SUPREME COURT
OF BRITISH COLUMBIA
VANCOUVER REGISTRY
SEP 30 2016

169079

No.
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, c. C36, AS AMENDED

AND IN THE MATTER OF CERTAIN PROCEEDINGS TAKEN IN THE
UNITED STATES BANKRUPTCY COURT FOR THE NORTHERN DISTRICT OF TEXAS
WITH RESPECT TO THE COMPANIES LISTED ON SCHEDULE "A" HERETO

APPLICATION OF CHC GROUP LTD.
UNDER SECTION 46 OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, c. C 36, AS AMENDED

PETITION TO THE COURT

This proceeding is brought for the relief set out in Part 1 below by CHC Group Ltd.

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

(a) file a Response to Petition in Form 67 in the above-named Registry of this Court within the time for Response to Petition described below, and

(b) serve on the Petitioner

(i) 2 copies of the filed Response to Petition, and

(ii) 2 copies of each filed Affidavit on which you intend to rely at the hearing

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

Time for Response to Petition:

A Response to Petition must be filed and served on the Petitioner,

(a) if you were served with the Petition anywhere in Canada, within 21 days after that service,

(b) if you were served with the Petition anywhere in the United States of America, within 35 days after that service,

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(c) if you were served with the Petition anywhere else, within 49 days after that service, or

(d) if the time for response has been set by order of the court, within that time.

(1)	The address of the registry is: The Law Courts 800 Smithe Street Vancouver, BC V6Z 2E1
(2)	The ADDRESS FOR SERVICE of the Petitioner is care of its legal counsel, at the address provided below.
	Fax number address for service of the Petitioner: 604-631-3309
	E-mail address for service of the Petitioner: N/A
(3)	The name and office address of the Petitioner's lawyer is: Blake, Cassels & Graydon LLP Barristers & Solicitors Suite 2600, Three Bentall Centre 595 Burrard Street, PO Box 49314 Vancouver, BC V7X 1L3 Attention: William C. Kaplan, Q.C. / Peter L. Rubin

CLAIM OF THE PETITIONER

Part 1: ORDERS SOUGHT

1. The petitioner, CHC Group Ltd. ("**CHC Group**"), in its capacity as foreign representative of the Debtors (defined below), makes this Petition for the following relief:

(a) An Initial Recognition Order (Foreign Main Proceeding) substantially in the form attached as **Schedule "B"**, among other things:

(i) declaring that CHC Group is the "foreign representative" (the "**Foreign Representative**"), as that term is defined in Part IV of the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"), of the Debtors with respect to the proceedings (the "**Chapter 11 Proceedings**") pending in the United States Bankruptcy Court for the Northern District of Texas, Dallas Division, ("**US Bankruptcy Court**") under chapter 11 of title 11 of the United States Code;

(ii) declaring that the centre of main interest for each of the Canadian Debtors (as defined below) is the United States of America and recognizing the Chapter 11 Proceedings as a "foreign main proceeding", as defined in subsection 45(1) of the CCAA;

(iii) staying all proceedings taken or that might be taken against the Canadian Debtors under the *Bankruptcy and Insolvency Act* or the *Winding-up and Restructuring Act*;

(iv) restraining further proceedings in any action, suit or proceeding against the Canadian Debtors; and

(v) prohibiting the commencement of any action, suit or proceeding against the Canadian Debtors.

(b) A Supplemental Recognition Order (Foreign Main Proceeding) substantially in the form attached as **Schedule "C"**, among other things:

(i) recognizing and giving full force and effect in all provinces and territories of Canada of certain orders made by the US Bankruptcy Court in the Chapter 11 Proceedings; and

(ii) granting a stay of proceedings in respect of the commencement or continuation of any proceeding against any former, current or future directors or officers of the Canadian Debtors.

(c) Such further and other relief as this Honourable Court deems to be just and convenient.

Part 2: FACTUAL BASIS

Overview

1. On May 5, 2016, the 43 companies listed on Schedule "A" to this Petition (together, "**CHC**" or the "**Debtors**") commenced the Chapter 11 Proceedings by filing voluntary petitions (the "**US Petitions**") with the US Bankruptcy Court for relief pursuant to chapter 11 of title 11 of the United States Code.

