, maintenance records, manuals, technical data, training aids, computer software, and other materials relating to the airframes, engines, propellers or auxiliary power unit, as the case may be, and any property substituted for any of the foregoing

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

Some of the information in this letter has already been provided to Mr. Cumming and Mr. Reynauld, and is included here for the Monitor's information.

On May 11, 2018, ECN, through its civil enforcement agents, effected a seizure of the Aircraft and related log books, component log cards and maintenance records from OMGI. Each of the Aircraft were left on a bailee's undertaking, and the civil enforcement agent took possession of the log books, component log cards and maintenance records (which we've since determined are incomplete). As is explained below, ECN's security over the Aircraft is in first priority.

On July 5, 2018, we couriered our Notice of Disposition of Collateral with respect to the Aircraft to each of OMGI and Third Eye Capital Corporation ("**Third Eye**"). We learned of the applications for an initial order pursuant to the CCAA and for a receivership order when the civil enforcement agents attended at the locations of each of the seized Aircraft on Friday, July 6, 2018 for the purpose of taking possession of the same (at which time the civil enforcement agents were provided with a copy of the Interim Stay Order granted by Madam Justice Romaine on July 4, 2018).

It is our position that in the circumstances where ECN seized the Aircraft on May 11, 2018, prior to the granting of the Interim Stay Order, that the Aircraft should not be subject to that Order or to the subsequent Order granted by Madam Justice Romaine pursuant to the CCAA on July 10, 2018, and that ECN should be permitted to take possession of the Aircraft (including all of their component parts) for the purpose of marketing and selling the same, in accordance with the PPSA. As you are aware, the Order granted July 10, 2018 is specifically without prejudice to the right of ECN to make an application for an Order in that regard.

It is also our position that the CCAA proceeding will not benefit ECN, in the circumstances where ECN has already seized the Aircraft secured in its favour, and as such, that the Aircraft should not be subject to court-ordered charges in priority to ECN's security over that seized collateral.

Please find enclosed:

- Alberta Personal Property Registry searches of each of the above-noted Aircraft, which include the security registrations in favour of ECN over each of the two Aircraft as well as registration of the seizures of each of those Aircraft;



- International Registry for International Interests in Mobile Equipment (Aircraft Equipment) ("**International Registry**") searches demonstrating that ECN has registered its security interest over the Aircraft and the engines for those Aircraft at the International Registry;
- A copy of the Notices of Seizures of each of the Aircraft and of the related log books, log component cards and maintenance records, all of which were seized on May 11, 2018. Each of the Aircraft were seized on a bailee's undertaking, whereas the log books, component log cards and maintenance records were seized and physically removed by the civil enforcement agency (we have since become aware that these records are incomplete; in particular, the log books and component log cards for C-FXHP are missing);
- A copy of the Aircraft Loan Agreement dated March 28, 2014, entered into between Gemini Helicopters Inc. ("**Gemini**", the predecessor to OMGI) and Element Financial Corporation ("**Element**", the predecessor in interest to ECN);
- A copy of the Aircraft Security Agreement dated March 28, 2014, entered into between Gemini and Element;
- A copy of the Lease Subordination Agreement dated March 28, 2014, entered into between Gemini as the debtor, OpsMobil Inc. as the lessee, and Element;
- The Notice of Disposition of Collateral dated July 5, 2018, which was sent by courier to OMGI and to Third Eye on that date; and
- Inspection reports regarding inspections of the Aircraft conducted by ECN at the end of March, 2018, and noting in particular that C-FXHP is not airworthy, has been cannibalized with certain of its parts installed onto other aircraft and its engine removed in January 2016 and delivered to Intermountain Turbine in Utah at that time for repairs, which were never undertaken (we understand that the engine was disassembled at Intermountain Turbine, which work has not been paid for), and that repair, maintenance and inspection work is required and overdue on C-GEMU.

Section 2.1 of the Aircraft Security Agreement defines the "Collateral" securing the loan granted by ECN to OMGI (by their respective predecessors), which expressly includes "all improvements, additions, replacements and substitutions and includes all present and future Parts, replacement Parts and accessories of any kind whatsoever." Further, the "Collateral" also includes "Aircraft", which is defined to mean "(i) the Airframe(s), together with (ii) the Engines, (iii) the Major Components, and (iv) the Manuals and Technical Records." As can be seen in the Aircraft Security Agreement itself, each of the capitalized terms "Parts", "Engines" and "Major Components" are defined to include those items after removal of the same from the Airframe and upon installation onto another airframe or



aircraft.<sup>1</sup> As such, the Parts, Engines and Major Components of the Aircraft (and in particular, C-FXHP) that have been removed from the Aircraft remain subject to the security interest of ECN.

With respect to the priority of ECN's security, we note that:

- The Aircraft constitute serial number goods, and as such, a security interest in the Aircraft is not registered or perfected by registration unless the Aircraft are registered by serial number, which, in the case of the Aircraft, is the registration marks assigned to the airframe: *Personal Property Security Regulation*, AR 95/2001, ss 1(1)(y), 34 and 35(2)(d) and *Personal Property Security Act*, RSA 2000 c P-7, s 35(4);
- The *Convention on International Interests in Mobile Equipment* and the *Protocol on Matters Specific to Aircraft Equipment* (the "**Cape Town Convention**") came into force in Canada on April 1, 2013, as is reflected in the *International Interests in Mobile Equipment (aircraft equipment) Act*, SC 2005, c 3 (the "**Aircraft Objects Act**"). As of that date, registrations of security interests in aircraft with the International Registry take priority to registrations at the Alberta Personal Property Registry (the "**PPR**"): section 6 and Schedule 1, Article 29, section 1 of the *Aircraft Objects Act*. Pursuant to Schedule 1, Article 29, section 1 of the *Aircraft Objects Act*, a registered interest pursuant to the Cape Town Convention has priority over any other interest subsequently registered and over an unregistered interest;
- ECN registered its security interest in the Aircraft as serial number goods and as general collateral at the PPR on March 27, 2014;
- ECN registered its security interest in the Aircraft at the International Registry on April 1, 2014;
- ECN also specifically registered its security interest in the engines for the Aircraft at the International Registry on April 1, 2014;
- Third Eye amended its registrations at the PPR as against OMGI and other debtors to add the Aircraft as serial number goods on December 11, 2014;
- There is no registration over the Aircraft in favour of Third Eye at the International Registry.

As of April 1, 2013, any registration over the Aircraft at the International Registry takes priority to any registration at the PPR made after that date, regardless of the date of the registration at the International Registry. As such, ECN's security interest over the Aircraft and over the engines at the

---

<sup>1</sup> For example, "Engine" is defined to mean "(i) each of the engines described in Schedule "A" and all other engines financed with the Airframe in accordance with the Loan Agreement whether or not from time to time installed on the Airframe or removed from the Airframe and installed on any other airframe or aircraft so long as such removed Engine shall remain subject to the Security in accordance with the terms of the Loan Agreement, (ii) any replacement Engine or any engine which may from time to time be substituted for an Engine, and (iii) any and all Parts incorporated in, installed on, or attached to, an Engine at the time of delivery hereunder or at an time thereafter, and any and all Parts removed from an Engine so long as such Parts shall remain subject to the Security in accordance with the terms of the Loan Agreement."



International Registry on April 1, 2014 takes priority to the December 11, 2014 amendment of the PPR registration of the security interest of Third Eye to include the Aircraft.

As such, ECN's security interest over the Aircraft and over the engines is in first priority. This is further confirmed by the Lease Subordination Agreement, which sets out that Gemini leased the Aircraft to OpsMobil Inc., and that OpsMobil Inc. agreed to subordinate its interests in the Aircraft pursuant to that lease to the security interest of EFC.

With respect to seizure of the Aircraft having been effected on May 11, 2018, well in advance of the Interim Stay Order granted July 4, 2018, we note that section 58 of the PPSA states, in part:

58(1) Subject to Part 2 of the *Civil Enforcement Act* and sections 36, 37 and 38, on default under a security agreement,

- (a) the secured party has, unless otherwise agreed, the right to take possession of the collateral or otherwise enforce the security agreement by any method permitted by law,
- (b) if the collateral is a document of title, the secured party may proceed either as to the document of title or as to the goods covered by it, and any method of enforcement that is available with respect to the document of title is also available, with all the necessary modifications, with respect to the goods covered by it,
- (c) where the collateral is goods of a kind that cannot be readily moved from the debtor's premises or of a kind for which adequate alternative storage facilities are not readily available, the collateral may be seized without removing it from the debtor's premises in any manner by which a civil enforcement agency may seize without removal under subsection (2)(b) to (d), if the secured party's interest is perfected by registration, and

...

(2) To make a seizure of property, the civil enforcement agency may

- (a) take physical possession of the property,
- (b) give to the debtor or the person in possession of the collateral a notice of seizure in the prescribed form,

...

and seizure by the civil enforcement agency shall continue until possession of the property is surrendered to the secured party or the secured party's agent, or the seizure has been released.

(3) At any time after making a seizure, the civil enforcement agency may appoint the debtor or other person in possession of the property seized as bailee of the civil enforcement agency on the debtor or such other person executing a written undertaking in the prescribed form to hold the property as bailee for the civil enforcement agency and to deliver up



possession of the property to the civil enforcement agency on demand and property held by a bailee is deemed to be held under seizure by the civil enforcement agency.

As set out in the Notices of Seizures enclosed herewith, the Aircraft were seized on May 11, 2018 on a bailee's undertaking, which was executed in the prescribed form, and the Aircraft are accordingly deemed to be held under seizure by the civil enforcement agency. The log books, component log cards and maintenance records were seized on May 11, 2018 by way of the civil enforcement agent taking physical possession of the same. Further, as these seizures were effected on May 11, 2018, they occurred long before the granting of the Interim Stay Order on July 4, 2018. ECN takes the position that on that basis, the Aircraft and the related log books, component log cards and maintenance records should not be subject to the Interim Stay Order granted on July 4, 2018, or to the Order granted pursuant to the CCAA on July 10, 2018.

With respect to the engine for C-FXHP in particular ("LE-43005C"), as noted above, that engine was removed from C-FXHP in January 2016 and was transported to Intermountain Turbine in Utah at that time for repair. LE-43005C was disassembled by Intermountain Turbine, the costs of which have not been paid for, and LE-43005C was never repaired. LE-43005C has also been seized; as noted above, pursuant to section 58(2)(b) of the PPSA, to make a seizure of property, the civil enforcement agency may give to the debtor or the person in possession of the collateral a notice of seizure in the prescribed form. Here, the civil enforcement agency has given the debtor, OMGI, a Notice of Seizure of the Aircraft, including (and specifically describing) the engines, including LE-43005C, and as such, ECN has effectively seized LE-43005C.

Further, regardless of the seizure, ECN clearly has a first priority security interest in LE-43005C, and as such, ECN intends to pay Intermountain Turbine for the costs of the disassembly of that engine performed by Intermountain Turbine and to take possession of the same, for the purpose of marketing and selling it (along with the Aircraft) in accordance with the PPSA.

We note also that the *Aircraft Objects Act* creates an exception so that creditors with security on aircraft objects are not subject to the stay of proceedings under the CCAA if the debtor fails to protect or maintain the object in accordance with the agreement. Clearly, OMGI has failed to protect or maintain the Aircraft as required pursuant to the Aircraft Loan Agreement and the Aircraft Security Agreement, and as such, pursuant to the *Aircraft Objects Act*, ECN is not subject to the stay of proceedings in favour of OMGI as a result of the CCAA proceedings. Schedule 2, Article XI of the *Aircraft Objects Act* also provides that 60 days following the commencement of proceedings under the CCAA, the creditor can seize the aircraft object subject to certain exceptions which do not apply in this case (as set out in section 7 of Article XI); however, ECN submits that that provision does not apply here, where the Aircraft were already seized prior to the CCAA proceedings and OMGI has failed to preserve and maintain the Aircraft and their value. See L. W. Houlden, G. B. Morawetz and J. P. Sarra, *The 2018 Annotated Bankruptcy and Insolvency Act* (Toronto: Thomson Reuters, 2018) at N§74.<sup>2</sup>

<sup>2</sup> The Declarations Lodged by Canada Under the Aircraft Protocol at the time of the deposit of its instrument of ratification And Subsequent Declaration are available online at <https://www.unidroit.org/status-2001capetown-aircraft?id=1565>.



July 17, 2018

Page 7

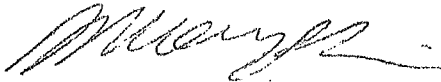
In consideration of the cannibalized state of C-FXHP, and based on the inspections that have been carried out by ECN of the Aircraft, ECN is of the view that there is no equity in the Aircraft. However, if for any reason there is equity, ECN does intend to market and sell the Aircraft in a commercially reasonable manner, and will report any equity to the Monitor.

On that basis, we respectfully request your consent to an Order directing that ECN and the Aircraft are not subject to the Order granted on July 10, 2018 in the CCAA proceedings in relation to OMGI (or any subsequent Order granted in those proceedings), and that ECN is permitted to take possession of the Aircraft (including all of their component parts and LE-43005C specifically) for the purpose of marketing and selling the same, in accordance with the PPSA. We also request that OMGI deliver up those log books and component log cards for C-FXHP which were not provided to the civil enforcement agency at the time of seizure of the same on May 11, 2018.

Should you require any further information or have any questions, please do not hesitate to contact me.

Yours truly,

**BENNETT JONES LLP**



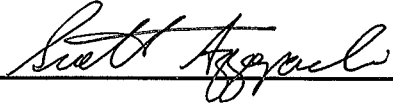
Kelsey Meyer

KM:/km  
Enclosures

cc: ECN Capital Corp., Attn: Algis Vaitonis, Maxim Nadeau and Jeff Tougas (via email)



THIS IS EXHIBIT "27" REFERRED TO IN THE AFFIDAVIT OF  
ALGIS VAITONIS, SWORN BEFORE ME  
THIS 18<sup>TH</sup> DAY OF NOVEMBER, 2018

A handwritten signature in cursive script, appearing to read "Scott Azzopardi", is written over a horizontal line.

SCOTT AZZOPARDI

A Notary Public in the Province of Ontario

## Kelsey Meyer

---

**From:** Roch Dallaire <roch@geminiheli.ca>  
**Sent:** 09 August 2018 11:47 AM  
**To:** Vaitonis, Algis  
**Cc:** Kelsey Meyer; Tougas, Jeffrey G.  
**Subject:** Re: C-GEMU  
**Attachments:** 201808091137.pdf

Algis,

I have attached the invoice here.

Thanks

On Thu, Aug 9, 2018 at 9:57 AM, Vaitonis, Algis <[AVaitonis@ecncapitalcorp.com](mailto:AVaitonis@ecncapitalcorp.com)> wrote:

Roch,

I haven't seen any invoices from Gemini Heli and am not aware of any that I should be receiving. I will confer with my legal counsel over this who I now to be out of the office this week.

Regards,

Algis

**From:** Roch Dallaire <[roch@geminiheli.ca](mailto:roch@geminiheli.ca)>  
**Sent:** Thursday, August 09, 2018 11:53 AM  
**To:** Vaitonis, Algis <[AVaitonis@ecncapitalcorp.com](mailto:AVaitonis@ecncapitalcorp.com)>  
**Cc:** [MEYERK@bennettjones.com](mailto:MEYERK@bennettjones.com); Tougas, Jeffrey G. <[jtougas@ecncapitalcorp.com](mailto:jtougas@ecncapitalcorp.com)>  
**Subject:** C-GEMU

Hello Algis

You received an invoice from Gemini Heli today for Parking, hangarage and security provided from Gemini Heli for your aircraft C-GEMU.

Please advise us if and when you will be moving this aircraft and have this invoice and any further invoices paid in full prior to moving this aircraft.

We will require at least 7 days notice if you are moving the aircraft to ensure we can have sufficient staff on site.

Gemini Heli is happy to continue providing this service for as long as you need!

Thank you

--

Roch Dallaire

President

Gemini Heli Ltd.

Cell: 780-876-0097

---

Please consider the environment before printing this email

NOTICE: This communication and any attachments may contain non-public, confidential and/or proprietary information for disclosure to and use by the intended recipient only. If you have received this communication in error, please delete or destroy it and all copies and attachments immediately, and notify the sender. If you are not the intended recipient, be advised that any review, distribution or printing of this communication is prohibited. An error in transmission is not intended to waive confidentiality or privilege. We reserve the right, to the extent permitted under applicable law, to monitor electronic communications.

--

Roch Dallaire

President

Gemini Heli Ltd.

Cell: 780-876-0097

**Gemini Heli Ltd.**

10931-123 ST

Grande Prairie AB T8V 7Z3

780-539-4354

roch@geminiheli.ca

GST/HST Registration No.: 72654 4091 RT0001

Business Number 726544091

**INVOICE****INVOICE TO**

ECN Capital

Suite 2830

181 Bay Street

Toronto Ontario M5J 2T3

**INVOICE #** 1098**DATE** 08/09/2018**DUE DATE** 09/08/2018**TERMS** Net 30

---

| ACTIVITY                                                                                                  | QTY | RATE   | TAX | AMOUNT    |
|-----------------------------------------------------------------------------------------------------------|-----|--------|-----|-----------|
| <b>Parking Fee's</b>                                                                                      | 93  | 500.00 | GST | 46,500.00 |
| Parking, storage, hangarage and security of aircraft C-GEMU (Ser # 1057) as per Warrant dated May 9, 2018 |     |        |     |           |

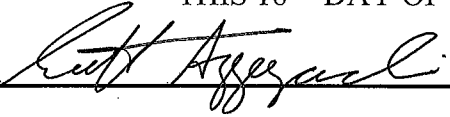
---

|             |                    |
|-------------|--------------------|
| SUBTOTAL    | 46,500.00          |
| GST @ 5%    | 2,325.00           |
| TOTAL       | 48,825.00          |
| BALANCE DUE | <b>\$48,825.00</b> |

**TAX SUMMARY**

|          | RATE | TAX      | NET       |
|----------|------|----------|-----------|
| GST @ 5% |      | 2,325.00 | 46,500.00 |

THIS IS EXHIBIT "28" REFERRED TO IN THE AFFIDAVIT OF  
ALGIS VAITONIS, SWORN BEFORE ME  
THIS 18<sup>TH</sup> DAY OF NOVEMBER, 2018



---

SCOTT AZZOPARDI

A Notary Public in the Province of Ontario

## Kelsey Meyer

---

**From:** Kelsey Meyer  
**Sent:** 15 August 2018 5:45 PM  
**To:** roch@geminiheli.ca  
**Cc:** 'Neil Narfason (Neil.Narfason@ca.ey.com)'; Gurofsky, Robyn; jkruger@blg.com; Cumming, Tom  
**Subject:** Invoice No. 1098 in the Amount of \$48,825.00 issued by Gemini Heli Ltd. [BJ-L.FID4223451]  
**Attachments:** Letter to Gemini Heli Ltd. - August 15, 2018.pdf; Re: C-GEMU; Notice of Seizure, Bailee\_s Undertaking - C-GEMU May 11, 2018.PDF

Mr. Dallaire,

Please see the attached letter and enclosures.



