

CANADA

SUPERIOR COURT
(Commercial Division)

PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL

Sitting as a court designated pursuant to the
Companies' Creditors Arrangement Act, R.S.C.
c. C-36, as amended

N°: 500-11-052101-173

IN THE MATTER OF THE COMPANIES'
CREDITORS ARRANGEMENT ACT, RSC
1985, C. C-36, AS AMENDED:

ALLIANCE HANGER INC.

Debtor

-and-

ERA GROUP INC./GROUPE ERA INC.

Applicant

-and-

KPMG INC.

Monitor

APPLICATION FOR A CLAIMS PROCEDURE ORDER

(Sections 9, 10 and 11 of the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36,
as amended)

TO ONE OF THE HONOURABLE JUDGES OF THE SUPERIOR COURT, SITTING IN
THE COMMERCIAL DIVISION, IN AND FOR THE DISTRICT OF MONTREAL, THE
APPLICANT RESPECTFULLY SUBMITS AS FOLLOWS:

I. INTRODUCTION

1. Contemporaneously with the presentation of the present Application, the Applicant, Era Group Inc./Groupe Era Inc., a shareholder of Alliance Hanger Inc. (the "**Debtor**"), is presenting an Application for the Issuance of an Initial Order in respect of the Debtor (the "**Initial Order Application**") pursuant to the relevant provisions of the *Companies' Creditors Arrangement Act* (the "**CCAA**").
2. Pursuant to the Initial Order Application, it is being requested that KPMG Inc. be appointed as monitor of the Applicant (the "**Monitor**") and for a stay of proceedings (the "**Stay of Proceedings**") to be ordered until and including March 17, 2017.
3. The Stay of Proceedings being requested pursuant to the Initial Order Application is only in respect of the following parties:
 - (a) the Debtor's shareholders (collectively the "**Shareholders**");

- (i) 6187820 Canada Inc.;
 - (ii) 9170-9402 Québec Inc.;
 - (iii) Gestion Marc Tremblay Inc.;
 - (iv) Edward Reichman;
 - (v) Applicant; and
 - (vi) Polinex Plastics Inc. (and its bankruptcy trustee, Raymond Chabot Inc.).
- (b) the following creditors of the Debtor, all of which are either Shareholders or entities related to some of the Shareholders (the "**Affected Creditors**"):
- (i) 3903460 Canada Inc.;
 - (ii) 4511531 Canada Inc.;
 - (iii) Applicant;
 - (iv) Shapiro General Partnership; and
 - (v) Polinex Plastics Inc. (and its bankruptcy trustee, Raymond Chabot Inc.).
4. All parties other than the Shareholders and the Affected Creditors are not treated by these CCAA proceedings and are therefore to be treated as unaffected creditors in any plan of compromise, arrangement and reorganization.
5. In the event that the Initial Order Application is granted, the present Application seeks an order from the Court:
- i. ordering that Affected Creditors are deemed to have filed a proof of claim in the amount of their respective "Affected Claim Amount", as defined in the draft claims procedure order (the "**Order**") communicated herewith as **Exhibit P-1**, by the Claims Bar Date;
 - ii. ordering that Affected Creditors who wish to assert a claim for an amount in excess of their "Affected Claim Amount" shall file a proof of claim by March 3, 2017 at 5:00 p.m. Montreal time (the "**Claims Bar Date**");
 - iii. approving the form, manner of notice and filing procedure of such proofs of claim; and
 - iv. granting such other and further relief as the Court deems appropriate.