2. Five of the 43 Debtors that filed US Petitions (CHC Global Operations Canada (2008) ULC, CHC Global Operations International ULC, CHC Global Operations (2008) ULC, Heli-One Leasing ULC, and Heli-One Canada ULC) (together, the "**Canadian Debtors**") are unlimited liability companies having their registered offices in Richmond, British Columbia.

3. Since May, 2016, the Debtors have taken a number of steps, and the US Bankruptcy Court has made a number of orders, in furtherance of the Debtors' restructuring efforts.

4. On August 22, 2016, CHC Group, on its own behalf and on behalf of its Debtor affiliates, applied to the US Bankruptcy Court for an Order authorizing CHC Group to act as Foreign Representative of the Debtors in this CCAA proceeding in order to protect the Debtors' assets and operations in Canada and to help implement the Debtors' restructuring objectives.

5. None of the parties served with CHC Group's petition to the US Bankruptcy Court filed responses to it and an order granting the relief requested by CHC Group (the "**Foreign**

Representative Order") was entered by the US Bankruptcy Court without a hearing on September 20, 2016.

6. In granting the Foreign Representative Order, the US Bankruptcy Court, among other things, requested the aid and assistance of this Court to recognize the Chapter 11 Proceedings as a "foreign main proceeding" and CHC Group as a "foreign representative" pursuant to the CCAA, and to recognize and give full force and effect in all provinces and territories of Canada to the Foreign Representative Order.

CHC's Global Business Operations

7. CHC is one of the largest global commercial helicopter service companies in the world, primarily servicing the offshore oil and gas industry. CHC's principal business is to provide helicopter services for large, long-distance crew changes on offshore production facilities and drilling rigs for major national and independent oil and natural gas companies. As a result, CHC's economic performance is closely tied to the financial state of the oil and gas industry.

8. CHC currently manages its operations from its global head office in Dallas, Texas, where its senior management is headquartered, and maintains its key sales office in Houston, Texas.

9. CHC conducts business in numerous countries with different legal systems, including, among others, Australia, Brazil, Canada, East Timor, Equatorial Guinea, Ireland, Malaysia, Netherlands, Norway, Poland, Kazakhstan, the United Kingdom and the United States.

10. CHC also holds aircraft operating certificates and licenses from 10 different countries, employs approximately 3,800 employees worldwide, and has customers from jurisdictions around the world.

11. In addition, many of the Debtors are incorporated under the laws of additional countries including the Cayman Islands, Luxembourg, Bermuda and Barbados.

12. The CHC group operates as a highly integrated global business enterprise with assets and operations located around the world.

The Canadian Debtors

13. The Canadian Debtors are fully integrated into CHC's global business enterprise and would not be able to conduct their business operations independently of the corporate and commercial decision making functions provided to them by their United States based affiliates.

14. The Canadian Debtors' most significant financial obligations, as borrowers and/or guarantors, are with respect to approximately US $1.6 billion in funded debt obligations incurred by CHC's non-Canadian creditors.

The Boundary Bay Facility

15. The Canadian Debtors' only significant asset in Canada consists of Heli-One Canada's leasehold interest in an office building and maintenance facility located at the Boundary Bay airport in Delta, British Columbia.

16. The Boundary Bay facility is home to an office and a 200,000 square foot maintenance facility conducting repair and overhaul of engines and components as well as aircraft maintenance activities.

17. The Boundary Bay facility employs approximately 250 employees working in the main office, technical records and library, and repair facility.

Financial Difficulties / Need to Restructure

18. Starting in the summer of 2014, oil prices began to decline precipitously. Over the next six months or so of 2014, the price of oil was cut approximately in half. At the time of the filing of the US Petitions, the price for a barrel of Brent Crude was approximately $45, down approximately 64% from a high of $125 per barrel in 2012. This rapid decline in oil prices has led to a significant decline in offshore oil exploration, cost reduction measures for production operations, and a substantially decreased demand for offshore drilling services.

19. As CHC's oil and gas customers have implemented severe reductions in capital spending and cost cutting measures, the demand for CHC's helicopter services has dramatically declined. The significant and sustained drop in oil prices and related contraction of demand for offshore helicopter services, coupled with CHC's customers demanding price concessions and new flexible contract terms, has caused uncertainty regarding the Debtors' ability to maintain their leveraged capital structure and large helicopter fleet in the long term.