**Kelsey Meyer**

**Partner\*, Bennett Jones LLP**

\*Denotes Professional Corporation

4500 Bankers Hall East, 855 - 2nd Street SW, Calgary, AB, T2P 4K7

T. 403 298 3323 | F. 403 265 7219

E. [meyerk@bennettjones.com](mailto:meyerk@bennettjones.com)

[BennettJones.com](http://BennettJones.com)





Bennett Jones

Bennett Jones LLP  
4500 Bankers Hall East, 855 2nd Street SW  
Calgary, Alberta, T2P 4K7 Canada  
T: 403.298.3100  
F: 403.265.7219

Kelsey Meyer  
Partner  
Direct Line: 403.298.3323  
e-mail: meyerk@bennettjones.com  
Our File No.: 78704.1

August 15, 2018

**VIA EMAIL: roch@geminiheli.ca**

Gemini Heli Ltd.  
10931 – 123 Street  
Grande Prairie, AB T8V 7Z3

**Attention: Roch Dallaire**

Dear Mr. Dallaire:

**Re: Invoice No. 1098 in the Amount of \$48,825.00 Issued by Gemini Heli Ltd.**

We are legal counsel to ECN Aviation Inc. ("ECN"). We are in receipt of a copy of your email to Mr. Vaitonis of ECN dated August 9, 2018 and the invoice issued by Gemini Heli Ltd. to ECN for the amount of \$48,825.00 for "parking, storage, hangarage and security of aircraft C-GEMU (Ser #1057) as per Warrant dated May 9, 2018", at an apparent rate of \$500 per day for 93 days.

As you are aware, the aircraft with the Canadian registration mark C-GEMU and serial no. 1057 ("C-GEMU") was seized on behalf of ECN on May 11, 2018, as a result of the debtor, OpsMobil Group Inc., defaulting on its Aircraft Loan Agreement with ECN. Further, C-GEMU was seized on a Bailee's Undertaking, a copy of which is enclosed here. As you will see from the Explanation of Bailee's Undertaking enclosed with the Bailee's Undertaking itself (both of which were signed by the bailee), the bailee:

- is responsible to the civil enforcement agency and its bailiff for the seized personal property;
- must preserve the personal property in its present (at that time) condition and value;
- agrees to keep the seized property in the bailee's possession or control; and
- is responsible for its safekeeping and delivery to the civil enforcement agency or the bailiff upon demand.

As such, Gemini Heli Ltd. has no claim against ECN for parking, storage, hangarage or security of C-GEMU; these are obligations of the bailee, in accordance with the *Civil Enforcement Act* (Alberta).

August 14, 2018

Page 2

Further, as you know, ECN attempted to take possession of C-GEMU on July 6, 2018, but upon attending on that date at the Gemini Heli Ltd. site where C-GEMU is located, the civil enforcement agent was served with a copy of an Interim Stay Order granted by the Court of Queen's Bench of Alberta on July 4, 2018. We understand that the personnel on site took the position that the resulting stay of proceedings prevented ECN (or its civil enforcement agent) from taking possession of C-GEMU at that time. This is further reason why Gemini Heli Ltd. is not entitled to any claim against ECN for parking, storage, hangarage or security of C-GEMU.

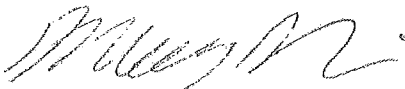
As such, ECN will not be paying Invoice No. 1098 in the amount of \$48,825.00.

We have written to the Receiver to request that ECN be permitted to take possession of C-GEMU, and we are waiting for a response to that letter.

Finally, while I am not aware as to whether Gemini Heli Ltd. is represented by legal counsel, I have copied Mr. Cumming, as counsel to the debtor, OpsMobil Group Inc., to this letter, along with the Receiver and its counsel.

Yours truly,

**BENNETT JONES LLP**



Kelsey Meyer

KM:ag

Enclosures

cc: Algis Vaitonis, Jeffrey Tougas and Maxim Nadeau, ECN Aviation Inc. (via email)  
Neil Narfason, Ernst & Young Inc. (via email)  
Josef Kruger and Robyn Gurofsky, Borden Ladner Gervais LLP (via email)  
Thomas Cumming, Gowling WLG (via email)



## Kelsey Meyer

---

**From:** Roch Dallaire <roch@geminiheli.ca>  
**Sent:** 09 August 2018 11:47 AM  
**To:** Vaitonis, Algis  
**Cc:** Kelsey Meyer; Tougas, Jeffrey G.  
**Subject:** Re: C-GEMU  
**Attachments:** 201808091137.pdf

Algis,

I have attached the invoice here.

Thanks

On Thu, Aug 9, 2018 at 9:57 AM, Vaitonis, Algis <[AVaitonis@ecncapitalcorp.com](mailto:AVaitonis@ecncapitalcorp.com)> wrote:

Roch,

I haven't seen any invoices from Gemini Heli and am not aware of any that I should be receiving. I will confer with my legal counsel over this who I now to be out of the office this week.

Regards,

Algis

**From:** Roch Dallaire <[roch@geminiheli.ca](mailto:roch@geminiheli.ca)>  
**Sent:** Thursday, August 09, 2018 11:53 AM  
**To:** Vaitonis, Algis <[AVaitonis@ecncapitalcorp.com](mailto:AVaitonis@ecncapitalcorp.com)>  
**Cc:** [MEYERK@bennettjones.com](mailto:MEYERK@bennettjones.com); Tougas, Jeffrey G. <[jtougas@ecncapitalcorp.com](mailto:jtougas@ecncapitalcorp.com)>  
**Subject:** C-GEMU

Hello Algis

You received an invoice from Gemini Heli today for Parking, hangarage and security provided from Gemini Heli for your aircraft C-GEMU.

Please advise us if and when you will be moving this aircraft and have this invoice and any further invoices paid in full prior to moving this aircraft.

We will require at least 7 days notice if you are moving the aircraft to ensure we can have sufficient staff on site.

Gemini Heli is happy to continue providing this service for as long as you need!

Thank you

--

Roch Dallaire

President

Gemini Heli Ltd.

Cell: 780-876-0097

---

Please consider the environment before printing this email

NOTICE: This communication and any attachments may contain non-public, confidential and/or proprietary information for disclosure to and use by the intended recipient only. If you have received this communication in error, please delete or destroy it and all copies and attachments immediately, and notify the sender. If you are not the intended recipient, be advised that any review, distribution or printing of this communication is prohibited. An error in transmission is not intended to waive confidentiality or privilege. We reserve the right, to the extent permitted under applicable law, to monitor electronic communications.

--

Roch Dallaire

President

Gemini Heli Ltd.

Cell: 780-876-0097

**Gemini Heli Ltd.**

10931-123 ST

Grande Prairie AB T8V 7Z3

780-539-4354

roch@geminiheli.ca

GST/HST Registration No.: 72654 4091 RT0001

Business Number 726544091

**INVOICE****INVOICE TO**

ECN Capital

Suite 2830

181 Bay Street

Toronto Ontario M5J 2T3

**INVOICE #** 1098**DATE** 08/09/2018**DUE DATE** 09/08/2018**TERMS** Net 30

---

| ACTIVITY                                                                                                  | QTY | RATE   | TAX | AMOUNT    |
|-----------------------------------------------------------------------------------------------------------|-----|--------|-----|-----------|
| <b>Parking Fee's</b>                                                                                      | 93  | 500.00 | GST | 46,500.00 |
| Parking, storage, hangarage and security of aircraft C-GEMU (Ser # 1057) as per Warrant dated May 9, 2018 |     |        |     |           |

---

|             |                    |
|-------------|--------------------|
| SUBTOTAL    | 46,500.00          |
| GST @ 5%    | 2,325.00           |
| TOTAL       | 48,825.00          |
| BALANCE DUE | <b>\$48,825.00</b> |

**TAX SUMMARY**

|          | RATE | TAX      | NET       |
|----------|------|----------|-----------|
| GST @ 5% |      | 2,325.00 | 46,500.00 |

**CREDITOR** Element Financial Corporation / ECN Aviation Inc.

DEBTOR      Opismobil Group Inc.

1, Shirley Rieger, of the City/Town of Peace River, Alberta

Is there an Addendum attached? Yes ☒ No ☐

If yes,            Addendum pages attached. (Each page forms part of this Report)  
Number

I hereby certify that the information contained in this Report is true and complete. I understand that any false information may lead to charges under the *Criminal Code* (Canada) and could result in the suspension or cancellation of my appointment as bailiff.

Dated at Grande Prairie, Alberta, on May 14, 2018  
City/Town Date

Signature of Bailiff

Print Name of Instructing Party

## Address

City/Town

Province

**Postal Code**

Allied Shortridge Civil Enforcement Agency Inc.

Print Name of Civil Enforcement Agency

Suite 126, 1111 - 6 Ave S.W.

## Address

ALBERTA

T2P 5ME

CALGARY

City/Town

(403) 237-5468

(800) 643-3171

**Toll-Free Telephone Number**

Province

(403) 263-7313

(800) 462-0712

**Toll-Free Fax Number**

**Bailiff's Report  
ADDENDUM**

**2012-010287**  
Civil Enforcement Agency File Number:

May 11, 2018 attended to 10931-123 Street Grande Prairie security VIN verified photos taken advised that windshield for Helicopter had been purchased by Gemini receipts confirmed prepaid by Gemini Called Allied advised windshield should not be seized Warrant and Notice of Seizure of Personal Property served to Chris Hann who signed Bailee's Undertaking and Explanation of Bailee's Undertaking and downloaded Maintenance Logs for EC 120B Helicopter s/n 1057 onto USB

May 14, 2018 Journey/Flight Logs and USB containing Maintenance Logs for EC 120B Helicopter s/n 1057 sent to Allied Shortridge Civil Enforcement Calgary office via Loomis Express tracking number D042758262

[Large empty lined area for signature or notes]

7.22

## Contractual / PPSA Seizure

Form 5  
Civil Enforcement Regulation

2012-010287

Civil Enforcement Agency File Number

## Notice of Seizure of Personal Property

TO: OpsMobil Group Inc.

1600, 421 - 7th Avenue SW Calgary Alberta T2P 4K9

Name and Address of Debtor

Take notice that to satisfy a claim against you for the sum \$1,085,634.29 plus costs and related Writs, if applicable

Element Financial Corporation / ECN Aviation Inc.

c/o 4500, 855 - 2nd street SW Calgary Alberta T2P 4K7

Name and Address of Creditor

has caused the following personal property and personal property listed in the addendum to to be seized:

|   |                                                          |
|---|----------------------------------------------------------|
| 1 | 2000 Eurocopter EC 120B Helicopter serial number: 1057   |
| 1 | Journey/ Flight Log for the above                        |
|   | <del>Spare windshield(s) for the seized Helicopter</del> |

Addendum attached listing additional property. ☒ Yes ☐ NoNotice of Objection applicable to this seizure. ☐ Yes ☒ No

Dated at Grande Prairie, Alberta, on May 11, 2018

Beliefs Signature

Shirley Rieger

Print Name

Allied Shortridge Civil Enforcement Agency Inc.

Name of Civil Enforcement Agency

Suite 126, 1111 - 6 Ave S.W.

CALGARY

allied.shortridge@shaw.ca

Address of Civil Enforcement Agency

ALBERTA

T2P 5M5

City

(403) 237-5468

(403) 263-7313

(800) 643-3171

(800) 462-0712

Province

Postal Code

Telephone Number

Fax Number

Page 1 of 2

Notice: If you have concerns about the way this seizure was conducted, contact the Civil Enforcement Agency listed above. If you are unable to resolve your concerns with the Civil Enforcement Agency, you may contact the Sheriff - Civil Enforcement at (780) 422-2481.



# Contractual / PPSA Seizure

Form 8  
Civil Enforcement Regulation

7.25

2012-010287

Civil Enforcement Agency File Number

## Bailee's Undertaking

In consideration of the seized personal property listed in the attached Notice of Seizure of Personal Property being left in my possession, I agree to act as Bailee for the Civil Enforcement Agency and keep the said personal property in good condition at:

Gemini Heli Ltd 10931-123 Street Grande Prairie AB

Address or Land Location Where Personal Property Will Be Stored

and deliver it to the Civil Enforcement Agency whenever and wherever it may be required.

I understand that non-delivery or conversion of the personal property may result in a conviction under the Criminal Code for which a term of imprisonment may be imposed.

Dated at Grande Prairie, Alberta, on May 11, 2018

Bailee:

Signature of Bailee

CHRIS HANN  
Print Name

10931-123 Street Grande Prairie  
Address of Bailee City Province

T8V 7Z3 780-402-2444 780-402-2448  
Postal Code Telephone No. Fax No.

Witness:

Signature of Witness

Shirley Rieger  
Print Name

126-1111-6 Ave S.W. Calgary  
Address of Witness City Province

T2P 5M5 780 625 8081 403-263-2313  
Postal Code Telephone No. Fax No.

Allied Shortridge Civil Enforcement Agency Inc.

Name of Civil Enforcement Agency

Suite 126, 1111 - 6 Ave S.W.

CALGARY

allied.shortridge@shaw.ca

Address of Civil Enforcement Agency

ALBERTA

T2P 5M5

City  
(403) 237-5468  
(800) 643-3171

(403) 263-7313  
(800) 462-0712

Province

Postal Code

Telephone Number

Fax Number

NOTE: ATTACH TO EACH COPY OF THE NOTICE OF SEIZURE OF PERSONAL PROPERTY

Form 6 - Bailee's Undertaking

### Explanation of Bailee's Undertaking

The Bailee is responsible to the Civil Enforcement Agency and their Bailiff for the seized personal property. The seized personal property must be preserved in its present condition and value until he or she is relieved of this responsibility by the Civil Enforcement Agency. The Bailee agrees to keep the seized property in their possession or control and is responsible for its safekeeping and delivery to the Agency or its Bailiff upon demand.

The Bailee shall advise the Civil Enforcement Agency in writing of any changes of address or any incidents involving the seized property that would affect the value of the property in any way.

If the Bailee is the debtor, he or she may use the seized property in the normal fashion it was designed and purchased for.

The Bailee may request in writing that the Civil Enforcement Agency relieve him or her of their responsibility for the seized personal property in the event that he or she no longer wishes to be responsible for the seized property, or is planning to move.

NOTE:

The Bailee is not relieved of his or her responsibility pursuant to the Bailee's undertaking until notified in writing by the Civil Enforcement Agency or the Agency's Bailiff removes the seized property from the Bailee's possession.

EXCERPTS FROM THE CRIMINAL CODE — Section 324

Theft by Bailee of things under seizure

Everyone who is a Bailee of anything that is under lawful seizure by a Peace Officer of Public Officer in the execution of the duties of his or her office, and who is obliged by law or agreement to produce and deliver it to that officer or another person entitled thereto at a certain time and place, or on demand, steal it if he or she does not produce or deliver it in accordance with his or her obligation, but he or she does not steal it if his or her failure to produce or deliver it is not the result of willful act or omission by him or her.

Dated at Grande Prairie, Alberta, on May 11, 2018

Bailee:

[Signature]  
Signature of Bailee

CHRIS HANIN

Print Name

Signing acknowledges having read, understood and accepting responsibility

Witness

[Signature]  
Signature of Witness

Shirley Rieger

Print Name

Allied Shortridge Civil Enforcement Agency Inc  
#126, 1111 — 6 Avenue S.W.  
Calgary, AB T2P 5M5  
Telephone: 403-237-5468  
Fax: 403-263-7313

THIS IS EXHIBIT "29" REFERRED TO IN THE AFFIDAVIT OF  
ALGIS VAITONIS, SWORN BEFORE ME  
THIS 18<sup>TH</sup> DAY OF NOVEMBER, 2018

A handwritten signature in cursive script, reading "Scott Azzopardi", is written over a solid horizontal line.

SCOTT AZZOPARDI

A Notary Public in the Province of Ontario

## Kelsey Meyer

---

**From:** Gurofsky, Robyn <RGurofsky@blg.com>  
**Sent:** 24 August 2018 12:19 PM  
**To:** Kelsey Meyer  
**Subject:** RE: ECN / OpsMobil [BJ-L.FID4223451]

Kelsey,

Since you have provided the explanation for the assignment, we have no concerns on that issue. We are finalizing the priority issue now and hope to be back to you next week.

Regards,  
Robyn

### Robyn Gurofsky

Partner

T 403.232.9774 | F 403.266.1395 | [RGurofsky@blg.com](mailto:RGurofsky@blg.com)

Centennial Place, East Tower, 1900, 520 – 3rd Ave S W, Calgary, AB, Canada T2P 0R3

---

**Borden Ladner Gervais LLP** | It begins with service

Calgary | Montréal | Ottawa | Toronto | Vancouver

[blg.com](http://blg.com) | To manage your communication preferences or unsubscribe, please click on [blg.com/mypreferences/](http://blg.com/mypreferences/)

 Please consider the environment before printing this email.

This message is intended only for the named recipients. This message may contain information that is privileged, confidential or exempt from disclosure under applicable law. Any dissemination or copying of this message by anyone other than a named recipient is strictly prohibited. If you are not a named recipient or an employee or agent responsible for delivering this message to a named recipient, please notify us immediately, and permanently destroy this message and any copies you may have. Warning: Email may not be secure unless properly encrypted.

---

**From:** Kelsey Meyer [mailto:[MEYERK@bennettjones.com](mailto:MEYERK@bennettjones.com)]

**Sent:** August-23-18 10:00 AM

**To:** Gurofsky, Robyn <RGurofsky@blg.com>

**Subject:** ECN / OpsMobil [BJ-L.FID4223451]

Hi Robyn,

Further to our discussion last week regarding the Receiver's review of the claims to the two helicopters seized by ECN (C-FXHP and C-GEMU) and the engine located in Utah, ECN has heard from a contact at Third Eye Capital Corporation that the Receiver believes there to be issues with ECN's security. Although we do not have any further detail on what those issues may be, I've been asked to reiterate that we would appreciate the opportunity to discuss any such issues or concerns.

Thanks and regards,

Kelsey



**Kelsey Meyer**

**Partner\*, Bennett Jones LLP**

**\*Denotes Professional Corporation**

4500 Bankers Hall East, 855 – 2nd Street SW, Calgary, AB, T2P 4K7

T. 403 298 3323 | F. 403 265 7219

E. [meyerk@bennettjones.com](mailto:meyerk@bennettjones.com)

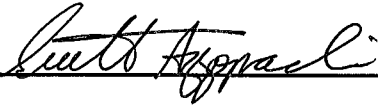
[BennettJones.com](http://BennettJones.com)



The contents of this message may contain confidential and/or privileged subject matter. If this message has been received in error, please contact the sender and delete all copies. Like other forms of communication, e-mail communications may be vulnerable to interception by unauthorized parties. If you do not wish us to communicate with you by e-mail, please notify us at your earliest convenience. In the absence of such notification, your consent is assumed. Should you choose to allow us to communicate by e-mail, we will not take any additional security measures (such as encryption) unless specifically requested.

If you no longer wish to receive commercial messages, you can unsubscribe by accessing this link:  
<http://www.bennettjones.com/unsubscribe>

THIS IS EXHIBIT "30" REFERRED TO IN THE AFFIDAVIT OF  
ALGIS VAITONIS, SWORN BEFORE ME  
THIS 18<sup>TH</sup> DAY OF NOVEMBER, 2018

A handwritten signature in cursive script, reading "Scott Azzopardi", is written over a horizontal line.

SCOTT AZZOPARDI

A Notary Public in the Province of Ontario

## Kelsey Meyer

---

**From:** Kim, Stella <SKim@blg.com>  
**Sent:** 12 September 2018 9:19 AM  
**To:** Kelsey Meyer; David LeGeyt  
**Cc:** 'Neil Narfason'; 'peter.chisholm@ca.ey.com'; Kruger, Josef G. A.  
**Subject:** In the Matter of the Receiver of OpsMobil Inc. et al.  
**Attachments:** CAL01 -#2644587-v1-LT K. Meyer of BJ and D. LeGeyt of BDP.PDF

Hello Ms. Meyer and Mr. LeGeyt,

Please find attached correspondence sent on behalf of Robyn Gurofsky with respect to the above noted.

Regards,

**Stella Kim**

**Practice Assistant – Commercial Litigation**

T 403.232.9442 | F 403.266.1395 | [SKim@blg.com](mailto:SKim@blg.com)

Centennial Place, East Tower, 1900, 520 – 3rd Ave S W, Calgary, AB, Canada T2P 0R3

---

**Borden Ladner Gervais LLP** | It begins with service

Calgary | Montréal | Ottawa | Toronto | Vancouver

[blg.com](http://blg.com) | To manage your communication preferences or unsubscribe, please click on [blg.com/mypreferences/](http://blg.com/mypreferences/)



Please consider the environment before printing this email.

This message is intended only for the named recipients. This message may contain information that is privileged, confidential or exempt from disclosure under applicable law. Any dissemination or copying of this message by anyone other than a named recipient is strictly prohibited. If you are not a named recipient or an employee or agent responsible for delivering this message to a named recipient, please notify us immediately, and permanently destroy this message and any copies you may have. Warning: Email may not be secure unless properly encrypted.

Robyn Gurofsky  
T (403) 232-9774  
F (403) 266-1395  
rgurofsky@blg.com

Borden Ladner Gervais LLP  
Centennial Place, East Tower  
1900, 520 - 3rd Ave SW  
Calgary, AB, Canada T2P 0R3  
T 403.232.9600  
F 403.266.1395  
blg.com



**File No. 413255.63**

September 12, 2018

**Delivered by Email (meyerk@bennettjones.com and dlegeyt@bdplaw.com)**

Bennett Jones LLP  
4500, 855 2nd Street SW  
Calgary, AB T2P 4K7

Burnet, Duckworth and Palmer LLP  
2400, 525 8 Ave SW  
Calgary, AB T2P 1G1

**Attention: Kelsey Meyer**

**Attention: David LeGeyt**

Dear Sir/Madam:

**Re: Competing Security Claims of Rilpa Enterprises Ltd. ("Rilpa") and ECN Aviation Inc. ("ECN")**

Please be advised that on behalf of Ernst and Young Inc., in its capacity as Court appointed receiver (the "**Receiver**") of the OpsMobil Group, we have completed our review of the various security and other documentation you have respectively provided to support your clients' competing claims asserted over a Lycoming (Honeywell) engine Model LTS101-700D2 bearing manufacturer's serial number LE-43005C (the "**Engine**").

In particular, Rilpa has asserted a garage keeper's lien over the Engine, which is currently located in Utah in the possession of Intermountain Turbine. The Engine also forms part of the secured claim asserted by ECN which security interest has been registered at the International Registry under the Convention on International Interests in Mobile Equipment and the Protocol on Matters Specific to Aircraft Equipment (the "**Cape Town Convention**").

Based on the information provided to the Receiver to date, we have been unable to confirm the validity and enforceability of Rilpa's garage keeper's lien. As a result, it is the Receiver's view that the ECN security interest in the Engine has priority over Rilpa's claim. Our analysis suggests that if Rilpa's garage keeper's lien is ultimately found to be valid and enforceable, the garage keeper's lien would take priority over any registration made pursuant to the Cape Town Convention.

It is not the Receiver's intention to litigate this issue with the parties; rather, this letter is intended to provide you with the conclusions of the Receiver's analysis. If your respective clients wish to litigate this priority issue involving the Engine, you are of course at liberty to do so.

If you have any questions regarding the above, please do not hesitate to contact me.

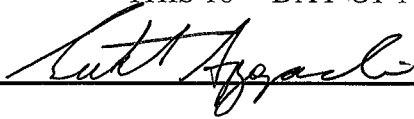
Yours truly,

**Borden Ladner Gervais LLP**

**Robyn Gurofsky**

c.c. Neil Narfason, Peter Chisholm – Ernst and Young Inc. (via email)  
Josef G.A. Kruger, Q.C. – Borden Ladner Gervais LLP (via email)

THIS IS EXHIBIT "31" REFERRED TO IN THE AFFIDAVIT OF  
ALGIS VAITONIS, SWORN BEFORE ME  
THIS 18<sup>TH</sup> DAY OF NOVEMBER, 2018

A handwritten signature in cursive script, appearing to read "Scott Azzopardi", is written over a horizontal line.

SCOTT AZZOPARDI

A Notary Public in the Province of Ontario

## Kelsey Meyer

---

**From:** Kelsey Meyer  
**Sent:** 14 September 2018 5:00 PM  
**To:** 'Gurofsky, Robyn'  
**Subject:** Receivership of OpsMobil Group Inc., et al. - Secured Claim of ECN Aviation Inc. [BJ-L.FID4223451]  
**Attachments:** My Scan.PDF; Secured Claim of ECN Aviation Inc. against OpsMobil Group Inc. [BJ-L.FID4223451]

Hi Robyn,

Please see the attached.

Thanks,

Kelsey



**Kelsey Meyer**

**Partner\*, Bennett Jones LLP**

\*Denotes Professional Corporation

4500 Bankers Hall East, 855 - 2nd Street SW, Calgary, AB, T2P 4K7

T. 403 298 3323 | F. 403 265 7219

E. [meyerk@bennettjones.com](mailto:meyerk@bennettjones.com)

[BennettJones.com](http://BennettJones.com)





Bennett Jones

Bennett Jones LLP  
4500 Bankers Hall East, 855 2nd Street SW  
Calgary, Alberta, T2P 4K7 Canada  
T: 403.298.3100  
F: 403.265.7219

Kelsey Meyer  
Partner  
Direct Line: 403.298.3323  
e-mail: meyerk@bennettjones.com  
Our File No.: 78704.1

September 14, 2018

**VIA EMAIL**

Ms. Robyn Gurofsky  
Borden Ladner Gervais LLP  
1900, 520 - 3 Avenue SW  
Centennial Place, East Tower  
Calgary, AB T2P 0R3

Dear Ms. Gurofsky:

**Re: Receivership of OpsMobil Group Inc., et al.  
Secured Claim of ECN Aviation Inc. ("ECN")**

Thank you for your letter of September 12, 2018 regarding the claims of ECN and of Rilpa Enterprises Ltd. with respect to the Lycoming (Honeywell) Engine Model LTS101-700D2 bearing manufacturer's serial number LE-43005C (the "Engine").

I am writing to follow up on my voice mail message on September 12, 2018 and my letter of July 17, 2018 to Mr. Narfason and others regarding ECN's secured claim against OpsMobil Group Inc. ("OMGI"), over the aircraft defined in my letter as "C-FXHP" and "C-GEMU" (collectively, and together with all component parts thereof, including the Engine, the "Aircraft"). In particular, and as set out in that letter, ECN respectfully requests the Receiver's consent to an Order directing that ECN and the Aircraft are not subject to the Receivership Order granted on July 19, 2018 in the receivership proceedings in relation to OMGI, and that ECN is permitted to take possession of the Aircraft (including all of their component parts and including the Engine) for the purpose of marketing and selling the same in accordance with the *Personal Property Security Act*. I am also writing to follow up on my request that the log books and component log parts for C-FXHP, which were not provided to the civil enforcement agency at the time of seizure of C-FXHP on May 11, 2018, be delivered to us.

While my letter of July 17, 2018 was written at the time that OMGI was subject to a stay of proceedings pursuant to the *Companies Creditors Arrangement Act*, the same facts and submissions apply with respect to the Receivership Order in relation to OMGI. I note in particular that the *Convention on International Interests in Mobile Equipment* and the *Protocol on Matters Specific to Aircraft Equipment* (the "Cape Town Convention") and the *Aircraft Objects Act* apply in the same manner in OMGI's receivership proceedings as they applied in CCAA proceedings, as is set out in my letter of July 17, 2018. I enclose a copy of that letter here, for your ease of reference.

September 14, 2018

Page 2

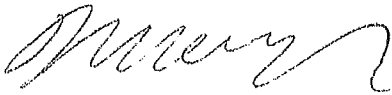
I would appreciate the opportunity to discuss with you whether the Receiver will consent to an Order as requested in my letter of July 17, 2018.

Please also respond with respect to the request for the log books and component log parts for C-FXHP.

Our client is concerned that as time passes, the value of C-FXHP and C-GEMU and all component parts thereof deteriorates, not just due to the passage of time, but also due to the fact that the Aircraft have been left dormant since their seizure, and may not be properly maintained by the debtor. Leaving helicopters dormant and failing to maintain them can lead to condemnation of the engine or decertification of aircraft. As such, I would appreciate hearing from at your earliest convenience.

Yours truly,

**BENNETT JONES LLP**



Kelsey Meyer

KM:ae

cc: Algis Vaitonis and Jeff Tougas, ECN Capital Corp. (via email)



## Kelsey Meyer

---

**From:** Allison Endersby  
**Sent:** 17 July 2018 1:22 PM  
**To:** Neil Narfason; tom.cumming@gowlingwlg.com; jreynaud@stikeman.com  
**Cc:** Kelsey Meyer  
**Subject:** Secured Claim of ECN Aviation Inc. against OpsMobil Group Inc. [BJ-L.FID4223451]  
**Attachments:** International Registry Priority Search Certificate - ESN LE43005.pdf; International Registry Priority Search Certificate - ESN 34069.pdf; International Registry Search, s\_n 3100.pdf; Z10466659.pdf; Z10466662.pdf; Aircraft Loan Agreement.pdf; Aircraft Security Agreement.pdf; International Registry Search, s\_n 1057.pdf; Notices of Seizures, May 11, 2018.pdf; Signed Notice of Disposition of Collateral.pdf; Lease Subordination Agreement March 28, 2014.PDF; Helicopter C-FXHP Inspection Report March20th,2018 v1.pdf; Helicopter C-GEMU Inspection Report March22,2018.pdf; Letter to Mr. Narfason, Mr. Cumming and Mr. Reynaud, July 17, 2018.PDF

Good afternoon,

Please see the attached correspondence and enclosures from Ms. Meyer.



**Allison Endersby**

*Assistant to Kelsey Meyer and Isabel Langlois, Bennett Jones SLP*

4500 Bankers Hall East, 855 - 2nd Street SW, Calgary, AB, T2P 4K7

T. [403 298 4481](tel:4032984481) | F. [403 265 7219](tel:4032657219)

E. [endersbya@bennettjones.com](mailto:endersbya@bennettjones.com)

[BennettJones.com](http://BennettJones.com)





**Bennett Jones**

**Bennett Jones LLP**  
4500 Bankers Hall East, 855 2nd Street SW  
Calgary, Alberta, T2P 4K7 Canada  
T: 403.298.3100  
F: 403.265.7219

**Kelsey Meyer**  
Partner  
Direct Line: 403.298.3323  
e-mail: meyerk@bennettjones.com  
Our File No.: 78704-I

July 17, 2018

**Via E-Mail**

Mr. Neil Narfason  
Senior Vice President  
Ernst & Young Inc.  
Calgary City Centre  
2200, 215 2nd Street SW  
Calgary, AB T2P 1M4

Mr. Thomas A. Cumming  
Partner  
Gowling WLG  
Suite 1600  
421 7th Ave SW  
Calgary, AB T2P 4K9

Mr. Joseph Reynaud  
Partner  
Stikeman Elliott LLP  
1155 René-Lévesque Blvd West  
41st Floor  
Montréal, QC H3B 3V2

Dear Sirs:

**Re: Secured Claim of ECN Aviation Inc. against OpsMobil Group Inc.**

Further to my previous email correspondence to Mr. Reynaud and Mr. Cumming on July 9, 2018, we are legal counsel for ECN Aviation Inc. ("ECN"), a secured creditor of OpsMobil Group Inc. ("OMGI"). ECN holds security over the following aircraft:

One (1) 1998 Eurocopter model AS350BA-FX-2 aircraft bearing manufacturer's serial number 3100 and Canadian registration mark C-FXHP, including one (1) Lycoming (Honeywell) model LTS101-700D2 engine installed on the airframe bearing manufacturer's serial number LE-43005C

("C-FXHP") and

One (1) 2000 Eurocopter model EC120B aircraft bearing manufacturer's serial number 1057 and Canadian registration mark C-GEMU, including one (1) Turbomeca model Arrius 2F engine installed on the airframe bearing manufacturer's serial number 34069

("C-GEMU")

and all parts, accessories, appliances, appurtenances, components, furnishings, instruments, modules, navigational and communications equipment and all other goods, tangible, personal property and other equipment of whatever nature that may from time to time be incorporated or installed in or attached to the foregoing airframes, engines or auxiliary power unit, as the case may be, and all records, logs, maintenance records, manuals, technical data, training aids, computer software, and other materials relating to the airframes, engines, propellers or auxiliary power unit, as the case may be, and any property substituted for any of the foregoing

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

Some of the information in this letter has already been provided to Mr. Cumming and Mr. Reynauld, and is included here for the Monitor's information.

On May 11, 2018, ECN, through its civil enforcement agents, effected a seizure of the Aircraft and related log books, component log cards and maintenance records from OMGI. Each of the Aircraft were left on a bailee's undertaking, and the civil enforcement agent took possession of the log books, component log cards and maintenance records (which we've since determined are incomplete). As is explained below, ECN's security over the Aircraft is in first priority.

On July 5, 2018, we couriered our Notice of Disposition of Collateral with respect to the Aircraft to each of OMGI and Third Eye Capital Corporation ("**Third Eye**"). We learned of the applications for an initial order pursuant to the CCAA and for a receivership order when the civil enforcement agents attended at the locations of each of the seized Aircraft on Friday, July 6, 2018 for the purpose of taking possession of the same (at which time the civil enforcement agents were provided with a copy of the Interim Stay Order granted by Madam Justice Romaine on July 4, 2018).

It is our position that in the circumstances where ECN seized the Aircraft on May 11, 2018, prior to the granting of the Interim Stay Order, that the Aircraft should not be subject to that Order or to the subsequent Order granted by Madam Justice Romaine pursuant to the CCAA on July 10, 2018, and that ECN should be permitted to take possession of the Aircraft (including all of their component parts) for the purpose of marketing and selling the same, in accordance with the PPSA. As you are aware, the Order granted July 10, 2018 is specifically without prejudice to the right of ECN to make an application for an Order in that regard.

It is also our position that the CCAA proceeding will not benefit ECN, in the circumstances where ECN has already seized the Aircraft secured in its favour, and as such, that the Aircraft should not be subject to court-ordered charges in priority to ECN's security over that seized collateral.

Please find enclosed:

- Alberta Personal Property Registry searches of each of the above-noted Aircraft, which include the security registrations in favour of ECN over each of the two Aircraft as well as registration of the seizures of each of those Aircraft;



- International Registry for International Interests in Mobile Equipment (Aircraft Equipment) ("**International Registry**") searches demonstrating that ECN has registered its security interest over the Aircraft and the engines for those Aircraft at the International Registry;
- A copy of the Notices of Seizures of each of the Aircraft and of the related log books, log component cards and maintenance records, all of which were seized on May 11, 2018. Each of the Aircraft were seized on a bailee's undertaking, whereas the log books, component log cards and maintenance records were seized and physically removed by the civil enforcement agency (we have since become aware that these records are incomplete; in particular, the log books and component log cards for C-FXHP are missing);
- A copy of the Aircraft Loan Agreement dated March 28, 2014, entered into between Gemini Helicopters Inc. ("**Gemini**", the predecessor to OMGI) and Element Financial Corporation ("**Element**", the predecessor in interest to ECN);
- A copy of the Aircraft Security Agreement dated March 28, 2014, entered into between Gemini and Element;
- A copy of the Lease Subordination Agreement dated March 28, 2014, entered into between Gemini as the debtor, OpsMobil Inc. as the lessee, and Element;
- The Notice of Disposition of Collateral dated July 5, 2018, which was sent by courier to OMGI and to Third Eye on that date; and
- Inspection reports regarding inspections of the Aircraft conducted by ECN at the end of March, 2018, and noting in particular that C-FXHP is not airworthy, has been cannibalized with certain of its parts installed onto other aircraft and its engine removed in January 2016 and delivered to Intermountain Turbine in Utah at that time for repairs, which were never undertaken (we understand that the engine was disassembled at Intermountain Turbine, which work has not been paid for), and that repair, maintenance and inspection work is required and overdue on C-GEMU.

Section 2.1 of the Aircraft Security Agreement defines the "Collateral" securing the loan granted by ECN to OMGI (by their respective predecessors), which expressly includes "all improvements, additions, replacements and substitutions and includes all present and future Parts, replacement Parts and accessories of any kind whatsoever." Further, the "Collateral" also includes "Aircraft", which is defined to mean "(i) the Airframe(s), together with (ii) the Engines, (iii) the Major Components, and (iv) the Manuals and Technical Records." As can be seen in the Aircraft Security Agreement itself, each of the capitalized terms "Parts", "Engines" and "Major Components" are defined to include those items after removal of the same from the Airframe and upon installation onto another airframe or



aircraft.<sup>1</sup> As such, the Parts, Engines and Major Components of the Aircraft (and in particular, C-FXHP) that have been removed from the Aircraft remain subject to the security interest of ECN.

With respect to the priority of ECN's security, we note that:

- The Aircraft constitute serial number goods, and as such, a security interest in the Aircraft is not registered or perfected by registration unless the Aircraft are registered by serial number, which, in the case of the Aircraft, is the registration marks assigned to the airframe: *Personal Property Security Regulation*, AR 95/2001, ss 1(1)(y), 34 and 35(2)(d) and *Personal Property Security Act*, RSA 2000 c P-7, s 35(4);
- The *Convention on International Interests in Mobile Equipment* and the *Protocol on Matters Specific to Aircraft Equipment* (the "**Cape Town Convention**") came into force in Canada on April 1, 2013, as is reflected in the *International Interests in Mobile Equipment (aircraft equipment) Act*, SC 2005, c 3 (the "**Aircraft Objects Act**"). As of that date, registrations of security interests in aircraft with the International Registry take priority to registrations at the Alberta Personal Property Registry (the "**PPR**"): section 6 and Schedule 1, Article 29, section 1 of the *Aircraft Objects Act*. Pursuant to Schedule 1, Article 29, section 1 of the *Aircraft Objects Act*, a registered interest pursuant to the Cape Town Convention has priority over any other interest subsequently registered and over an unregistered interest;
- ECN registered its security interest in the Aircraft as serial number goods and as general collateral at the PPR on March 27, 2014;
- ECN registered its security interest in the Aircraft at the International Registry on April 1, 2014;
- ECN also specifically registered its security interest in the engines for the Aircraft at the International Registry on April 1, 2014;
- Third Eye amended its registrations at the PPR as against OMGI and other debtors to add the Aircraft as serial number goods on December 11, 2014;
- There is no registration over the Aircraft in favour of Third Eye at the International Registry.