20. A comprehensive balance sheet and fleet restructuring is necessary. The breadth of the targeted restructuring, the number of creditors at issue, the global reach of the Debtors' assets and operations, the importance of accessing the relief and provisions of the U.S. Bankruptcy Code and the authority of the U.S. Bankruptcy Court, with the assistance of the Canadian Court, to supervise and implement the Debtors' reorganization, cannot be over-emphasized.

Ongoing Restructuring Efforts

21. CHC's restructuring is actively proceeding before the US Bankruptcy Court. The deadline for filing proofs of claim with respect to the Debtors expired on August 26, 2016. The Debtors are in the process of negotiating with certain key creditors a plan support agreement that will provide the framework for a chapter 11 plan of reorganization, and would like to get that agreement and the plan on file in the next several weeks. From there, the plan process will proceed quickly through the end of this year.

22. One additional focus of the Company's current restructuring efforts is the status of the lease for the Company's Boundary Bay facility in Delta, British Columbia (the "**Boundary**

Bay Lease"). The Company believes that the current base rent payable under the Boundary Bay Lease is substantially above market for similar premises and provides for more space than is currently needed by the Company. The Company has attempted to renegotiate the terms of the lease with its landlord, 0921528 B.C. Ltd., but the landlord has been unwilling to engage in a discussion with the Company at this time. In the absence of a negotiated restructuring of the terms of the Boundary Bay Lease, CHC anticipates that the Boundary Bay Lease will have to be dealt with in some fashion, likely through a rejection motion before the US Bankruptcy Court or a rejection pursuant to the Debtors' chapter 11 plan. If the Boundary Bay Lease is not renegotiated in the very near term, the Company expects that it will commence taking steps to vacate the premises subject to the Boundary Bay Lease over the course of the next several weeks in order to allow for an orderly transition to new premises.

Part 3: LEGAL BASIS

The Chapter 11 Proceedings should be recognized by this Court

1. Section 47 of the CCAA provides that if this Court is satisfied that:

   (a) an application for the recognition of a foreign proceeding relates to a "foreign proceeding" within the meaning of the CCAA; and

   (b) the applicant is a "foreign representative" within the meaning of the CCAA in respect of that foreign proceeding,

   then it shall make an order recognizing the foreign proceeding.

2. Canadian courts have consistently recognized proceedings commenced under Chapter 11 of the US Bankruptcy Code to be "foreign proceedings" for the purposes of the CCAA.

   Digital Domain Media Group Inc. (Re), 2012 BCSC 1565 ["_Digital Domain_"], ¶15.

3. CHC Group has been duly authorized by the US Bankruptcy Court to make this Petition and to act as a foreign representative of the Debtors in these CCAA proceedings.

   Brown-John Affidavit, Exhibit "C"

4. This Petition is supported by the documents that are required to accompany a petition for the recognition of a foreign proceeding.

   CCAA, §46(2) Brown-John Affidavit, Exhibits "A" and "C"

The Chapter 11 Proceedings are a "foreign main proceeding"

5. If the Court grants an order under subsection 47(1) of the CCAA, subsection 47(2) of the CCAA requires that the Court specify whether the foreign proceeding is a "foreign main proceeding" or a "foreign non-main proceeding."

6. Subsection 45(1) of the CCAA provides that a "foreign main proceeding" is a foreign proceeding in a jurisdiction where the debtor company has the "centre of its main interests" ("**COMI**").

7. Pursuant to subsection 45(2), in the absence of proof to the contrary, a debtor company's COMI is presumed to be the location of its registered office. In the present case, the Canadian Debtors maintain their registered offices in Richmond, British Columbia.

8. In determining whether the statutory presumption created by subsection 45(2) has been rebutted, this Court considers whether the location of the debtor company's proposed COMI is:

   (a) readily ascertainable by creditors;

   (b) one in which the debtor's principal assets or operations are found; and

   (c) where the management of the debtor takes place.

***Digital Domain*, ¶25.**

9. These factors should be considered as a whole and the Court may need to give greater or lesser weight to a given factor depending on the circumstances of the particular case.