As of April 1, 2013, any registration over the Aircraft at the International Registry takes priority to any registration at the PPR made after that date, regardless of the date of the registration at the International Registry. As such, ECN's security interest over the Aircraft and over the engines at the

---

<sup>1</sup> For example, "Engine" is defined to mean "(i) each of the engines described in Schedule "A" and all other engines financed with the Airframe in accordance with the Loan Agreement whether or not from time to time installed on the Airframe or removed from the Airframe and installed on any other airframe or aircraft so long as such removed Engine shall remain subject to the Security in accordance with the terms of the Loan Agreement, (ii) any replacement Engine or any engine which may from time to time be substituted for an Engine, and (iii) any and all Parts incorporated in, installed on, or attached to, an Engine at the time of delivery hereunder or at an time thereafter, and any and all Parts removed from an Engine so long as such Parts shall remain subject to the Security in accordance with the terms of the Loan Agreement."



International Registry on April 1, 2014 takes priority to the December 11, 2014 amendment of the PPR registration of the security interest of Third Eye to include the Aircraft.

As such, ECN's security interest over the Aircraft and over the engines is in first priority. This is further confirmed by the Lease Subordination Agreement, which sets out that Gemini leased the Aircraft to OpsMobil Inc., and that OpsMobil Inc. agreed to subordinate its interests in the Aircraft pursuant to that lease to the security interest of EFC.

With respect to seizure of the Aircraft having been effected on May 11, 2018, well in advance of the Interim Stay Order granted July 4, 2018, we note that section 58 of the PPSA states, in part:

58(1) Subject to Part 2 of the *Civil Enforcement Act* and sections 36, 37 and 38, on default under a security agreement,

- (a) the secured party has, unless otherwise agreed, the right to take possession of the collateral or otherwise enforce the security agreement by any method permitted by law,
- (b) if the collateral is a document of title, the secured party may proceed either as to the document of title or as to the goods covered by it, and any method of enforcement that is available with respect to the document of title is also available, with all the necessary modifications, with respect to the goods covered by it,
- (c) where the collateral is goods of a kind that cannot be readily moved from the debtor's premises or of a kind for which adequate alternative storage facilities are not readily available, the collateral may be seized without removing it from the debtor's premises in any manner by which a civil enforcement agency may seize without removal under subsection (2)(b) to (d), if the secured party's interest is perfected by registration, and

...

(2) To make a seizure of property, the civil enforcement agency may

- (a) take physical possession of the property,
- (b) give to the debtor or the person in possession of the collateral a notice of seizure in the prescribed form,

...

and seizure by the civil enforcement agency shall continue until possession of the property is surrendered to the secured party or the secured party's agent, or the seizure has been released.

(3) At any time after making a seizure, the civil enforcement agency may appoint the debtor or other person in possession of the property seized as bailee of the civil enforcement agency on the debtor or such other person executing a written undertaking in the prescribed form to hold the property as bailee for the civil enforcement agency and to deliver up



possession of the property to the civil enforcement agency on demand and property held by a bailee is deemed to be held under seizure by the civil enforcement agency.

As set out in the Notices of Seizures enclosed herewith, the Aircraft were seized on May 11, 2018 on a bailee's undertaking, which was executed in the prescribed form, and the Aircraft are accordingly deemed to be held under seizure by the civil enforcement agency. The log books, component log cards and maintenance records were seized on May 11, 2018 by way of the civil enforcement agent taking physical possession of the same. Further, as these seizures were effected on May 11, 2018, they occurred long before the granting of the Interim Stay Order on July 4, 2018. ECN takes the position that on that basis, the Aircraft and the related log books, component log cards and maintenance records should not be subject to the Interim Stay Order granted on July 4, 2018, or to the Order granted pursuant to the CCAA on July 10, 2018.

With respect to the engine for C-FXHP in particular ("LE-43005C"), as noted above, that engine was removed from C-FXHP in January 2016 and was transported to Intermountain Turbine in Utah at that time for repair. LE-43005C was disassembled by Intermountain Turbine, the costs of which have not been paid for, and LE-43005C was never repaired. LE-43005C has also been seized: as noted above, pursuant to section 58(2)(b) of the PPSA, to make a seizure of property, the civil enforcement agency may give to the debtor or the person in possession of the collateral a notice of seizure in the prescribed form. Here, the civil enforcement agency has given the debtor, OMGI, a Notice of Seizure of the Aircraft, including (and specifically describing) the engines, including LE-43005C, and as such, ECN has effectively seized LE-43005C.

Further, regardless of the seizure, ECN clearly has a first priority security interest in LE-43005C, and as such, ECN intends to pay Intermountain Turbine for the costs of the disassembly of that engine performed by Intermountain Turbine and to take possession of the same, for the purpose of marketing and selling it (along with the Aircraft) in accordance with the PPSA.

We note also that the *Aircraft Objects Act* creates an exception so that creditors with security on aircraft objects are not subject to the stay of proceedings under the CCAA if the debtor fails to protect or maintain the object in accordance with the agreement. Clearly, OMGI has failed to protect or maintain the Aircraft as required pursuant to the Aircraft Loan Agreement and the Aircraft Security Agreement, and as such, pursuant to the *Aircraft Objects Act*, ECN is not subject to the stay of proceedings in favour of OMGI as a result of the CCAA proceedings. Schedule 2, Article XI of the *Aircraft Objects Act* also provides that 60 days following the commencement of proceedings under the CCAA, the creditor can seize the aircraft object subject to certain exceptions which do not apply in this case (as set out in section 7 of Article XI); however, ECN submits that that provision does not apply here, where the Aircraft were already seized prior to the CCAA proceedings and OMGI has failed to preserve and maintain the Aircraft and their value. See L. W. Houlden, G. B. Morawetz and J. P. Sarra, *The 2018 Annotated Bankruptcy and Insolvency Act* (Toronto: Thomson Reuters, 2018) at N§74.<sup>2</sup>

<sup>2</sup> The Declarations Lodged by Canada Under the Aircraft Protocol at the time of the deposit of its instrument of ratification And Subsequent Declaration are available online at <https://www.unidroit.org/status-2001/capetown-aircraft?id=1565>.



July 17, 2018

Page 7

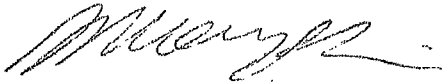
In consideration of the cannibalized state of C-FXHP, and based on the inspections that have been carried out by ECN of the Aircraft, ECN is of the view that there is no equity in the Aircraft. However, if for any reason there is equity, ECN does intend to market and sell the Aircraft in a commercially reasonable manner, and will report any equity to the Monitor.

On that basis, we respectfully request your consent to an Order directing that ECN and the Aircraft are not subject to the Order granted on July 10, 2018 in the CCAA proceedings in relation to OMGI (or any subsequent Order granted in those proceedings), and that ECN is permitted to take possession of the Aircraft (including all of their component parts and LE-43005C specifically) for the purpose of marketing and selling the same, in accordance with the PPSA. We also request that OMGI deliver up those log books and component log cards for C-FXHP which were not provided to the civil enforcement agency at the time of seizure of the same on May 11, 2018.

Should you require any further information or have any questions, please do not hesitate to contact me.

Yours truly,

**BENNETT JONES LLP**



Kelsey Meyer

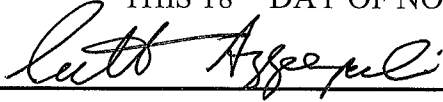
KM:/km

Enclosures

cc: ECN Capital Corp., Attn: Algis Vaitonis, Maxim Nadeau and Jeff Tougas (via email)



THIS IS EXHIBIT "32" REFERRED TO IN THE AFFIDAVIT OF  
ALGIS VAITONIS, SWORN BEFORE ME  
THIS 18<sup>TH</sup> DAY OF NOVEMBER, 2018

A handwritten signature in cursive script, reading "Scott Azzopardi", written in black ink. The signature is positioned above a horizontal line.

---

SCOTT AZZOPARDI

A Notary Public in the Province of Ontario

## Kelsey Meyer

---

**From:** Kelsey Meyer  
**Sent:** 31 October 2018 4:46 PM  
**To:** Gurofsky, Robyn  
**Cc:** Kruger, Josef G. A.; 'Neil Narfason (Neil.Narfason@ca.ey.com)'  
**Subject:** Secured Claim of ECN Aviation Inc. against OpsMobil Group Inc. [BJ-L.FID4223451]  
**Attachments:** Letter to Ms. Gurofsky - October 31, 2018.PDF; Secured Claim of ECN Aviation Inc. against OpsMobil Group Inc. [BJ-L.FID4223451]

Robyn,

As per our discussions earlier today, please see the attached.

Thanks and regards,

Kelsey



**Kelsey Meyer**  
**Partner\*, Bennett Jones LLP**  
\*Denotes Professional Corporation

4500 Bankers Hall East, 855 - 2nd Street SW, Calgary, AB, T2P 4K7  
T. [403 298 3323](tel:4032983323) | F. [403 265 7219](tel:4032657219)  
E. [meyerk@bennettjones.com](mailto:meyerk@bennettjones.com)  
[BennettJones.com](http://BennettJones.com)





Bennett Jones

Bennett Jones LLP  
4500 Bankers Hall East, 855 2nd Street SW  
Calgary, Alberta, T2P 4K7 Canada  
T: 403.298.3100  
F: 403.265.7219

Kelsey Meyer  
Partner  
Direct Line: 403.298.3323  
e-mail: [meyerk@bennettjones.com](mailto:meyerk@bennettjones.com)  
Our File No.: 78704-1

October 31, 2018

**Via E-Mail**

Ms. Robyn Gurofsky  
Borden Ladner Gervais LLP  
1900, 520 - 3 Avenue SW  
Centennial Place, East Tower  
Calgary, AB T2P 0R3

Dear Ms. Gurofsky:

**Re: Secured Claim of ECN Aviation Inc. against OpsMobil Group Inc.**

Thank you for the calls today regarding (among other things) the secured claim of ECN Aviation Inc. ("ECN") against OpsMobil Group Inc. ("OMGI").

I write further to my letter of July 17, 2018, a copy of which is enclosed. As set out in that letter, ECN, through its civil enforcement agents, seized the following aircraft from OMGI on May 11, 2018:

One (1) 1998 Eurocopter model AS350BA-FX-2 aircraft bearing manufacturer's serial number 3100 and Canadian registration mark C-FXHP, including one (1) Lycoming (Honeywell) model LTS101-700D2 engine installed on the airframe bearing manufacturer's serial number LE-43005C

("C-FXHP") and

One (1) 2000 Eurocopter model EC120B aircraft bearing manufacturer's serial number 1057 and Canadian registration mark C-GEMU, including one (1) Turbomeca model Arrius 2F engine installed on the airframe bearing manufacturer's serial number 34069

("C-GEMU")

and all parts, accessories, appliances, appurtenances, components, furnishings, instruments, modules, navigational and communications equipment and all other goods, tangible, personal property and other equipment of whatever nature that may from time to time be incorporated or installed in or attached to the foregoing airframes, engines or auxiliary power unit, as the case may be, and all records, logs, maintenance records,

manuals, technical data, training aids, computer software, and other materials relating to the airframes, engines, propellers or auxiliary power unit, as the case may be, and any property substituted for any of the foregoing

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

Each of the Aircraft (including all parts, etc. as described above) were seized and left on a bailee's undertaking on May 11, 2018, and the civil enforcement agent seized and took possession of the log books, component log cards and maintenance records for the Aircraft (which we've since determined are incomplete) on that same date.

The seizure of the Aircraft occurred long before any stay of proceedings was granted in relation to OMGI, either pursuant to the *Companies' Creditors Arrangement Act* (the Interim Stay Order granted July 4, 2018) or pursuant to the Receivership Order granted July 19, 2018. ECN became aware of the July 4, 2018 Interim Stay Order on July 6, 2018, when its civil enforcement agents attended at the locations of each of the Aircraft to take possession of the same and to serve a Notice of Intention of Disposition of Collateral with respect to each of the Aircraft. At that time, OMGI or its agents provided the civil enforcement agents with a copy of the Interim Stay Order and advised that it prevented the civil enforcement agents from taking possession of the seized Aircraft.

ECN also couriered the Notice of Disposition of Collateral with respect to the Aircraft to each of OMGI and Third Eye Capital Corporation (also a secured creditor with respect to the Aircraft, although subordinate to ECN's secured claim) on July 5, 2018.

As set out in my letter of July 17<sup>th</sup>, it is our position that:

- in the circumstances where ECN seized the Aircraft on May 11, 2018, prior to the Interim Stay Order granted July 4, 2018, the Aircraft should not be subject to that Interim Stay Order or to the subsequent Order granted by Madam Justice Romaine pursuant to the CCAA on July 10, 2018, or the Receivership Order granted July 19, 2018 (please note in particular pages 5-6 of the letter);
- ECN should be permitted to take possession of the Aircraft (including all of their component parts as specifically described above) for the purpose of marketing and selling the same; and
- the receivership proceedings in relation to OMGI will not benefit ECN, in the circumstances where ECN has already seized the Aircraft secured in its favour, and as such, that the Aircraft should not be subject to court-ordered charges in priority to ECN's security over that seized collateral.

As you are aware, the Order granted pursuant to the CCAA on July 10, 2018 and the Receivership Order are specifically without prejudice to the right of ECN to apply for an Order declaring that (i) the assets of OMGI that were seized on May 11, 2018 on behalf of ECN are not subject to the



provisions of those Orders, and (ii) ECN is entitled to take possession and dispose of the said assets in accordance with the PPSA (see paragraph 38 of the Receivership Order).

My letter of July 17<sup>th</sup> includes a number of enclosures with respect to ECN's claim and its seizure of the Aircraft, and points out that pursuant to the definition of "Collateral" in the Aircraft Security Agreement enclosed with that letter, the secured "Collateral" includes "all improvements, additions, replacements and substitutions and includes all present and future Parts, replacement Parts and accessories of any kind whatsoever", and also includes "Parts", "Engines" and "Major Components" which are defined in that agreement to include those items even after removal of the same from the "Airframe" and upon installation onto another airframe or aircraft. As such, the Parts, Engines and Major Components of the Aircraft (and in particular, of C-FXHP, which has been cannibalized) that have been removed from the Aircraft remain subject to the security interest of ECN and are subject to the seizure. The July 17<sup>th</sup> letter sets out the basis for the priority of ECN's security. Please see pages 4 and 5 of that letter.

We have also previously provided you with further information as to the relationship between ECN and Element Financial Corporation, the original secured lender to OMGI (please see my email of August 1, 2018 in that regard).

Although the July 17, 2018 letter addresses the impact of the *Convention on International Interests in Mobile Equipment* (the "**Convention**") and the *Protocol on Matters Specific to Aircraft Equipment* (the "**Protocol**") and, together with the Convention, the "**Cape Town Convention**"), which came into force in Canada on April 1, 2013 as is reflected in the *International Interests in Mobile Equipment (aircraft equipment) Act*, SC 2005, c 3 (the "**Aircraft Objects Act**"), I wanted to note the following points here as well:

- The Cape Town Convention includes Article XI of the Protocol regarding Remedies on Insolvency.
- Canada has declared that it will apply Article XI Alternative A of the Protocol in its entirety to all types of insolvency proceedings and all insolvency-related events and that the "waiting period" is 60 days (see the Declarations Lodged by Canada Under the Aircraft Protocol, which is located at <https://www.unidroit.org/status-2001capetown-aircraft/518-instruments/security-interests/cape-town-convention-aircraft-protocol-2001/depositary-functions-aircraft-2001/declarations-by-contracting-state/1565-declarations-lodged-by-canada-under-the-aircraft-protocol>);
- Under Alternative A, the stays of proceedings granted by the Court do not apply to ECN's seizure of the Aircraft, and so ECN should have been able to take immediate possession of them (as was noted in the July 17<sup>th</sup> letter) at the time it sought to do so on July 6, 2018. Further, the Receiver was required to give ECN possession of the Aircraft no later than the earlier of 60 days from the insolvency-related event (the Interim Stay Order granting the initial stay of proceedings on July 4, 2018 which commenced the insolvency proceedings) or on the date on which ECN would have been entitled to possession of the Aircraft if



Article XI did not apply (i.e., immediately, in the circumstances where ECN had already seized the helicopters on a bailee's undertaking in each case);

- Pursuant to paragraph 5 of Alternative A, unless and until the creditor (in this case, ECN) is given the opportunity to take possession of the Aircraft under paragraph 2, the Receiver is required to preserve the Aircraft and maintain it and its value in accordance with the agreement (i.e. the Aircraft Loan Agreement and the Aircraft Security Agreement). As mentioned in my voice mail message to you on September 12<sup>th</sup> and our call on September 17<sup>th</sup>, ECN's concern is that the value of these Aircraft deteriorates over time, particularly if left dormant;
- Pursuant to paragraph 9 of Alternative A, "No exercise of remedies permitted by the Convention or this Protocol may be prevented or delayed after the date specified in paragraph 2" (which, as noted above, was immediate, even as of the date of the Interim Stay Order);
- Chapter III of the Convention provides that ECN can take possession or control of or sell the Aircraft upon an event of default, as agreed upon between the parties in their agreements, and also provides that ECN can apply for a court order authorizing or directing this relief;
- Article 13 of the Convention provides for speedy relief from a court for an order allowing ECN to obtain possession, custody or control, and preservation of the Aircraft.

In the July 17<sup>th</sup> letter, ECN requested the Receiver's consent to an Order directing that the Aircraft are not subject to the Receivership Order (or to the preceding Orders granted pursuant to the CCAA), that ECN is permitted to take possession of the Aircraft for the purpose of marketing and selling the same, and that the Receiver deliver up those log books and component log cards for C-FXHP which were not provided to the civil enforcement agency at the time of seizure of the same on May 11, 2018. As discussed, I have booked an hour on the Commercial List before Madam Justice Romaine on November 28, 2018 at 11:00 a.m. for the purposes of an application to be filed by ECN for an Order in this regard.

Further to our calls today, I now understand that notwithstanding that the Aircraft are subject to seizure, the Aircraft (and all parts thereof) are also subject to a settlement that the Receiver has entered into with Airborne Energy Solutions Inc. ("AES"), and that the Aircraft, as well as all other assets of OMGI, are being sold to AES as part of that settlement. I also understand that Canada Revenue Agency claims a deemed trust over the assets of OMGI for unremitted source deductions in the amount of \$360,919.73.

As discussed, I am seeking instructions from ECN regarding these developments, and will contact you once I have such instructions. In the interim, please note that:

- the Aircraft are subject to ECN's security interest and seizure, and as such, ECN reserves its right to object to the inclusion of the Aircraft (as defined above) in any sale to AES;



October 31, 2018

Page 5

- on a without prejudice basis, however, ECN is prepared to discuss other means of resolving this matter, including the inclusion of the Aircraft in the assets to be sold to AES on appropriate terms.

Please contact me to discuss this matter further.

Yours truly,

**BENNETT JONES LLP**



Kelsey Meyer

KM

Enclosures

cc: Josef G. A. Kruger, Q.C., Borden Ladner Gervais LLP, via email  
Neil Narfason, Ernst & Young Inc., via email  
ECN Capital Corp., Attention: A. Vaitonis, J. Tougas and A. Flomen, via email



Bennett Jones

WSLEGAL\078704\00001\21184738v1

## Kelsey Meyer

---

**From:** Allison Endersby  
**Sent:** 17 July 2018 1:22 PM  
**To:** Neil Narfason; tom.cumming@gowlingwlg.com; jreynaud@stikeman.com  
**Cc:** Kelsey Meyer  
**Subject:** Secured Claim of ECN Aviation Inc. against OpsMobil Group Inc. [BJ-L.FID4223451]  
**Attachments:** International Registry Priority Search Certificate - ESN LE43005.pdf; International Registry Priority Search Certificate - ESN 34069.pdf; International Registry Search, s\_n 3100.pdf; Z10466659.pdf; Z10466662.pdf; Aircraft Loan Agreement.pdf; Aircraft Security Agreement.pdf; International Registry Search, s\_n 1057.pdf; Notices of Seizures, May 11, 2018.pdf; Signed Notice of Disposition of Collateral.pdf; Lease Subordination Agreement March 28, 2014.PDF; Helicopter C-FXHP Inspection Report March20th,2018 v1.pdf; Helicopter C-GEMU Inspection Report March22,2018.pdf; Letter to Mr. Narfason, Mr. Cumming and Mr. Reynaud, July 17, 2018.PDF

Good afternoon,

Please see the attached correspondence and enclosures from Ms. Meyer.



**Allison Endersby**

*Assistant to Kelsey Meyer and Isabel Langlois, Bennett Jones SLP*

4500 Bankers Hall East, 855 - 2nd Street SW, Calgary, AB, T2P 4K7

T. 403 298 4481 | F. 403 265 7219

E. endersbya@bennettjones.com

BennettJones.com





Bennett Jones

Bennett Jones LLP  
4500 Bankers Hall East, 855 2nd Street SW  
Calgary, Alberta, T2P 4K7 Canada  
T: 403.298.3100  
F: 403.265.7219

Kelsey Meyer  
Partner  
Direct Line: 403.298.3323  
e-mail: meyerk@bennettjones.com  
Our File No.: 78704-1

July 17, 2018

**Via E-Mail**

Mr. Neil Narfason  
Senior Vice President  
Ernst & Young Inc.  
Calgary City Centre  
2200, 215 2nd Street SW  
Calgary, AB T2P 1M4

Mr. Thomas A. Cumming  
Partner  
Gowling WLG  
Suite 1600  
421 7th Ave SW  
Calgary, AB T2P 4K9

Mr. Joseph Reynaud  
Partner  
Stikeman Elliott LLP  
1155 René-Lévesque Blvd West  
41st Floor  
Montréal, QC H3B 3V2

Dear Sirs:

**Re: Secured Claim of ECN Aviation Inc. against OpsMobil Group Inc.**

Further to my previous email correspondence to Mr. Reynaud and Mr. Cumming on July 9, 2018, we are legal counsel for ECN Aviation Inc. ("ECN"), a secured creditor of OpsMobil Group Inc. ("OMGI"). ECN holds security over the following aircraft:

One (1) 1998 Eurocopter model AS350BA-FX-2 aircraft bearing manufacturer's serial number 3100 and Canadian registration mark C-FXHP, including one (1) Lycoming (Honeywell) model LTS101-700D2 engine installed on the airframe bearing manufacturer's serial number LE-43005C

("C-FXHP") and

One (1) 2000 Eurocopter model EC120B aircraft bearing manufacturer's serial number 1057 and Canadian registration mark C-GEMU, including one (1) Turbomeca model Arrius 2F engine installed on the airframe bearing manufacturer's serial number 34069

("C-GEMU")

and all parts, accessories, appliances, appurtenances, components, furnishings, instruments, modules, navigational and communications equipment and all other goods, tangible, personal property and other equipment of whatever nature that may from time to time be incorporated or installed in or attached to the foregoing airframes, engines or auxiliary power unit, as the case may be, and all records, logs, maintenance records, manuals, technical data, training aids, computer software, and other materials relating to the airframes, engines, propellers or auxiliary power unit, as the case may be, and any property substituted for any of the foregoing

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

Some of the information in this letter has already been provided to Mr. Cumming and Mr. Reynauld, and is included here for the Monitor's information.

On May 11, 2018, ECN, through its civil enforcement agents, effected a seizure of the Aircraft and related log books, component log cards and maintenance records from OMGI. Each of the Aircraft were left on a bailee's undertaking, and the civil enforcement agent took possession of the log books, component log cards and maintenance records (which we've since determined are incomplete). As is explained below, ECN's security over the Aircraft is in first priority.

On July 5, 2018, we couriered our Notice of Disposition of Collateral with respect to the Aircraft to each of OMGI and Third Eye Capital Corporation ("**Third Eye**"). We learned of the applications for an initial order pursuant to the CCAA and for a receivership order when the civil enforcement agents attended at the locations of each of the seized Aircraft on Friday, July 6, 2018 for the purpose of taking possession of the same (at which time the civil enforcement agents were provided with a copy of the Interim Stay Order granted by Madam Justice Romaine on July 4, 2018).

It is our position that in the circumstances where ECN seized the Aircraft on May 11, 2018, prior to the granting of the Interim Stay Order, that the Aircraft should not be subject to that Order or to the subsequent Order granted by Madam Justice Romaine pursuant to the CCAA on July 10, 2018, and that ECN should be permitted to take possession of the Aircraft (including all of their component parts) for the purpose of marketing and selling the same, in accordance with the PPSA. As you are aware, the Order granted July 10, 2018 is specifically without prejudice to the right of ECN to make an application for an Order in that regard.

It is also our position that the CCAA proceeding will not benefit ECN, in the circumstances where ECN has already seized the Aircraft secured in its favour, and as such, that the Aircraft should not be subject to court-ordered charges in priority to ECN's security over that seized collateral.

Please find enclosed:

- Alberta Personal Property Registry searches of each of the above-noted Aircraft, which include the security registrations in favour of ECN over each of the two Aircraft as well as registration of the seizures of each of those Aircraft;



- International Registry for International Interests in Mobile Equipment (Aircraft Equipment) ("**International Registry**") searches demonstrating that ECN has registered its security interest over the Aircraft and the engines for those Aircraft at the International Registry;
- A copy of the Notices of Seizures of each of the Aircraft and of the related log books, log component cards and maintenance records, all of which were seized on May 11, 2018. Each of the Aircraft were seized on a bailee's undertaking, whereas the log books, component log cards and maintenance records were seized and physically removed by the civil enforcement agency (we have since become aware that these records are incomplete; in particular, the log books and component log cards for C-FXHP are missing);
- A copy of the Aircraft Loan Agreement dated March 28, 2014, entered into between Gemini Helicopters Inc. ("**Gemini**", the predecessor to OMGI) and Element Financial Corporation ("**Element**", the predecessor in interest to ECN);
- A copy of the Aircraft Security Agreement dated March 28, 2014, entered into between Gemini and Element;
- A copy of the Lease Subordination Agreement dated March 28, 2014, entered into between Gemini as the debtor, OpsMobil Inc. as the lessee, and Element;
- The Notice of Disposition of Collateral dated July 5, 2018, which was sent by courier to OMGI and to Third Eye on that date; and
- Inspection reports regarding inspections of the Aircraft conducted by ECN at the end of March, 2018, and noting in particular that C-FXHP is not airworthy, has been cannibalized with certain of its parts installed onto other aircraft and its engine removed in January 2016 and delivered to Intermountain Turbine in Utah at that time for repairs, which were never undertaken (we understand that the engine was disassembled at Intermountain Turbine, which work has not been paid for), and that repair, maintenance and inspection work is required and overdue on C-GEMU.

Section 2.1 of the Aircraft Security Agreement defines the "Collateral" securing the loan granted by ECN to OMGI (by their respective predecessors), which expressly includes "all improvements, additions, replacements and substitutions and includes all present and future Parts, replacement Parts and accessories of any kind whatsoever." Further, the "Collateral" also includes "Aircraft", which is defined to mean "(i) the Airframe(s), together with (ii) the Engines, (iii) the Major Components, and (iv) the Manuals and Technical Records." As can be seen in the Aircraft Security Agreement itself, each of the capitalized terms "Parts", "Engines" and "Major Components" are defined to include those items after removal of the same from the Airframe and upon installation onto another airframe or



aircraft.<sup>1</sup> As such, the Parts, Engines and Major Components of the Aircraft (and in particular, C-FXHP) that have been removed from the Aircraft remain subject to the security interest of ECN.

With respect to the priority of ECN's security, we note that:

- The Aircraft constitute serial number goods, and as such, a security interest in the Aircraft is not registered or perfected by registration unless the Aircraft are registered by serial number, which, in the case of the Aircraft, is the registration marks assigned to the airframe: *Personal Property Security Regulation*, AR 95/2001, ss 1(1)(y), 34 and 35(2)(d) and *Personal Property Security Act*, RSA 2000 c P-7, s 35(4);
- The *Convention on International Interests in Mobile Equipment* and the *Protocol on Matters Specific to Aircraft Equipment* (the "**Cape Town Convention**") came into force in Canada on April 1, 2013, as is reflected in the *International Interests in Mobile Equipment (aircraft equipment) Act*, SC 2005, c 3 (the "**Aircraft Objects Act**"). As of that date, registrations of security interests in aircraft with the International Registry take priority to registrations at the Alberta Personal Property Registry (the "**PPR**"): section 6 and Schedule 1, Article 29, section 1 of the *Aircraft Objects Act*. Pursuant to Schedule 1, Article 29, section 1 of the *Aircraft Objects Act*, a registered interest pursuant to the Cape Town Convention has priority over any other interest subsequently registered and over an unregistered interest;
- ECN registered its security interest in the Aircraft as serial number goods and as general collateral at the PPR on March 27, 2014;
- ECN registered its security interest in the Aircraft at the International Registry on April 1, 2014;
- ECN also specifically registered its security interest in the engines for the Aircraft at the International Registry on April 1, 2014;
- Third Eye amended its registrations at the PPR as against OMGI and other debtors to add the Aircraft as serial number goods on December 11, 2014;
- There is no registration over the Aircraft in favour of Third Eye at the International Registry.

As of April 1, 2013, any registration over the Aircraft at the International Registry takes priority to any registration at the PPR made after that date, regardless of the date of the registration at the International Registry. As such, ECN's security interest over the Aircraft and over the engines at the

---

<sup>1</sup> For example, "Engine" is defined to mean "(i) each of the engines described in Schedule "A" and all other engines financed with the Airframe in accordance with the Loan Agreement whether or not from time to time installed on the Airframe or removed from the Airframe and installed on any other airframe or aircraft so long as such removed Engine shall remain subject to the Security in accordance with the terms of the Loan Agreement, (ii) any replacement Engine or any engine which may from time to time be substituted for an Engine, and (iii) any and all Parts incorporated in, installed on, or attached to, an Engine at the time of delivery hereunder or at an time thereafter, and any and all Parts removed from an Engine so long as such Parts shall remain subject to the Security in accordance with the terms of the Loan Agreement."



International Registry on April 1, 2014 takes priority to the December 11, 2014 amendment of the PPR registration of the security interest of Third Eye to include the Aircraft.

As such, ECN's security interest over the Aircraft and over the engines is in first priority. This is further confirmed by the Lease Subordination Agreement, which sets out that Gemini leased the Aircraft to OpsMobil Inc., and that OpsMobil Inc. agreed to subordinate its interests in the Aircraft pursuant to that lease to the security interest of EFC.

With respect to seizure of the Aircraft having been effected on May 11, 2018, well in advance of the Interim Stay Order granted July 4, 2018, we note that section 58 of the PPSA states, in part:

58(1) Subject to Part 2 of the *Civil Enforcement Act* and sections 36, 37 and 38, on default under a security agreement,

- (a) the secured party has, unless otherwise agreed, the right to take possession of the collateral or otherwise enforce the security agreement by any method permitted by law,
- (b) if the collateral is a document of title, the secured party may proceed either as to the document of title or as to the goods covered by it, and any method of enforcement that is available with respect to the document of title is also available, with all the necessary modifications, with respect to the goods covered by it,
- (c) where the collateral is goods of a kind that cannot be readily moved from the debtor's premises or of a kind for which adequate alternative storage facilities are not readily available, the collateral may be seized without removing it from the debtor's premises in any manner by which a civil enforcement agency may seize without removal under subsection (2)(b) to (d), if the secured party's interest is perfected by registration, and

...

(2) To make a seizure of property, the civil enforcement agency may

- (a) take physical possession of the property,
- (b) give to the debtor or the person in possession of the collateral a notice of seizure in the prescribed form,

...

and seizure by the civil enforcement agency shall continue until possession of the property is surrendered to the secured party or the secured party's agent, or the seizure has been released.

(3) At any time after making a seizure, the civil enforcement agency may appoint the debtor or other person in possession of the property seized as bailee of the civil enforcement agency on the debtor or such other person executing a written undertaking in the prescribed form to hold the property as bailee for the civil enforcement agency and to deliver up



possession of the property to the civil enforcement agency on demand and property held by a bailee is deemed to be held under seizure by the civil enforcement agency.

As set out in the Notices of Seizures enclosed herewith, the Aircraft were seized on May 11, 2018 on a bailee's undertaking, which was executed in the prescribed form, and the Aircraft are accordingly deemed to be held under seizure by the civil enforcement agency. The log books, component log cards and maintenance records were seized on May 11, 2018 by way of the civil enforcement agent taking physical possession of the same. Further, as these seizures were effected on May 11, 2018, they occurred long before the granting of the Interim Stay Order on July 4, 2018. ECN takes the position that on that basis, the Aircraft and the related log books, component log cards and maintenance records should not be subject to the Interim Stay Order granted on July 4, 2018, or to the Order granted pursuant to the CCAA on July 10, 2018.

With respect to the engine for C-FXHP in particular ("LE-43005C"), as noted above, that engine was removed from C-FXHP in January 2016 and was transported to Intermountain Turbine in Utah at that time for repair. LE-43005C was disassembled by Intermountain Turbine, the costs of which have not been paid for, and LE-43005C was never repaired. LE-43005C has also been seized: as noted above, pursuant to section 58(2)(b) of the PPSA, to make a seizure of property, the civil enforcement agency may give to the debtor or the person in possession of the collateral a notice of seizure in the prescribed form. Here, the civil enforcement agency has given the debtor, OMGI, a Notice of Seizure of the Aircraft, including (and specifically describing) the engines, including LE-43005C, and as such, ECN has effectively seized LE-43005C.

Further, regardless of the seizure, ECN clearly has a first priority security interest in LE-43005C, and as such, ECN intends to pay Intermountain Turbine for the costs of the disassembly of that engine performed by Intermountain Turbine and to take possession of the same, for the purpose of marketing and selling it (along with the Aircraft) in accordance with the PPSA.

We note also that the *Aircraft Objects Act* creates an exception so that creditors with security on aircraft objects are not subject to the stay of proceedings under the CCAA if the debtor fails to protect or maintain the object in accordance with the agreement. Clearly, OMGI has failed to protect or maintain the Aircraft as required pursuant to the Aircraft Loan Agreement and the Aircraft Security Agreement, and as such, pursuant to the *Aircraft Objects Act*, ECN is not subject to the stay of proceedings in favour of OMGI as a result of the CCAA proceedings. Schedule 2, Article XI of the *Aircraft Objects Act* also provides that 60 days following the commencement of proceedings under the CCAA, the creditor can seize the aircraft object subject to certain exceptions which do not apply in this case (as set out in section 7 of Article XI); however, ECN submits that that provision does not apply here, where the Aircraft were already seized prior to the CCAA proceedings and OMGI has failed to preserve and maintain the Aircraft and their value. See L. W. Houlden, G. B. Morawetz and J. P. Sarra, *The 2018 Annotated Bankruptcy and Insolvency Act* (Toronto: Thomson Reuters, 2018) at N§74.<sup>2</sup>

<sup>2</sup> The Declarations Lodged by Canada Under the Aircraft Protocol at the time of the deposit of its instrument of ratification And Subsequent Declaration are available online at <https://www.unidroit.org/status-2001capetown-aircraft?id=1565>.



July 17, 2018

Page 7

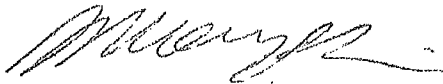
In consideration of the cannibalized state of C-FXHP, and based on the inspections that have been carried out by ECN of the Aircraft, ECN is of the view that there is no equity in the Aircraft. However, if for any reason there is equity, ECN does intend to market and sell the Aircraft in a commercially reasonable manner, and will report any equity to the Monitor.

On that basis, we respectfully request your consent to an Order directing that ECN and the Aircraft are not subject to the Order granted on July 10, 2018 in the CCAA proceedings in relation to OMGI (or any subsequent Order granted in those proceedings), and that ECN is permitted to take possession of the Aircraft (including all of their component parts and LE-43005C specifically) for the purpose of marketing and selling the same, in accordance with the PPSA. We also request that OMGI deliver up those log books and component log cards for C-FXHP which were not provided to the civil enforcement agency at the time of seizure of the same on May 11, 2018.

Should you require any further information or have any questions, please do not hesitate to contact me.

Yours truly,

**BENNETT JONES LLP**



Kelsey Meyer

KM:/km  
Enclosures

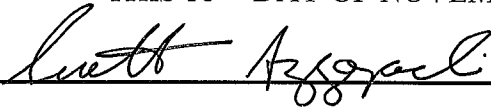
cc: ECN Capital Corp., Attn: Algis Vaitonis, Maxim Nadeau and Jeff Tougas (via email)



Bennett Jones

WSLEGAL\078704\00001\20498954v1

THIS IS EXHIBIT "33" REFERRED TO IN THE AFFIDAVIT OF  
ALGIS VAITONIS, SWORN BEFORE ME  
THIS 18<sup>TH</sup> DAY OF NOVEMBER, 2018

A handwritten signature in cursive script, reading "Scott Azzopardi", is written over a horizontal line.

SCOTT AZZOPARDI

A Notary Public in the Province of Ontario



Bennett Jones

Bennett Jones LLP  
4500 Bankers Hall East, 855 2nd Street SW  
Calgary, Alberta, T2P 4K7 Canada  
T: 403.298.3100  
F: 403.265.7219

Kelsey Meyer  
Partner  
Direct Line: 403.298.3323  
e-mail: meyerk@bennettjones.com  
Our File No.: 78704.1

July 16, 2018

VIA COURIER

Rilpa Enterprises Ltd.  
c/o Larkin Law Office  
102, 1333 8 Street SW  
Calgary, AB T2R 1M6

Attention: Kim Mizera

Dear Kim Mizera:

Re: Interest in Helicopter Engine

We are legal counsel for ECN Aviation Inc. ("ECN"), a secured creditor of OpsMobil Group Inc. over the following aircraft:

One (1) 1998 Eurocopter model AS350BA-FX-2 aircraft bearing manufacturer's serial number 3100 (described on the International Registry by free text entry as Eurocopter model AS350-BA manufacturer's serial number 3100) and Canadian registration mark C-FXHP, including one (1) Lycoming (Honeywell) model LTS101-700D2 engine installed on the airframe bearing manufacturer's serial number LE-43005C (described on the International Registry by free text entry as Honeywell model LTS101 manufacturer's serial number LE43005);

One (1) 2000 Eurocopter model EC120B aircraft bearing manufacturer's serial number 1057 (described on the International Registry by free text entry as Eurocopter model EC120B manufacturer's serial number 1057) and Canadian registration mark C-GEMU, including one (1) Turbomeca model Arrius 2F engine installed on the airframe bearing manufacturer's serial number 34069 (described on the International Registry by free text entry as Turbomeca model Arrius 2F manufacturer's serial number 34069)

(collectively, the "Aircraft")

ECN has registered its security interest against the Aircraft at the Alberta Personal Property Registry, (the "PPR") and has also registered its interests in the Aircraft and the engines to each of those Aircraft at the International Registry. OpsMobil Group Inc. is the borrower pursuant to the Loan Agreement and the Aircraft Security Agreement entered into by ECN (by its predecessor in interest) in relation to the Aircraft, and is the owner of the Aircraft. We are

July 16, 2018

Page 2

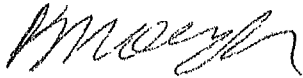
not aware of any interest of Rilpa Enterprises Ltd. in either of the Aircraft or the engines for those Aircraft, nor is any such interest disclosed by the PPR and International Registry searches, copies of which are enclosed with this letter.