***Digital Domain*, ¶¶26-27.**

10. The Petitioner submits that the following facts, among others, support a finding by this Court that the presumption that the Canadian Debtors' COMI is in Richmond, British Columbia has been rebutted:

   (a) CHC operates on a truly global basis with assets and operations scattered around the globe;

   (b) The Canadian Debtors are fully integrated into CHC's global operations and are managed on a consolidated basis along with the other entities comprising CHC;

   (c) Senior management of CHC (including its Chief Executive Officer, Chief Financial Officer, and General Counsel) is located at CHC's offices in Texas;

   (d) Strategic and corporate decisions for CHC are made at the company's offices in Texas;

   (e) The Canadian Debtors' employees report to managers based at CHC's Texas offices;

(f) Human resources functions for the Canadian Debtors are provided out of CHC's offices in Texas;

(g) CHC's decision-making functions, including communications, sales, strategic and new business development, and certain finance decisions, are centralized at the company's Texas offices; and

(h) The substantive majority (numerically and by value) of secured and unsecured creditors having known claims against the Canadian Debtors are based outside of the jurisdiction of this Court.

The Debtors are entitled to the relief sought in the Initial Recognition Order

11. Section 48(1) of the CCAA provides that on the making of an order recognizing a foreign proceeding that is specified by this Court to be a foreign main proceeding, this Court must make an order, subject to any terms and conditions it considers appropriate:

(a) staying, until otherwise ordered by the court, for any period that the court considers necessary, all proceedings taken or that might be taken against the debtor company under the *Bankruptcy and Insolvency Act* or the *Winding-up and Restructuring Act*;

(b) restraining, until otherwise ordered by the court, further proceedings in any action, suit or proceeding against the debtor company;

(c) prohibiting, until otherwise ordered by the court, the commencement of any action, suit or proceeding against the debtor company; and

(d) prohibiting the debtor company from selling or otherwise disposing of, outside the ordinary course of its business, any of the debtor company's property in Canada that relates to the business and prohibiting the debtor company from selling or otherwise disposing of any of its other property in Canada.

12. The Initial Recognition Order sought by the Petitioner found at Schedule "B" is based on this Court's Model CCAA Initial Recognition Order (Foreign Main Proceeding) and provides for all of the relief required by section 48 of the CCAA.

13. The Initial Recognition Order is not inconsistent with any order that may be made under the CCAA.

CCAA, §48(2).

The relief sought in the Supplemental Recognition Order is appropriate in the circumstances

14. If an order recognizing a foreign proceeding is made (main or non-main), the Court may, if it is satisfied that it is necessary for the protection of the debtor company's property or the interests of a creditor or creditors, make any order that it considers appropriate, including an order:

(a) if the foreign proceeding is a foreign non-main proceeding, referred to in subsection 48(1);

(b) respecting the examination of witnesses, the taking of evidence or the delivery of information concerning the debtor company's property, business and financial affairs, debts, liabilities and obligations; and

(c) authorizing the foreign representative to monitor the debtor company's business and financial affairs in Canada for the purpose of reorganization.

15. The Supplemental Recognition Order sought by the Petitioner found at Schedule "C", based on this Court's Model CCAA Supplemental Recognition Order (Foreign Main Proceeding), is appropriate in the circumstances and will enable the Debtors to continue to operate in the ordinary course during the Chapter 11 Proceedings by protecting the Canadian Debtors' property located in Canada, ensuring an orderly and coordinated restructuring is able to be pursued, thereby helping to maximize potential realizations for the CHC's stakeholders.

16. The Supplemental Recognition Order is not inconsistent with any order that may be made under the CCAA.

CCAA, §48(2).

17. The granting of the relief requested in the Supplemental Order will not cause prejudice to the Debtors' Canadian creditors. CHC's Canadian creditors have had, and continue to enjoy, full rights of participation, along with the Debtors' U.S. creditors, in the Chapter 11 Proceedings.

Part 4: MATERIALS TO BE RELIED ON

18. The following documentary evidence will be used at the hearing of the petition:

(i) Affidavit #1 of Robert A. Del Genio, to be filed;

(ii) Affidavit #1 of Paul King, to be filed;

(iii) Affidavit #1 of Sandra Brown-John sworn September 28, 2016; and

(iv) Such further and other materials as counsel may advise and this Honourable Court may permit.