We understand that Rilpa Enterprises Ltd. has approached Intermountain Turbine in Utah to take possession of the engine to the Aircraft described as C-FXHP (the engine described as Lycoming (Honeywell) model LTS101-700D2 engine bearing manufacturer's serial number LE-43005C).

Unless Rilpa Enterprises Ltd. is able to provide proof of an ownership interest in this engine (in which case such interest would be subject to the security interest of our client), we are writing to demand that Rilpa Enterprises Ltd. cease and desist from making efforts to take possession of the engine or of either of the Aircraft. In addition to the fact that as far as we are aware, Rilpa Enterprises Ltd. has no interest in the Aircraft or the engines, (i) the Aircraft and the associated engines are subject to security in favour of ECN; (ii) the Aircraft and associated engines are subject to a seizure that has been effected on behalf of ECN on May 11, 2018 (as reflected in the enclosed PPR search); and (iii) there is a stay of proceedings in place in favour of OpsMobil Group Inc., granted by the Court of Queen's Bench of Alberta. A copy of that Court Order, granted July 10, 2018, is enclosed for your reference.

Yours truly,

**BENNETT JONES LLP**



Kelsey Meyer

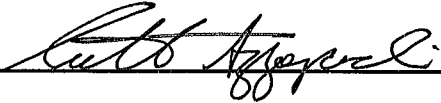
KM:ag

Enclosures

cc: Algis Vaitonis, Maxim Nadeau and Jeff Tougas, ECN Capital Corp. (via email)  
Ellen J. Toscano, Ray Quinney & Nebeker P.C. (via email)



THIS IS EXHIBIT "34" REFERRED TO IN THE AFFIDAVIT OF  
ALGIS VAITONIS, SWORN BEFORE ME  
THIS 18<sup>TH</sup> DAY OF NOVEMBER, 2018

A handwritten signature in cursive script, appearing to read "Scott Azzopardi", is written over a solid horizontal line.

SCOTT AZZOPARDI

A Notary Public in the Province of Ontario

## Kelsey Meyer

---

**From:** April Cuncannon <acuncannon@bdplaw.com>  
**Sent:** 19 July 2018 3:24 PM  
**To:** Kelsey Meyer  
**Cc:** 'KimM@rilpa.com'; David LeGeyt  
**Subject:** Rilpa Enterprises Ltd. - Garage Keepers' Lien  
**Attachments:** Letter to Meyer (July 19, 2018)\_9180201\_1.PDF; Garage Keepers\_ Lien PPR\_9180298\_1.PDF

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Good afternoon,

Please see attached correspondence on behalf of David LeGeyt.

Thanks,

***April Cuncannon***

**Legal Assistant to David LeGeyt, Colin Luke & Simina Ionescu-Mocanu**

**BD&P** BURNET, DUCKWORTH & PALMER LLP Law Firm

Telephone 403.806.7868 Fax 403.260.0332 Web [BDPLAW.COM](http://BDPLAW.COM) Address Suite 2400, 525-8th Ave SW Calgary, AB T2P 1G1

The information transmitted is intended only for the addressee and may contain confidential, proprietary and/or privileged material. Any unauthorized review, distribution or other use of or the taking of any action in reliance upon this information is prohibited. If you received this in error, please contact the sender and delete or destroy this message and any copies.

Burnet,  
Duckworth  
& Palmer LLP  
Law Firm

Reply to: David LeGeyt  
Direct Phone: (403) 260-0210  
Direct Fax: (403) 260-0332  
dlegeyt@bdplaw.com

Assistant: April Cuncannon  
Direct Phone: (403) 806-7868  
Our File: 75955-1

**Via Email**

July 19, 2018

Bennett Jones LLP  
4500, 855 - 2 St SW  
Calgary AB T2P 4K7 Canada

**Attention: Kelsey Meyer**

Dear Kelsey:

**Re: Rilpa Enterprises Ltd. – Garage Keepers' Lien**

---

We are writing in response to your letter dated July 16, 2018, addressed to Rilpa Enterprises Ltd.

Rilpa Enterprises Ltd. was hired by OpsMobil Group Inc. to repair the engine owned by OpsMobil Group Inc. referred to in your letter as bearing manufacturer's serial number LE-43005C. In completing these repairs, Rilpa Enterprises Ltd. subcontracted some of the work to Intermountain Turbine in Utah.

Rilpa Enterprises Ltd. has not been paid by OpsMobil for the storage and repair of the engine. As a result, Rilpa Enterprises Ltd. registered a garage keepers' lien against the engine on July 6, 2018. A recent PPR search demonstrating the registration of the garage keeper's lien is attached.

The garage keepers' lien of Rilpa Enterprises Ltd. takes priority over the security interests of ECN Aviation Inc. in the engine. As such, our client has no intention of changing its course of conduct as a result of your letter. To the contrary, Rilpa Enterprises Ltd. demands that ECN Aviation Inc. cease and desist from any enforcement activities in connection with the engine, given that the security interests of ECN Aviation Inc. are subordinate to the garage keepers' lien of our client.

Yours truly,

BURNET, DUCKWORTH & PALMER LLP



per. David LeGeyt

DLG/amc

cc: Kim Mizera (KimM@rilpa.com)

9179390.1

**BD&P**

2400, 525-8th Avenue SW, Calgary, Alberta, Canada T2P 1G1 Phone: 403-260-0100 Fax: 403-260-0332 [www.bdplaw.com](http://www.bdplaw.com)  
Frank L. Burnet Q.C. (1890-1982) | Thomas J. Duckworth Q.C. (1925-2007) | James S. Palmer C.M., A.O.E., Q.C., LL.D. (1928-2013)  
The Hon. W. Kenneth Moore C.M., Q.C., LL.D., Counsel (1925-2016)

Garage Keepers' Lien

Control #: F05442055

Registration Date: 2018-Jul-06

Registration #: 18070643222

This Registration Expires at 11:59 PM on 2019-Jan-06

The Garage Keeper has possession of the vehicle

Lien Amount is \$42,150.00

Vehicle Owner(s)

Block

1 OPS MOBIL INC.  
1200, 815 - 8 AVENUE SW  
CALGARY, AB T2P 3P2

Person(s) Claiming Lien

Block

1 RILPA ENTERPRISES LTD.  
480 AVIATION WAY NE  
CALGARY, AB T2E 7G3

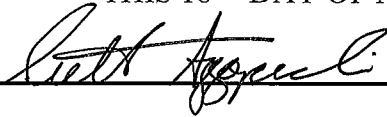
Phone #: 403 275 3035

Collateral: Serial Number Goods

| <u>Block</u> | <u>Serial Number</u> | <u>Year</u> | <u>Make and Model</u>      | <u>Category</u>      |
|--------------|----------------------|-------------|----------------------------|----------------------|
| 1            | LE43005              | 1982        | HONEYWELL<br>LTS101-700D-2 | AC - Aircraft Canada |

End of Verification Statement

THIS IS EXHIBIT "35" REFERRED TO IN THE AFFIDAVIT OF  
ALGIS VAITONIS, SWORN BEFORE ME  
THIS 18<sup>TH</sup> DAY OF NOVEMBER, 2018

A handwritten signature in cursive script, appearing to read "Scott Azzopardi", is written over a horizontal line.

SCOTT AZZOPARDI

A Notary Public in the Province of Ontario

## Kelsey Meyer

---

**From:** Kim, Stella <SKim@blg.com>  
**Sent:** 25 July 2018 12:25 PM  
**To:** Kelsey Meyer; David LeGeyt  
**Cc:** Kruger, Josef G. A.; Gurofsky, Robyn; Neil Narfason; Peter Chisholm  
**Subject:** In the matter of the Receiver of OpsMobil Inc. et al.  
**Attachments:** CAL01 -#2607346-v1-LT Bennett Jones and BDP re Review of Security Positions.PDF

Hello Ms. Meyer and Mr. LeGeyt,

Please find attached correspondence sent on behalf of Robyn Gurofsky with respect to the above noted.

Regards,

**Stella Kim**

**Practice Assistant – Commercial Litigation**

T 403.232.9442 | F 403.266.1395 | [SKim@blg.com](mailto:SKim@blg.com)

Centennial Place, East Tower, 1900, 520 – 3rd Ave S W, Calgary, AB, Canada T2P 0R3

---

**Borden Ladner Gervais LLP** | It begins with service

Calgary | Montréal | Ottawa | Toronto | Vancouver

[blg.com](http://blg.com) | To manage your communication preferences or unsubscribe, please click on [blg.com/mypreferences/](http://blg.com/mypreferences/)

 Please consider the environment before printing this email.

IRS Circular 230 Disclosure

To ensure compliance with requirements imposed by the IRS, we inform you that any U.S. tax advice contained in this communication (including any attachments) is not intended or written to be used, or cannot be used, for the purpose of (i) avoiding penalties under the Internal Revenue Code, or (ii) promoting, marketing or recommending to any other party any matters addressed herein.

This message is intended only for the named recipients. This message may contain information that is privileged, confidential or exempt from disclosure under applicable law. Any dissemination or copying of this message by anyone other than a named recipient is strictly prohibited. If you are not a named recipient or an employee or agent responsible for delivering this message to a named recipient, please notify us immediately, and permanently destroy this message and any copies you may have. Warning: Email may not be secure unless properly encrypted.

Robyn Gurofsky  
T (403) 232-9774  
F (403) 266-1395  
rgurofsky@blg.com

Borden Ladner Gervais LLP  
Centennial Place, East Tower  
1900, 520 - 3rd Ave SW  
Calgary, AB, Canada T2P 0R3  
T 403.232.9500  
F 403.266.1395  
blg.com



**File No. 413255.63**

July 25, 2018

**Delivered by Email (meyerk@bennettjones.com and dlegeyt@bdplaw.com)**

Bennett Jones LLP  
4500, 855 2nd Street SW  
Calgary, AB T2P 4K7

Burnet, Duckworth and Palmer LLP  
525 8 Ave SW #2400,  
Calgary, AB T2P 1G1

**Attention: Kelsey Meyer**

**Attention: David LeGeyt**

Dear Sir/Madam:

**Re: In the matter of the Receiver of OpsMobil Inc. et al.  
Review of Security Positions**

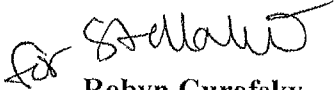
As you are aware, we represent Ernst and Young Inc. in its capacity as the court appointed receiver (the "**Receiver**") of OpsMobil Inc., Ranch Energy Corporation, 1734163 Alberta Inc., 1859821 Alberta Inc., Air Dallaire Ltd., OpsMobil Group Inc., OpsMobil Construction Inc., OpsMobil Energy Services Inc. and K.L. Capital Corp. (collectively, the "**Receivership Debtors**"). We understand that your respective clients, Rilpa Enterprises Ltd. and ECN Aviation Inc. have each claimed a priority security interest in respect of the engine bearing serial number LE-43005C (the "**Engine**"). The Engine constitutes "Property" as defined in the receivership order dated July 19, 2018 (the "**Receivership Order**") and is therefore subject to the stay of proceedings imposed by that order.

Please be advised that our firm is currently analyzing your clients' respective security interests in the Engine. The Receiver will, in due course, provide a report outlining the security interests analyzed and the Receiver's recommendations in respect of the Engine. In the interim period, in light of the stay of proceedings imposed, first pursuant to the *Companies' Creditors Arrangement Act* proceedings on July 4, 2018 and now pursuant to the Receivership Order, we would kindly ask that your clients refrain from taking any steps with respect to the Engine or any of the Receivership Debtors or their Property. As you no doubt recognize, it is imperative that the status quo is maintained with respect to the Engine while the Receiver's analysis regarding the security interests is underway.

If there is additional information that you believe is necessary for our review and assessment of the competing claims, please do not hesitate to provide such information to my attention.

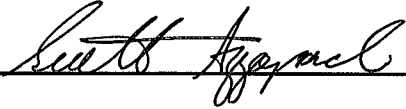
Yours truly,

**Borden Ladner Gervais LLP**

  
**Robyn Gurofsky**

c.c. Neil Narfason, Peter Chisholm – Ernst and Young Inc. (via email)  
Josef G.A. Kruger, Q.C. – Borden Ladner Gervais LLP (via email)

THIS IS EXHIBIT "36" REFERRED TO IN THE AFFIDAVIT OF  
ALGIS VAITONIS, SWORN BEFORE ME  
THIS 18<sup>TH</sup> DAY OF NOVEMBER, 2018

A handwritten signature in cursive script, reading "Scott Azzopardi", written over a horizontal line.

SCOTT AZZOPARDI

A Notary Public in the Province of Ontario

## Kelsey Meyer

---

**From:** David LeGeyt <dlegeyt@bdplaw.com>  
**Sent:** 17 October 2018 11:38 AM  
**To:** Kelsey Meyer  
**Subject:** RE: OpsMobil / Rilpa / ECN [BJ-L.FID4223451]  
**Attachments:** Ops - Rilpa Garagekeeper's lien claim; Letter in response to Receiver's Counsel (August 8, 2018)\_9202985\_2.pdf

Hi Kelsey,

Attached is the letter we sent to the Receivers' counsel, and also a follow up email sent to Receiver's counsel.

Please let me know if there is anything to discuss arising from this.

Thank you.

**David LeGeyt**

Partner

**BD&P** BURNET, DUCKWORTH & PALMER LLP Law Firm

Telephone 403.260.0210 Fax 403.260.0332 Cell 403.714.8689 Web [BDPLAW.COM](http://BDPLAW.COM) Address Suite 2400, 525-8th Ave SW Calgary, AB T2P 1G1

The information transmitted is intended only for the addressee and may contain confidential, proprietary and/or privileged material. Any unauthorized review, distribution or other use of or the taking of any action in reliance upon this information is prohibited. If you received this in error, please contact the sender and delete or destroy this message and any copies.

**From:** Kelsey Meyer [mailto:MEYERK@bennettjones.com]  
**Sent:** Friday, October 12, 2018 2:39 PM  
**To:** David LeGeyt <dlegeyt@bdplaw.com>  
**Subject:** [EXT] RE: OpsMobil / Rilpa / ECN [BJ-L.FID4223451]

Thank you Dave. You'd mentioned as well that you'd thought you'd copied me on a letter to the Receiver regarding the grounds for / evidence in support of Rilpa's lien claim. In fact, that does not appear to be the case (I have the attached, but nothing sent to the Receiver). Would you also please forward any additional correspondence / evidence provided to the Receiver in support of Rilpa's lien claim?

Thanks,

Kelsey



**Kelsey Meyer**  
**Partner\*, Bennett Jones LLP**  
\*Denotes Professional Corporation

4500 Bankers Hall East, 855 - 2nd Street SW, Calgary, AB, T2P 4K7  
T. 403 298 3323 | F. 403 265 7219  
E. [meyerk@bennettjones.com](mailto:meyerk@bennettjones.com)  
[BennettJones.com](http://BennettJones.com)

## Kelsey Meyer

---

**From:** David LeGeyt <dlegeyt@bdplaw.com>  
**Sent:** 28 August 2018 9:22 AM  
**To:** RGurofsky@blg.com  
**Cc:** mudie@shaw.ca; KimM@rilpa.com; mikeg@rilpa.com; abutler@bdplaw.com  
**Subject:** Ops - Rilpa Garagekeeper's lien claim  
**Attachments:** image002.jpg; 1 - OpsMobil Service Orders\_9193393\_1.pdf; 4 - OpsMobil e-mail re Rilpa Repairs\_9193400\_1.pdf; 5 - Invoice from Rilpa to OpsMobil for Engine Repair\_9193402\_1.PDF; R51387 repair order email communications.pdf; RO R51387 cost email communication with Intermountain.pdf

Robyn,

Please see below in red and the attached to answer your questions. Let me know if you require further information.

David LeGeyt

---

**From:** Gurofsky, Robyn [mailto:RGurofsky@blg.com]  
**Sent:** Friday, August 24, 2018 5:35 PM  
**To:** David LeGeyt <dlegeyt@bdplaw.com>  
**Subject:** [EXT] Ops - Rilpa Garagekeeper's lien claim

Dave,

We had discussed a few weeks ago some further information we required in regards to Rilpa's lien claim. You may recall that we did not understand the connection between Rilpa and the company in Utah holding engine. Could you please ask your client to provide the following:

- Whether Rilpa is in the business of storing or repairing motor vehicles/engines; Rilpa does have an approved AMO (Approved Maintenance Organization) from Transport Canada. Yes, Rilpa is in the business of repairing helicopter engines. Rilpa also does customer brokered repairs for some work that cannot be completed in-house.
- The relationship, if any, between Rilpa and Intermountain Turbine ("IT"), which is in possession of the engine; Intermountain Turbine is one of Rilpa's suppliers. OpsMobil provided Rilpa with a Service Order (attached) for the Engine Repair as authorized in email from the DOM C.Dallaire (attached as 4- OpsMobil e-mail). Intermountain has been evaluating this engine on a Rilpa repair order, R51387, attached.
- Whether Rilpa is paying IT for the storage and/or repair of the engine and if so, evidence of such payment; IT has requested a payment before releasing the engine. The initial costs are identified on attached RO R51387 cost email. This was dated Dec of 2017 so there may be additional charges from IT to Rilpa.
- The work/involvement, if any, Rilpa has in the repair of the engine; and As the Engine was on a Rilpa Repair Order to IT, brokered on behalf of OpsMobil, IT has suggested a bill will be due to them before the engine is released (see attached RO R51387 cost email). In addition, numerous parties at Rilpa have

been involved in the evaluation and brokerage of the repair. Once this amount is determined a finalized invoice to OpsMobil can be determined and will include the time in evaluation spent by Kim (owner), Peter (Rilpa DOM) and Stephen (Former Rilpa employee). The continuous work on brokering this repair between Intermountain on behalf of Ops is evidenced by the R51387 repair order email communications attached.

- Whether Rilpa has an acknowledgement of indebtedness from the Debtor, such as a signed invoice or other statement of account. A Proforma Invoice R42878 (attached) was sent to OpsMobil once an estimate was provided from IT to Rilpa.

Thanks,

Robyn



**Robyn Gurofsky**  
**Partner**

T 403.232.9774 | F 403.266.1395 | [RGurofsky@blg.com](mailto:RGurofsky@blg.com)

Centennial Place, East Tower, 1900, 520 – 3rd Ave S W, Calgary, AB, Canada T2P 0R3

---

**Borden Ladner Gervais LLP** | It begins with service

Calgary | Montréal | Ottawa | Toronto | Vancouver

[blg.com](http://blg.com) | To manage your communication preferences or unsubscribe, please click on [blg.com/mypreferences/](http://blg.com/mypreferences/)



Please consider the environment before printing this email.