The Petitioner estimates that the hearing of the Petition will ~~take 2 hours~~.

Date: September 29, 2016

Signature of William C. Kaplan, Q.C. / Peter L. Rubin
Lawyers for the Petitioner

To be completed by the court only:

Order made

[ ] in the terms requested in paragraphs ..... of Part 1 of this petition

[ ] with the following variations and additional terms:

.....

.....

.....

Date:_____..... .....

Signature of [ ] Judge [ ] Master

SCHEDULE "A"

LIST OF COMPANIES

CHC Group Ltd.

6922767 Holding SARL

Capital Aviation Services B.V.

CHC Cayman ABL Borrower Ltd.

CHC Cayman ABL Holdings Ltd.

CHC Cayman Investments I Ltd.

CHC Den Helder B.V.

CHC Global Operations (2008) ULC

CHC Global Operations Canada (2008) ULC

CHC Global Operations International ULC

CHC Helicopter (1) S.á.r.l.

CHC Helicopter (2) S.á.r.l.

CHC Helicopter (3) S.á.r.l.

CHC Helicopter (4) S.á.r.l.

CHC Helicopter (5) S.á.r.l.

CHC Helicopter Australia Pty Ltd

CHC Helicopter Holding S.á.r.l.

CHC Helicopter S.A.

CHC Helicopters (Barbados) Limited

CHC Helicopters (Barbados) SRL

CHC Holding (UK) Limited

CHC Holding NL B.V.

CHC Hoofddorp B.V.

CHC Leasing (Ireland) Limited

CHC Netherlands B.V.

CHC Norway Acquisition Co AS

Heli-One (Netherlands) B.V.

Heli-One (Norway) AS

Heli-One (U.S.) Inc.

Heli-One (UK) Limited

Heli-One Canada ULC

Heli-One Holdings (UK) Limited

Heli-One Leasing (Norway) AS

Heli-One Leasing ULC

Heli-One USA Inc.

Heliworld Leasing Limited

Integra Leasing AS

Lloyd Bass Strait Helicopters Pty. Ltd.

Lloyd Helicopter Services Limited

Lloyd Helicopter Services Pty. Ltd.

Lloyd Helicopters International Pty. Ltd.

Lloyd Helicopters Pty. Ltd.

Management Aviation Limited

SCHEDULE "B"

No.
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA
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UNITED STATES BANKRUPTCY COURT FOR THE NORTHERN DISTRICT OF TEXAS
WITH RESPECT TO THE COMPANIES LISTED ON SCHEDULE "A" HERETO

APPLICATION OF CHC GROUP LTD.
UNDER SECTION 46 OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, c. C 36, AS AMENDED

ORDER MADE AFTER APPLICATION

(FOREIGN MAIN PROCEEDING - INITIAL RECOGNITION)

BEFORE THE HONOURABLE _____ JUSTICE _____) _____ DAY, THE ____ DAY OF OCTOBER, 2016.

THE PETITION of CHC Group Ltd., in its capacity as the foreign representative (the "**Foreign Representative**") of CHC Global Operations Canada (2008) ULC, CHC Global Operations International ULC, CHC Global Operations (2008) ULC, Heli-One Leasing ULC, and Heli-One Canada ULC (together, the "**Canadian Debtors**") and the other companies listed on Schedule "**A**" hereto (together with the Canadian Debtors, the "**Debtors**"), pursuant to Part IV of the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"), coming on for hearing at Vancouver, British Columbia, on the _____day of _____, 2016, and on hearing William C. Kaplan, Q.C., counsel for the Foreign Representative and those other

counsel listed on **Schedule "B"** hereto; AND UPON READING the material filed, including the affidavit of the Debtors' Chief Restructuring Officer, Robert A. Del Genio, the affidavit of Paul King, and the affidavit of Sandra Brown-John sworn September 28, 2016, and upon being provided with copies of the documents required by s. 46 of the CCAA;

AND UPON HEARING the submissions of counsel for the Foreign Representative, and those other counsel listed on **Schedule "B"**;

THIS COURT ORDERS AND DECLARES that:

SERVICE

1. The time for service of the Petition, supporting affidavit and all other materials is hereby abridged so that this Petition is properly returnable today.