This message is intended only for the named recipients. This message may contain information that is privileged, confidential or exempt from disclosure under applicable law. Any dissemination or copying of this message by anyone other than a named recipient is strictly prohibited. If you are not a named recipient or an employee or agent responsible for delivering this message to a named recipient, please notify us immediately, and permanently destroy this message and any copies you may have. Warning: Email may not be secure unless properly encrypted.



## SERVICE ORDER

BILLING:  
1C014 99 ST  
SUITE 510  
GRANDE PRAIRIE, AB  
T8V 3N4

TEL: (780) 402 2444 (for all departments)  
FAX: (780) 402 2448  
EMAIL: ACCOUNTING@OPSMOBIL.COM

Order No: 3424

Date: 05/04/2016

Date Required: 05/02/2016

Job No: 21250

Ship Via:

Address: RILPA ENTERPRISES LTD. (usd)  
480 Aviation Way N.E.  
Calgary - AB. - T2E 7G3  
Canada (Phone: (403) 275-3035)

Deliver To: OPSMOBIL MASTER FILE  
Canada (Phone: 5874002394)

Email: Fax: (403) 275-3312

Aircraft Removed From: C-FXHP

Description: Repair Required (PART NO.: 4-001-000-33 SERIAL NO.: LE43005C)

Part #: 4-001-000-33 ENGINE LTS101-700D-2 Serial Number: LE43005C

Model: Specification/Drawing: TSO/TSN:

### Work Required:

ENGINE FAILING POWER CHECKS; TO BE PUT ON ENGINE TEST CELL.

PLEASE EMAIL: stores.wct @opsmobil.com with estimate for approval. Stores phone: 587-400-2394

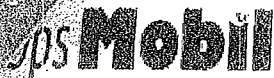
CONTACT FOR FURTHER INSTRUCTIONS: Fred Wunderler PH: (403)247-9591

Cost Each: 0.00 USD

Qty: 1

Total Estimate: 0.00 USD

| Work Extras:                                                                                                | Required? | Completed?               | Certification Type:                                                                                                                                                                                                                                                              | Required? | Completed?               |
|-------------------------------------------------------------------------------------------------------------|-----------|--------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|--------------------------|
| Quote Required                                                                                              | NO        | <input type="checkbox"/> | Form One                                                                                                                                                                                                                                                                         | YES       | <input type="checkbox"/> |
| Certification Required                                                                                      | YES       | <input type="checkbox"/> | Log Book Entry                                                                                                                                                                                                                                                                   | YES       | <input type="checkbox"/> |
| Authorized By: Lorna Betts<br>Authorization No:<br><br>Signed: <i>[Signature]</i><br>Date: <i>Apr. 5/16</i> |           |                          | Other:                                                                                                                                                                                                                                                                           | NO        | <input type="checkbox"/> |
|                                                                                                             |           |                          | Component/Avionics QA Review<br><br>All tasks completed and signed<br>Parts & tracking numbers on task card<br>Sub component information updated<br>Maintenance release signed and ACA entered<br>Conditional maintenance release, if required<br>Independent check, if required |           |                          |



Lorna Betts <lorna.betts@opsmobil.com>

---

## C-GJEL and XHP engine P.O.'s

1 message

---

Christian Dallaire <christian.dallaire@opsmobil.com>

Tue, Apr 5, 2016 at 2:57 PM

To: Lorna Betts <Lorna.Betts@opsmobil.com>

Lorna, can you send Stephen at Rilpa a P.O. for sheet metal repairs on C-GJEL and another P.O. for C-FXHP engine repair, the one we sent to Intermountain Turbines.

--  
*Christian Dallaire*

Director of Maintenance | OpsMobil

3-132 MacLaurin Drive, Springbank, Calgary County, Alberta

T3Z 3S4

Phone: (403) 247-9591

Cell: (780) 296-2200

Email: christian.dallaire@opsmobil.com

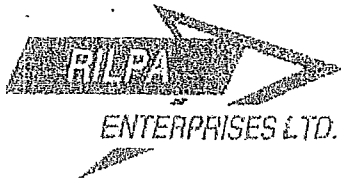
[www.OpsMobil.com](http://www.OpsMobil.com)



"Safely provide value-added operational excellence and efficiency for our clients and stakeholders."

Rilpa - P.O. #6993. fu GJEL.

SO# 3424 From Intermountain



**Rilpa Enterprises Ltd.**  
480 Aviation Way N.E.  
Calgary, AB T2E 7G3  
Canada  
Ph: 403-275-3035, Fax: 403-275-3312  
info@rilpa.com

## Pro-Forma Invoice

Quote #: R42878

Date: 7/25/2016

Time: 5:24:29 PM

# of Items: 2

Page: 1

### To:

Ops Mobil Inc.  
1200-815 8th Ave SW  
Calgary, AB T2P 3P2

### Ship To:

Ops Mobil Inc.  
10931-123 Street  
Grande Prairie, AB T8V 7Z3

Quote Date: 7/25/2016

Code: OM1USD

Ref #: XHP

Site: \_

Phone #: 780-402-2444

Fax #: 780-402-2448

Terms: PREPAID

*The following is in response to your Request For Quote*

| Item | Part Number/Description                                              | CD | Qty  | ListPrice   | Disc% | Unit Price  | Line Amt    |
|------|----------------------------------------------------------------------|----|------|-------------|-------|-------------|-------------|
| 1    | REPAIR CHARGE REPAIR CHARGE<br>Engine Repair for XHP @ Intermountain |    | 1.00 | \$97,549.92 | 0.000 | \$97,549.92 | \$97,549.92 |
| 2    | GST - RILPA GST - RILPA                                              |    | 1.00 | \$4,877.49  | 0.000 | \$4,877.49  | \$4,877.49  |

Item Total: \$97,549.92

Discount: \$0.00

Sub Total: \$97,549.92

Authorized Signature:

ENTERPRISES LTD.

Misc Charge: \$4,877.49

Freight: \$0.00

Total: \$102,427.41

US

3424/21250.

4-001-000-33

LE-43005C.

rem. on # 21090

uls #6460.

**Kim Mizera**

**From:** Jaclyn Hawke <jaclyn@intermountainturbine.com>  
**Sent:** Thursday, December 07, 2017 10:48 AM  
**To:** Kim Mizera  
**Subject:** RE: Rilpa - Quote for R51387

Kim

The price to date is \$10,000. This does not include shipping charges.

Christian Dallaire from OpsMobil has contacted me asking for a quote on this engine. I will let him know that my communications will be through you since it is your PO that we are currently working with on this engine.

Thanks,  
Jaclyn

**From:** Kim Mizera [mailto:KimM@rilpa.com]  
**Sent:** Wednesday, December 6, 2017 5:29 PM  
**To:** Jaclyn Hawke <jaclyn@intermountainturbine.com>  
**Subject:** RE: Rilpa - Quote for R51387

Hi Jaclyn

Any news on the cost to date on this engine and cost to return as is?

As you are aware the engine is at your facility under a Rilpa RO and as such I would request that all communication is sent to Rilpa. We are trying to get this unit cleared up and need the info from you to do so.

Is there a problem to have this done as we have requested the WIP billing for some time?

Thanks  
Kim

Kim Mizera  
Rilpa Enterprises



480 Aviation Way N.E., Calgary, Alberta T2E 7G3  
Phone: (403) 275-3035 Fax: (403) 275-3312

**From:** Jaclyn Hawke [mailto:jaclyn@intermountainturbine.com]  
**Sent:** Thursday, November 23, 2017 10:47 AM  
**To:** Kim Mizera  
**Subject:** Re: Rilpa - Quote for R51387

Kim

I apologize for the delay. We are closed for our Thanksgiving holiday. Is it ok if I send the information when I return on Monday?

Regards,  
Jaclyn

Sent from my iPhone

On Nov 22, 2017, at 8:13 PM, Kim Mizera <[KimM@rilpa.com](mailto:KimM@rilpa.com)> wrote:

Hi Jaclyn  
Any news?

Kim Mizera  
Rilpa Enterprises  
<[image002.jpg](#)>

---

**From:** Kim Mizera  
**Sent:** Sunday, November 19, 2017 6:15 PM  
**To:** 'Jaclyn Hawke'  
**Cc:** Kim Mizera  
**Subject:** RE: Rilpa - Quote for R51387

Hi Jaclyn  
Can you advise the cost of the work to date and to box the engine up and return?  
Thanks  
Kim

Kim Mizera  
Rilpa Enterprises  
<[image003.jpg](#)>

---

**From:** Jaclyn Hawke [<mailto:jaclyn@intermountainturbine.com>]  
**Sent:** Thursday, May 19, 2016 9:14 AM  
**To:** Stephen Ballachey  
**Cc:** Mike Matthews; [luc.plante@opsmobil.com](mailto:luc.plante@opsmobil.com); Kim Mizera  
**Subject:** RE: Rilpa - Quote for R51387

Stephen

Any news on approval for this engine?

Best regards,  
Jaclyn

---

**From:** Jaclyn Hawke  
**Sent:** Wednesday, May 11, 2016 8:15 AM  
**To:** 'Stephen Ballachey' <[StephenB@rilpa.com](mailto:StephenB@rilpa.com)>  
**Cc:** Mike Matthews ([mike@intermountainturbine.com](mailto:mike@intermountainturbine.com)) <[mike@intermountainturbine.com](mailto:mike@intermountainturbine.com)>; 'luc.plante@opsmobil.com' <[luc.plante@opsmobil.com](mailto:luc.plante@opsmobil.com)>; Kim Mizera <[kim@rilpa.com](mailto:kim@rilpa.com)>  
**Subject:** RE: Rilpa - Quote for R51387

Hi Stephen

I was asked to revise the technical report for this engine. The attached technical report shows the changes that were requested.

I was also asked to evaluate the engine and offer an estimate to complete the 1800 hour inspection. We estimate the engine will cost an additional \$24,000 - \$59,000 to complete the full 1800 hour inspection. This includes additional labor, consumables, and possible discrepant parts that may be found in the gearbox.

Please let me know how you would like us to proceed with this engine.

Best regards,  
Jaclyn

---

**From:** Jaclyn Hawke  
**Sent:** Monday, May 2, 2016 12:34 PM  
**To:** 'Stephen Ballachey' <[StephenB@rilpa.com](mailto:StephenB@rilpa.com)>  
**Subject:** RE: Rilpa - Quote for R51387

Hi Stephen

Any news on this approval?

Thanks,  
Jaclyn

---

**From:** Stephen Ballachey [<mailto:StephenB@rilpa.com>]  
**Sent:** Tuesday, April 26, 2016 9:06 AM  
**To:** Jaclyn Hawke <[jaclyn@intermountainturbine.com](mailto:jaclyn@intermountainturbine.com)>  
**Subject:** RE: Rilpa - Quote for R51387

We were just speaking about this, I will check with the guys reviewing the estimate and let you know.

**Stephen Ballachey**  
Sales Manager  
Rilpa Enterprises LTD  
480 Aviation Way NE  
Calgary Alberta T2E 7G3  
P. 403.275.3036  
F. 403.275.3312  
[sballachey@rilpa.com](mailto:sballachey@rilpa.com)

---

**From:** Jaclyn Hawke [<mailto:jaclyn@intermountainturbine.com>]  
**Sent:** Tuesday, April 26, 2016 9:06 AM  
**To:** Stephen Ballachey  
**Subject:** RE: Rilpa - Quote for R51387

Hi Stephen

Do you have any information on the approval for this engine?

Thanks,  
Jaclyn

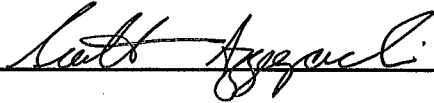
From: Jaclyn Hawke  
Sent: Wednesday, April 13, 2016 2:53 PM  
To: 'Stephen Bailachey' <[StephenB@rilpa.com](mailto:StephenB@rilpa.com)>  
Subject: Rilpa - Quote for R51387

Stephen

Attached is the quote and technical report for LE43005. Please let me know if we are approved to move forward with this repair.

Best regards,  
Jaclyn

THIS IS EXHIBIT "37" REFERRED TO IN THE AFFIDAVIT OF  
ALGIS VAITONIS, SWORN BEFORE ME  
THIS 18<sup>TH</sup> DAY OF NOVEMBER, 2018

A handwritten signature in cursive script, appearing to read "Scott Azzopardi", is written over a horizontal line.

SCOTT AZZOPARDI

A Notary Public in the Province of Ontario

## Kelsey Meyer

---

**From:** Kim, Stella <SKim@blg.com>  
**Sent:** 12 September 2018 9:19 AM  
**To:** Kelsey Meyer; David LeGeyt  
**Cc:** 'Neil Narfason'; 'peter.chisholm@ca.ey.com'; Kruger, Josef G. A.  
**Subject:** In the Matter of the Receiver of OpsMobil Inc. et al.  
**Attachments:** CAL01 -#2644587-v1-LT K. Meyer of BJ and D. LeGeyt of BDP.PDF

Hello Ms. Meyer and Mr. LeGeyt,

Please find attached correspondence sent on behalf of Robyn Gurofsky with respect to the above noted.

Regards,

**Stella Kim**

**Practice Assistant – Commercial Litigation**

T 403.232.9442 | F 403.266.1395 | [SKim@blg.com](mailto:SKim@blg.com)

Centennial Place, East Tower, 1900, 520 – 3rd Ave S W, Calgary, AB, Canada T2P 0R3

---

**Borden Ladner Gervais LLP** | It begins with service

Calgary | Montréal | Ottawa | Toronto | Vancouver

[blg.com](http://blg.com) | To manage your communication preferences or unsubscribe, please click on [blg.com/mypreferences/](http://blg.com/mypreferences/)

 Please consider the environment before printing this email.

This message is intended only for the named recipients. This message may contain information that is privileged, confidential or exempt from disclosure under applicable law. Any dissemination or copying of this message by anyone other than a named recipient is strictly prohibited. If you are not a named recipient or an employee or agent responsible for delivering this message to a named recipient, please notify us immediately, and permanently destroy this message and any copies you may have. Warning: Email may not be secure unless properly encrypted.

Robyn Gurofsky  
T (403) 232-9774  
F (403) 266-1395  
rgurofsky@blg.com

Borden Ladner Gervais LLP  
Centennial Place, East Tower  
1900, 520 - 3rd Ave SW  
Calgary, AB, Canada T2P 0R3  
T 403.232.9500  
F 403.266.1395  
blg.com



File No. 413255.63

September 12, 2018

Delivered by Email (meyerk@bennettjones.com and dlegeyt@bdplaw.com)

Bennett Jones LLP  
4500, 855 2nd Street SW  
Calgary, AB T2P 4K7

Burnet, Duckworth and Palmer LLP  
2400, 525 8 Ave SW  
Calgary, AB T2P 1G1

Attention: Kelsey Meyer

Attention: David LeGeyt

Dear Sir/Madam:

**Re: Competing Security Claims of Rilpa Enterprises Ltd. ("Rilpa") and ECN Aviation Inc. ("ECN")**

Please be advised that on behalf of Ernst and Young Inc., in its capacity as Court appointed receiver (the "Receiver") of the OpsMobil Group, we have completed our review of the various security and other documentation you have respectively provided to support your clients' competing claims asserted over a Lycoming (Honeywell) engine Model LTS101-700D2 bearing manufacturer's serial number LE-43005C (the "Engine").

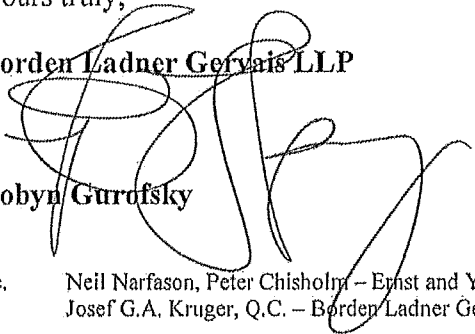
In particular, Rilpa has asserted a garage keeper's lien over the Engine, which is currently located in Utah in the possession of Intermountain Turbine. The Engine also forms part of the secured claim asserted by ECN which security interest has been registered at the International Registry under the Convention on International Interests in Mobile Equipment and the Protocol on Matters Specific to Aircraft Equipment (the "Cape Town Convention").

Based on the information provided to the Receiver to date, we have been unable to confirm the validity and enforceability of Rilpa's garage keeper's lien. As a result, it is the Receiver's view that the ECN security interest in the Engine has priority over Rilpa's claim. Our analysis suggests that if Rilpa's garage keeper's lien is ultimately found to be valid and enforceable, the garage keeper's lien would take priority over any registration made pursuant to the Cape Town Convention.

It is not the Receiver's intention to litigate this issue with the parties; rather, this letter is intended to provide you with the conclusions of the Receiver's analysis. If your respective clients wish to litigate this priority issue involving the Engine, you are of course at liberty to do so.

If you have any questions regarding the above, please do not hesitate to contact me.

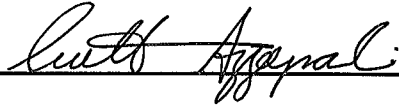
Yours truly,

  
**Borden Ladner Gervais LLP**

**Robyn Gurafsky**

c.c. Neil Narfason, Peter Chisholm – Ernst and Young Inc. (via email)  
Josef G.A. Kruger, Q.C. – Borden Ladner Gervais LLP (via email)

THIS IS EXHIBIT "38" REFERRED TO IN THE AFFIDAVIT OF  
ALGIS VAITONIS, SWORN BEFORE ME  
THIS 18<sup>TH</sup> DAY OF NOVEMBER, 2018

A handwritten signature in cursive script, reading "Scott Azzopardi", is written over a horizontal line.

SCOTT AZZOPARDI

A Notary Public in the Province of Ontario

## Kelsey Meyer

---

**From:** Allison Endersby  
**Sent:** 25 September 2018 2:53 PM  
**To:** dlegeyt@bdplaw.com  
**Cc:** Kelsey Meyer  
**Subject:** Garage Keeper's Lien Act Claim of Rilpa Enterprises Ltd. [BJ-L.FID4223451]  
**Attachments:** Letter to Mr. LeGeyt and Rilpa Enterprises - September 25, 2018.PDF

Mr. LeGeyt,

Please see the attached correspondence from Ms. Meyer.