FOREIGN REPRESENTATIVE

2. The Foreign Representative is the "foreign representative" of the Debtors, as defined in subsection 45(1) of the CCAA, in respect of the proceedings commenced on May 5, 2016 in the United States Bankruptcy Court for the Northern District of Texas, Dallas Division, under Chapter 11 of title 11 of the United States Code (the "**Foreign Proceeding**").

CENTRE OF MAIN INTEREST AND RECOGNITION OF FOREIGN PROCEEDING

3. The centre of main interests of each of the Canadian Debtors is the United States of America, and the Foreign Proceeding is hereby recognized as a "foreign main proceeding", as defined in subsection 45(1) of the CCAA.

STAY OF PROCEEDINGS

4. Until otherwise ordered by this Court:

   a. all proceedings taken or that might be taken against any of the Canadian Debtors under the *Bankruptcy and Insolvency Act* or the *Winding-up and Restructuring Act* are hereby stayed;

b. further proceedings in any action, suit or proceeding against any of the Canadian Debtors are hereby restrained; and

c. the commencement of any action, suit or proceeding against any of the Canadian Debtors is hereby prohibited.

NO SALE OF PROPERTY

5. Except with leave of this Court, each of the Debtors is hereby prohibited from selling or otherwise disposing of:

   a. outside the ordinary course of its business, any of its property in Canada that relates to the business; and

   b. any of its other property in Canada.

GENERAL

6. As soon as practicable, the Foreign Representative shall cause a notice substantially in the form attached to this Order as **Schedule "C"** to be published once a week for two consecutive weeks in the *Vancouver Sun*.

7. This Order shall be effective as of 12:01 a.m. on the date of this Order.

8. Any interested party may apply to this Court to vary or amend this Order or seek other relief on not less than seven (7) days' notice to the Debtors and the Foreign Representative and their respective counsel, and 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.

9. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, to give effect to this Order and to assist the Debtors and the Foreign Representative and their respective counsel and agents in carrying out the terms of this Order.

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

_____

Signature of William C. Kaplan, Q.C. / Peter L. Rubin
Lawyers for the Foreign Representative

BY THE COURT

_____

REGISTRAR

SCHEDULE "C"

No.
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA
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IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C36, AS AMENDED

AND IN THE MATTER OF CERTAIN PROCEEDINGS TAKEN IN THE UNITED STATES BANKRUPTCY COURT FOR THE NORTHERN DISTRICT OF TEXAS WITH RESPECT TO THE COMPANIES LISTED ON SCHEDULE "A" HERETO

APPLICATION OF CHC GROUP LTD.
UNDER SECTION 46 OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C 36, AS AMENDED

ORDER MADE AFTER APPLICATION

(SUPPLEMENTAL RECOGNITION ORDER IN FOREIGN MAIN PROCEEDING)

BEFORE THE HONOURABLE	)	_____ DAY, THE ____ DAY
_____	)	OF OCTOBER, 2016.
	)	

THE APPLICATION of CHC Group Ltd., in its capacity as the foreign representative (the "**Foreign Representative**") of CHC Global Operations Canada (2008) ULC, CHC Global Operations International ULC, CHC Global Operations (2008) ULC, Heli-One Leasing ULC, and Heli-One Canada ULC (together, the "**Canadian Debtors**") and the other companies listed on **Schedule "A"** hereto (together with the Canadian Debtors, the "**Debtors**"), pursuant to Part IV of the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"), coming on for hearing at Vancouver, British Columbia, on the _____ day of _____, 2016, and on hearing William C. Kaplan. Q.C., counsel for the Foreign Representative, and those other counsel listed on **Schedule "B"** hereto; AND UPON READING the material filed, including the

affidavit of the Debtors' Chief Restructuring Officer, Robert A. Del Genio (the "**CRO**"), the affidavit of Paul King, and the affidavit of Sandra Brown-John sworn September 28, 2016, each filed;

AND UPON HEARING the submissions of counsel for the Foreign Representative, and counsel for those other parties listed on **Schedule "B"**;

THIS COURT ORDERS AND DECLARES that:

SERVICE

1. The time for service of the Petition, supporting affidavit and all other materials is hereby abridged so that the Petition is returnable today.

INITIAL RECOGNITION ORDER

2. Any capitalized terms not otherwise defined herein shall have the meanings given to such terms in the Order Made After Application (Foreign Main Proceeding) dated October ____, 2016 (the "**Recognition Order**").

3. The provisions of this Supplemental Order shall be interpreted in a manner complementary and supplementary to the provisions of the Recognition Order, provided that in the event of a conflict between the provisions of this Supplemental Order and the provisions of the Recognition Order, the Recognition Order shall govern.

RECOGNITION OF FOREIGN ORDERS

4. The following orders (collectively, the "**Foreign Orders**") of the United States Bankruptcy Court for the Northern District of Texas, Dallas Division, made in the Foreign Proceeding are hereby recognized and given full force and effect in all provinces and territories of Canada, provided, however, that in the event of any conflict between the terms of the Foreign Orders and the Orders of this Court made in the within proceedings, the Orders of this Court shall govern with respect to Property (as defined below) in Canada:

(a) **Foreign Representative Order**, attached as **Schedule "C"**;

(b) **Final Employee Obligation Order**, attached as **Schedule "D"**;

(c) **Section 362 Protection Order**, attached as **Schedule "E"**;

(d) **Final Tax Order**, attached as **Schedule "F"**;

(e) **Final Customer Deposit Order**, attached as **Schedule "G"**;

(f) **Sixth Interim Cash Management Order**, attached as **Schedule "H"**;

(g) **Kurtzman Carson Consultants LLC Order**, attached as **Schedule "I"**;

(h) **Sixth Interim Cash Collateral Order**, attached as **Schedule "J"**;

(i) **Final Insurance Order**, attached as **Schedule "K"**;

(j) **Severance Payments Order**, attached as **Schedule "L"**;

(k) **Repair Payments Order**, attached as **Schedule "M"**;

(l) **Claims Bar Date Order**, attached as **Schedule "N"**; and

(m) **Supplemental Bar Date Order**, attached as **Schedule "O"**.

NO PROCEEDINGS AGAINST THE CANADIAN DEBTORS OR THE PROPERTY

5. Until such date as this Court may subsequently Order (the "**Stay Period**"), no action, suit or proceeding in any court or tribunal in Canada (each, a "**Proceeding**") against or in respect of any of the Canadian Debtors, or affecting the Canadian Debtors' business (the "**Business**") or their current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the "**Property**"), shall be commenced or continued except with leave of this Court, and any and all Proceedings currently under way against or in respect of any of the Canadian Debtors or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

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**") against or in respect of the Canadian Debtors, or

affecting the Business or the Property, are hereby stayed and suspended except with leave of this Court.

7. Nothing in this Order, including paragraphs 5 and 6, shall: (i) prevent the assertion or the exercise of rights and remedies outside of Canada; (ii) empower the Debtors to carry on any business which the Debtors are not lawfully entitled to carry on; (iii) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA; (iv) prevent the filing of any registration to preserve or perfect a mortgage, charge or security interest in Canada; (v) prevent the registration or filing of a lien or claim for lien or the commencement of a Proceeding to protect lien or other rights in Canada that might otherwise be barred or extinguished by the effluxion of time, provided that no further step shall be taken in respect of such lien, claim for lien or Proceeding except for service of the initiating documentation on the applicable Debtor(s); or (vi) be interpreted as affecting, minimizing, or replacing the stay of proceedings in place in the Foreign Proceeding or any order entered in the Foreign Proceeding in respect of those parties bound by such stay of proceedings or such orders.

NO INTERFERENCE WITH RIGHTS

8. During the Stay Period, no Person shall 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 any of the Canadian Debtors and affecting the Business in Canada, except with leave of this Court.

CONTINUATION OF SERVICES

9. During the Stay Period, all Persons having oral or written agreements with the Canadian Debtors or mandates under an enactment for the supply of goods and/or services in Canada, 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 Canadian Debtors, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with, or terminating the

supply of such goods or services as may be required by the Canadian Debtors, and that the Canadian Debtors shall be entitled to the continued use in Canada of their current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Canadian Debtors in accordance with normal payment practices of the Canadian Debtors or such other practices as may be agreed upon by the supplier or service provider and the Canadian Debtors, or as may be ordered by this Court.