**Allison Endersby**

*Assistant to Kelsey Meyer and Isabel Langlois, Bennett Jones SLP*

4500 Bankers Hall East, 855 - 2nd Street SW, Calgary, AB, T2P 4K7

T. [403 298 4481](tel:4032984481) | F. [403 265 7219](tel:4032657219)

E. [endersbya@bennettjones.com](mailto:endersbya@bennettjones.com)

[BennettJones.com](http://BennettJones.com)





Bennett Jones

Bennett Jones LLP

4500 Bankers Hall East, 855 2nd Street SW

Calgary, Alberta, T2P 4K7 Canada

T: 403.298.3100

F: 403.265.7219

Kelsey Meyer

Partner

Direct Line: 403.298.3323

e-mail: meyerk@bennettjones.com

Our File No.: 78704.1

September 25, 2018

VIA EMAIL

VIA REGISTERED MAIL

Mr. David LeGeyt  
Burnet, Duckworth & Palmer LLP  
Suite 2400  
525 - 8th Avenue SW  
Calgary, AB T2P 1G1

Rilpa Enterprises Ltd.  
480 Aviation Way NE  
Calgary, AB T2E 7G3

Dear Sirs:

**Re: Garage Keeper's Lien Act Claim of Rilpa Enterprises Ltd. over Lycoming (Honeywell) Engine Model LTS101-700D2 Bearing Manufacturer's Serial No. LE-43005C (the "Engine")**

As you know, we are legal counsel to ECN Aviation Inc. ("ECN"). We write further to Ms. Gurofsky's letter dated September 12, 2018, where she advised that based on the information provided to the Receiver to date, the Receiver has been unable to confirm the validity and enforceability of the garage keeper's lien claim of Rilpa Enterprises Ltd. ("Rilpa").

It is our view that Rilpa does not have a valid or enforceable garage keeper's lien against the Engine. The *Garage Keeper's Lien Act* does not apply in Utah, where the Engine has been located since January 2016. We also understand that Rilpa asserts that as of its lien dated July 6, 2018, it was in possession of the Engine, when in fact the Engine has been in possession of Intermountain Turbine since January 2016.

We are writing pursuant to section 10(3) of the *Garage Keeper's Lien Act* to demand that Rilpa register a financing statement to discharge its garage keeper's lien registered at the Alberta Personal Property Registry over the Engine, and further, that Rilpa confirmed that it has no claim over the Engine. Please provide confirmation of the discharge of the garage keeper's lien and that Rilpa has no claim over the Engine by October 25, 2018.

Yours truly,

**BENNETT JONES LLP**

Kelsey Meyer

KM:ac

cc: Algis Vaitonis and Jeff Tougas, ECN Capital Corp. (via email)



Bennett Jones

Registered Mail Receipt

4500 Bankers Hall East  
855 - 2<sup>nd</sup> St. SW  
Calgary, AB T2P 4K7

Lawyer: Kelsey Meyer

File #: 78704.1

Sender Instructions:

- 1) Complete and remove customer receipt = top half without bar code
- 2) Remove paper backing from customer receipt and affix to this form
- 3) Remove paper backing from bottom bar code and apply to envelope



REGISTERED  
DOMESTIC  
CUSTOMER RECEIPT

RECOMMANDÉ  
RÉGIME INTÉRIEUR  
REÇU DU CLIENT



En Destination  
Nom  
Kilpa Enterprises Ltd  
Adresse  
480 Aviation Way NE  
Ville / Prov. / Code postal  
Calgary, AB T2E 7G3  
Valeur déclarée \$ 1.00



CPO Tracking Number Numéro de repérage de la CPO

RN 267 599 927 CA

SEP 25 2018  
CALGARY, AB

\$9.84

33-088-664 (14-06)



Date: 2018/10/03

Dear Sir or Madam

Please find below the scanned delivery date and signature of the recipient of the Item Identified below:

|                            |                                     |
|----------------------------|-------------------------------------|
| Item Number                | RN267599927CA                       |
| Product Name               | Registered_mail/Courrier_recommandé |
| Reference Number 1         | Not Applicable                      |
| Reference Number 2         | Not Applicable                      |
| Delivery Date (yyyy/mm/dd) | 2018/09/27                          |
| Signatory Name             | CHERLY MIZERA                       |

Signature

Yours sincerely,

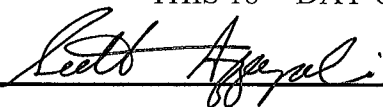
Customer Relationship Network

1-888-550-6333.

(From outside Canada 1 416 979-3033)

*This copy confirms to the delivery date and signature of the individual who accepted and signed for the item in question. This information has been extracted from the Canadapost data warehouse*

THIS IS EXHIBIT "39" REFERRED TO IN THE AFFIDAVIT OF  
ALGIS VAITONIS, SWORN BEFORE ME  
THIS 18<sup>TH</sup> DAY OF NOVEMBER, 2018

A handwritten signature in cursive script, reading "Scott Azzopardi", is written over a horizontal line.

SCOTT AZZOPARDI

A Notary Public in the Province of Ontario

## Kelsey Meyer

---

**From:** Allison Endersby  
**Sent:** 26 October 2018 2:41 PM  
**To:** service (service@accu-search.com)  
**Cc:** Kelsey Meyer  
**Subject:** Garage Keepers' Lien to be Discharged [BJ-L.FID4223451]  
**Attachments:** Letter to Registrar of PPR - October 16, 2018.PDF; Garage Keepers\_ Lien Financing Change Statement.PDF; Proof of Demand to Party Claiming Garage Keepers\_ Lien.PDF; Garage Keepers\_ Lien Act - Section 10.PDF; PPR Search - Garage Keepers\_ Lien (Rilpa Enterprises Ltd.).PDF; PPR Search - OpsMobil Group Inc. (Reg. 17032707875).PDF

Good afternoon,

Please see the attached documents to have the described garage keepers' lien discharged.



**Allison Endersby**

*Assistant to Kelsey Meyer and Isabel Langlois, Bennett Jones SLP*

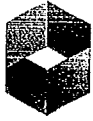
4500 Bankers Hall East, 855 - 2nd Street SW, Calgary, AB, T2P 4K7

T. [403 298 4481](tel:4032984481) | F. [403 265 7219](tel:4032657219)

E. [endersbya@bennettjones.com](mailto:endersbya@bennettjones.com)

[BennettJones.com](http://BennettJones.com)





Bennett Jones

Bennett Jones LLP  
4500 Bankers Hall East, 855 2nd Street SW  
Calgary, Alberta, T2P 4K7 Canada  
T: 403.298.3100  
F: 403.265.7219

Kelsey Meyer  
Partner  
Direct Line: 403.298.3323  
e-mail: meyerk@bennettjones.com  
Our File No.: 78704.1

October 26, 2018

VIA EMAIL

Registrar of the Personal Property Registry of Alberta  
c/o Accu-Search Inc.  
215 Edmonton City Centre, East  
10205 – 101 Street NW  
Edmonton, AB T5J 2Y9

Dear Sir or Madam:

**Re: Financing Change Statement to Discharge a Garage Keepers' Lien pursuant to Section 10(3) of the Garage Keepers' Lien Act**

We are legal counsel for ECN Aviation Inc., a secured creditor of OpsMobil Group Inc. over a 1982 Honeywell engine LTS101-700D-2, serial no. LE43005. Please find enclosed a copy of a Personal Property Registry search showing the registration in favour of ECN Aviation Inc. as registration #14032707875, as well as a garage keepers' lien claim of Rilpa Enterprises Ltd. as registration #18070643222.

In accordance with section 10(2) of the *Garage Keepers' Lien Act*, ECN Aviation Inc., being a person with an interest in the above-noted engine (which, being a part of a vehicle propelled by any power other than muscular power, is therefore a part of a "motor vehicle" within the meaning of *Garage Keepers' Lien Act*) gave a written demand to the garage keeper's lien claimant, Rilpa Enterprises Ltd., as well as its legal counsel, demanding that Rilpa Enterprises Ltd. register a financing change statement discharging the registration of the garage keepers' lien. Please find enclosed a filed copy of the Affidavit of Service in that regard, as well as a copy of section 10 of the *Garage Keepers' Lien Act*.

Rilpa Enterprises Ltd. has failed to discharge the registration, and has not obtained an Order of the Court of Queen's Bench confirming that the registration of the garage keepers' lien need not be amended or discharged. As such, and in accordance with section 10(3) of the *Garage Keepers' Lien Act*, ECN Aviation Inc. requests that the enclosed financing change statement discharging the garage keepers' lien be registered. As is noted in the Affidavit of Service, the demand was given by registered mail addressed to the address of the garage keeper as it appears on the financing statement, and was also emailed to legal counsel for the garage keeper.

# Garage Keepers' Lien Financing Change Statement

## Identification of Registration or Amendments

Latest Registration Number

18070643222

### Current Vehicle Owner

Business Name or Last Name

First Name

Middle Name

Ops Mobil Inc.

### Current Person Claiming Lien

Business Name or Last Name

First Name

Middle Name

Rilpa Enterprises Ltd.

## Changes to be Made

Place an (X) in the appropriate box

☒ Total Discharge (If selected, ALL record of registration(s) will be permanently removed.)

☐ Court Order

☐ Renewal, and/or

☐ Amendment

a. What is the date of the Court Order?

yyyy-mm-dd

b. In which Judicial District was the Order made?

c. What is the Court File Number?

d. If the court has extended time for seizure, enter the new date:

yyyy-mm-dd

e. If Amendment is selected, you must attach additional forms as required.

Your Reference Number

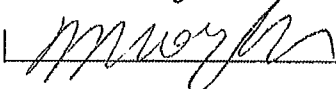
78704.1

Authorized Signature

Name of Person Authorized to Complete this Form (PRINT)

Telephone number

Call Box Number



K. Meyer, Bennett Jones LLP

403-298-3323

C105

**Statutory Declaration**

I, Kelsey Meyer  
of 4500, 855 - 2 Street SW, Calgary In the Province of Alberta, T2P 4K7  
address postal code

**DO SOLEMNLY DECLARE THAT:**

1. A Financing Statement was registered in the Personal Property Registry and assigned registration number  
18070643222 on the 6 day of July, 2018  
Registration Number day month year
2. I am legal counsel for ECN Aviation Inc. which has an interest in property that falls under the collateral description in the Financing Statement
3. Attached to this declaration and marked as Exhibit A is a copy of the Demand to Party Claiming Garage Keepers' Lien which was given to  
Rilpa Enterprises Ltd.  
Name of Party Claiming Garage Keepers' Lien
4. Service of Exhibit A was effected on the party claiming garage keepers' lien on the 27 day of  
September, 2018 by Registered Mail  
month year Type of Delivery Method  
as evidenced by the proof of service attached to this declaration and marked as Exhibit B. (Attach post office receipt or affidavit verifying service in some other authorized manner.)
5. The prescribed 30 day period for registering a Financing Change Statement or providing an Order of the Court to the Registrar has expired.
6. I have the authority to submit for registration a Financing Change Statement pursuant to section 10 (3) of the *Garage Keepers' Lien Act*.

**AND I MAKE THIS SOLEMN DECLARATION CONSCIENTIOUSLY BELIEVING IT TO BE TRUE AND KNOWING THAT IT IS OF THE SAME FORCE AND EFFECT AS IF MADE UNDER OATH.**

Declared before me Donna Kathler  
at the City of Calgary  
In the province of Alberta  
on 26 day of October, 2018  
day month year

*Donna Kathler*

**DONNA KATHLER**

A Commissioner for Oaths

In and for the Province of Alberta

My Commission Expires December 24, 2018

*[Signature]*  
Signature



Bennett Jones

Registered Mail Receipt

4500 Bankers Hall East  
865 - 2nd St. SW  
Calgary, AB T2P 4K7

Lawyer: Kelsey Meyer  
File #: 78704.1

Sender Instructions:

- 1) Complete and remove customer receipt = top half without bar code
- 2) Remove paper backing from customer receipt and affix to this form
- 3) Remove paper backing from bottom bar code and apply to envelope



REGISTERED  
DOMESTIC  
CUSTOMER RECEIPT

RECOMMANDÉ  
RÉGIME INTÉRIEUR  
REÇU DU CLIENT



Pro Destination  
Nom  
Rilpa Enterprises Ltd  
Adresse  
40 Aviation Way NE  
City / Prov. / Postal Code  
Calgary AB T2E 7G3  
CPA Tracking Number  
RN 267 699 927 CA  
33-006-304 (14-00)



SEP 25 2018  
CALGARY, AB

\$9.84

THIS IS EXHIBIT " B "  
referred to in the Affidavit of Declaration

Declared Kelsey Meyer  
Sworn before me this 26  
day of October A.D. 20 18

Donna Kathler  
A Commissioner for Oaths  
in and for the Province of Alberta

DONNA KATHLER  
A Commissioner for Oaths  
in and for the Province of Alberta  
My Commission Expires December 24, 20 18

**Discharge of lien**

**10(1)** Where a financing statement or a financing change statement referred to in section 6(3) is registered and

- (a) the indebtedness, with respect to which the lien is claimed and the financing statement or financing change statement has been registered, is paid,
- (b) the motor vehicle or farm vehicle has been sold in accordance with section 9, or
- (c) the garage keeper is not entitled to maintain the registration of the financing statement or financing change statement relating to a claim of lien on a motor vehicle or farm vehicle,

the garage keeper shall discharge the registration by registering a financing change statement.

(2) If a garage keeper fails to discharge a registration as required by subsection (1), the owner or any person with an interest in the motor vehicle or farm vehicle may give a written demand to the garage keeper requiring the garage keeper to register a financing change statement discharging the registration or an order of the Court of Queen's Bench confirming that the registration need not be amended or discharged.

(3) If a garage keeper fails to comply with a demand referred to in subsection (2) within 30 days after the demand is given, the person giving the demand may register the financing change statement referred to in subsection (2) on providing to the Registrar satisfactory proof that the demand has been given to the garage keeper.

(4) A demand referred to in subsection (2) may be given in accordance with section 72 of the *Personal Property Security Act* or by registered mail addressed to the address of the garage keeper as it appears on the financing statement.

(5) On application to the Court by the garage keeper, the Court may order that the registration be confirmed or discharged.

(6) No fee shall be charged and no amount shall be accepted by a garage keeper for compliance with a demand referred to in subsection (2).

(7) If a garage keeper fails to comply with subsection (1) or the demand referred to in subsection (2), the owner or any person with an interest in the motor vehicle or farm vehicle has a right to

Garage Keepers' Lien

Control #: F05442055

Registration Date: 2018-Jul-06

Registration #: 18070643222

This Registration Expires at 11:59 PM on 2019-Jan-06

The Garage Keeper has possession of the vehicle

Lien Amount is \$42,150.00

Vehicle Owner(s)

Block

1 OPS MOBIL INC.  
1200, 815 - 8 AVENUE SW  
CALGARY, AB T2P 3P2

Person(s) Claiming Lien

Block

1 RILPA ENTERPRISES LTD.  
480 AVIATION WAY NE  
CALGARY, AB T2E 7G3  
  
Phone #: 403 275 3035

Collateral: Serial Number Goods

| <u>Block</u> | <u>Serial Number</u> | <u>Year</u> | <u>Make and Model</u>      | <u>Category</u>      |
|--------------|----------------------|-------------|----------------------------|----------------------|
| 1            | LE43005              | 1982        | HONEYWELL<br>LTS101-700D-2 | AC - Aircraft Canada |

End of Verification Statement

Search ID#: Z10227156

Business Debtor Search For:

OPSMOBIL GROUP INC.

Search ID #: Z10227156

Date of Search: 2018-May-03

Time of Search: 08:57:49

---

Registration Number: 14032707875

Registration Type: SECURITY AGREEMENT

Registration Date: 2014-Mar-27

Registration Status: Current

Expiry Date: 2020-Mar-27 23:59:59

---

Exact Match on: Debtor

No: 2

---

Amendments to Registration

18050307277

Amendment

2018-May-03

---

Debtor(s)

Block

1 GEMINI HELICOPTERS INC.  
280 - 700 6TH AVENUE SW  
CALGARY, AB T2P 0T8

Status

Current

Block

2 OPSMOBIL GROUP INC.  
1600, 421 - 7TH AVENUE SW  
CALGARY, AB T2P 4K9

Status

Current by  
18050307277

Secured Party / Parties

Block

1 ELEMENT FINANCIAL CORPORATION  
161 BAY STREET, SUITE 4600  
TORONTO, ON M5J 2S1

Status

Current

Block

2 ECN AVIATION INC.  
181 BAY STREET, SUITE 2830  
TORONTO, ON M5J 2T3

Status

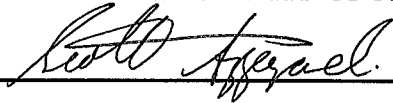
Current by  
18050307277

Collateral: Serial Number Goods

Search ID#: Z10227156

- 2 (5) all leases or other contracts pursuant to which the Debtor shall lease or part with possession of such aircraft for compensation (including any time sharing or fractional ownership lease contract), and shall include any interest of the Debtor in any sublease pursuant to which a lessee under a lease shall sublease or otherwise part with possession of such aircraft for compensation and any further subleases and other contracts pursuant to which subsequent sublessors give possession of such an aircraft to the ultimate operator thereof (each, a "Lease") and all rentals and other amounts due under any Lease;
- (6) all warranties of such aircraft, engines and parts to the extent the same relate to continuing rights of the Debtor in respect of any warranty, indemnity or agreement, express or implied, as to title, workmanship, maintenance, repair, servicing, overhaul or design or patent infringement with respect to aircraft, engines or parts; together in each case with all rights, powers, privileges, options and other benefits of the Debtor thereunder with respect to such aircraft, engines or parts;
- (7) the benefit of any agreement, right, franchise, licence or permit relating to such aircraft and the operation thereof including, without limitation, a purchase agreement, bill of sale and operating agreement together with the Debtor's rights to receive, either directly or indirectly, from any party or person, any payments due under such agreements;
- Current
- 3 (8) all other personal property related to such aircraft including, without limitation, any and all accounts, intangibles, contract rights, inventory, equipment, money, drafts, instruments, deposit accounts or other tangible and intangible property; and
- (9) all proceeds and property in any form derived directly or indirectly from any dealing with any of the items set forth above including, without limitation, "Proceeds" as defined in the Alberta Personal Property Security Act and any insurance proceeds, and Debtor's right to receive such proceeds, and any other property that indemnifies or compensates for such property or undertaking destroyed, damaged, expropriated, stolen or lost and proceeds of proceeds whether of the same type, class or kind as the original proceeds, proceeds in the form of goods, accounts, notes, instruments, securities, money, trade-ins, chattel paper, documents of title, contract rights, rental payments, licences, instruments and general intangibles incorporeal including all substitutions and replacements thereof, and the proceeds thereof, in whatever form, of any sale, charter, lease or disposition thereof and all substitutions and replacements of such items and any increases, additions and accessions thereto.
- Current

THIS IS EXHIBIT "40" REFERRED TO IN THE AFFIDAVIT OF  
ALGIS VAITONIS, SWORN BEFORE ME  
THIS 18<sup>TH</sup> DAY OF NOVEMBER, 2018

A handwritten signature in cursive script, reading "Scott Azzopardi", is written over a horizontal line.

SCOTT AZZOPARDI

A Notary Public in the Province of Ontario

**Personal Property Registry  
Verification Statement  
Discharge Notice**

**Transmitting Party**

ACCU SEARCH INC. (P153)

320 EDM CITY CENTRE E, 10205 101 STREET  
EDMONTON, AB T5J 4H5

Party Code: 50073170  
Phone #: 780 424 2340  
Reference #: 78704.0

**Discharge of Garage Keepers' Lien**

**Control #:** M05296400

**Registration Date:** 2018-Oct-26

**Registration #:** 18102632815

**Discharged Registration Information**

Latest Registration Number: 18070643222

Registration Type: Garage Keepers' Lien

First Current Vehicle Owner: OPS MOBIL INC.

First Current Person Claiming Lien: RILPA ENTERPRISES LTD.

**Note:**

The Registration has been fully discharged by the Transmitting Party noted above.

**End of Verification Statement**