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 Canadian Debtors with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of the Canadian Debtors 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. Nothing in this Order, including in this paragraph, shall prevent the commencement of a Proceeding to preserve any claim against a former, current or future director or officer of any of the Canadian Debtors that might otherwise be barred or extinguished by the effluxion of time, provided that no further step shall be taken in respect of such Proceeding except for service of the initiating documentation on the applicable director or officer.

REPORTING REQUIREMENTS

11. The CRO:

    a. shall report to this Court at least once every month with respect to the status of these proceedings and the status of the Foreign Proceeding, which reports may include information relating to the Property, the Business or other matters relevant to these proceedings and any stakeholders in Canada;

b. in addition to the periodic reports referred to in paragraph 11(a), above, may report to this Court at such other times and intervals and with respect to such matters as the CRO, in its discretion, deems appropriate;

12. The CRO (i) shall cause Kurtzman Carson Consultants ("**KCC**"), the Claims and Noticing Agent appointed in the Foreign Proceeding, to post on its website at http://www.kccllc.net/chc (the "**Noticing Agent's Website**") all Orders of this Court made in these proceedings, all reports of the CRO filed herein, and such other materials as this Court may order from time to time, and (ii) may cause KCC to post on the Noticing Agent's website any other materials relevant to these proceedings and any stakeholders in Canada.

13. The CRO shall provide any creditor of a Canadian Debtor with information with respect to the Canadian Debtors and the Foreign Proceeding in response to reasonable requests for information made in writing by such creditor addressed to the CRO. In the case of information that the CRO has been advised by the Canadian Debtors is privileged or confidential, the CRO shall not provide such information to creditors unless directed to do so by this Court or on such terms as the CRO, the Foreign Representative and the Canadian Debtors may agree.

14. No Proceeding shall be commenced or continued against or in respect of the CRO with respect to its obligations under this Order, except with leave of this Court.

SERVICE AND NOTICE

15. The Debtors, the Foreign Representative and the CRO are each at liberty to serve this Order, any other materials and orders filed or made in these proceedings, and any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or electronic transmission to the Debtors' creditors or other interested parties at their respective addresses as last shown on the records of the Debtors and any such service or notice by courier, personal delivery or electronic transmission 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.

16. Any Person that wishes to be served with any application and other materials in these proceedings must deliver to the CRO by way of ordinary mail, courier, personal delivery or electronic transmission a request to be added to the service list (the "**Service List**") being maintained by KCC. The CRO shall cause KCC to post an up to date copy of the Service List on the Noticing Agent's Website.

17. Any party to these proceedings may serve any court materials in these proceedings by emailing a PDF or other electronic copy of such materials to counsels' email addresses as recorded on the Service List from time to time, and the CRO shall cause copies of all prescribed materials to be posted on the Noticing Agent's Website.

18. Notwithstanding paragraphs 15 and 16 of this Order, service of the Petition, the Notice of Hearing of Petition, any affidavits filed in support of the Petition and this Order shall be made on the Federal and British Columbia Crowns in accordance with the *Crown Liability and Proceedings Act*, R.S.C. 1985, c. C-50, and regulations thereto, in respect of the federal Crown, and the *Crown Proceeding Act*, R.S.B.C. 1996, c. 89, in respect of the British Columbia Crown.

GENERAL

19. 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 of America, to give effect to this Order and to assist the Debtors and the Foreign Representative, 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 Debtors and the Foreign Representative, as may be necessary or desirable to give effect to this Order, or to assist the Debtors and the Foreign Representative, and their respective agents, in carrying out the terms of this Order.

20. Each of the Debtors and the Foreign Representative be at liberty and is 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.

21. The Guidelines for Court-to-Court Communications in Cross-Border Cases developed by the American Law Institute and attached as **Schedule "P"** hereto is adopted by this Court for the purposes of these recognition proceedings.

22. Any interested party may apply to this Court to vary or amend this Order or seek other relief on not less than seven (7) days' notice to the Debtors and the Foreign Representative and their respective counsel, and 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.

23. This Order and all of its provisions shall be effective as of 12:01 a.m. local Vancouver time on the date of this Order.

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

_____

Signature of William C. Kaplan, Q.C. / Peter L. Rubin
Lawyers for the Foreign Representative

BY THE COURT

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REGISTRAR