II. CLAIMS PROCEDURE ORDER

6. As described in the Initial Order Application, the Debtor is insolvent and requires a significant restructuring and reorganization in order to continue its operations. The present CCAA proceedings and the relief contemplated thereby are being sought to achieve the restructuring and reorganization necessary in order to promote and achieve the Debtor's survival.
7. In order to successfully restructure and reorganize the Debtor, a plan of compromise, arrangement and reorganization is to be filed in respect of the Debtor.
8. Accordingly, in order to prepare and present a constructive plan of compromise, arrangement and reorganization, the Applicant submits that it is in the best interests of all of the Debtor's stakeholders that it initiate a claims process substantially in the form of the conclusions sought in the Order (Exhibit P-1).
9. As described above, any plan in respect of the Debtor will seek only to compromise or arrange the claims of the Affected Creditors and as a result, no creditors of the Debtor other than the Affected Creditors will be entitled to submit a proof of claim.
10. Since any eventual plan to be filed will only affect the Affected Creditors, there is no need to advise any party (by notice in newspapers or otherwise) other than the Affected Creditors of the Order, the Claims Bar Date and the instructions with respect to a proof of claim. The Affected Creditors will receive full notice of this Order and instructions from the Monitor and same will be published on the Monitor's website.
11. In the event that the Initial Order Application is granted, the Order would establish a "Determination Date", being the date of issuance of the Initial Order.
12. The Order sought by this Application would establish the Claims Bar Date for claims of Affected Creditors in excess of their respective Affected Claim Amount so as to allow the Debtor and the Monitor to obtain a complete portrait of the structure of the claims of the Affected Creditors as a first step towards devising an eventual plan of compromise, arrangement and reorganization.
13. As described above, the Order sought hereby would deem that Affected Creditors have filed a proof of claim by the Claims Bar Date in the amount of their respective Affected Claim Amount without the necessity of filing a proof of claim.
14. As a plan of compromise, arrangement and reorganization has yet to be filed, the Applicant does not seek the approval or implementation of a meeting or voting process at this time.

FOR THESE REASONS, MAY IT PLEASE THIS HONOURABLE COURT TO:

- (A) **GRANT** the present Application;
- (B) **ISSUE** the Claims Procedure Order pursuant to the *Companies' Creditors Arrangement Act* substantially in the form of the draft Claims Procedure Order produced as **Exhibit P-1**;

THE WHOLE without costs save and except in the event of contestation.

MONTREAL, February 10, 2017

(SGD.) Kugler Kandestin LLP

KUGLER KANDESTIN LLP

Attorneys for Applicant

Me Gerald F. Kandestin

Me David Stolow

Me Jeremy Cuttler

1 Place Ville Marie, Suite 1170

Montreal, Québec H3B 2A7

Tel.: 514 878-2861 / Fax: 514 875-8424

gkandestin@kklex.com

dstolow@kklex.com

jcuttler@kklex.com

TRUE COPY

Kugler Kandestin LLP.
KUGLER KANDESTIN LLP

CANADA

**SUPERIOR COURT
(Commercial Division)**

**PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL**

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Debtor

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Applicant

-and-

KPMG INC.

Monitor

AFFIDAVIT

I, the undersigned, **Mark Schneiderman**, businessman, carrying on business and domiciled for the purposes hereof at 440-800 rue du Square-Victoria, Montréal, Québec H4Z 1A1, solemnly affirm that:

1. I am an Officer of the Applicant;
2. I have read the present *Application for a Claims Procedure Order* (the "**Application**"); and
3. All the facts alleged in the Application are true and correct.

AND I HAVE SIGNED:

(SGD.) Mark Schneiderman
MARK SCHNEIDERMAN

SOLEMNLY AFFIRMED before me at the
City of Montreal, Province of Quebec, this
10th day of February, 2017.

TRUE COPY

(SGD.) Darlene W. Pitt #198 577
Commissioner for Oaths for Quebec


KUGLER KANDESTIN LLP

CANADA
PROVINCE OF QUÉBEC
DISTRICT OF MONTREAL

**SUPERIOR COURT
(Commercial Division)**

No.: 500-11- 052/01-173

Sitting as a court designated pursuant to the
Companies' Creditors Arrangement Act, RSC 1985,
c. C-36, as amended

**IN THE MATTER OF THE COMPANIES'
CREDITORS ARRANGEMENT ACT, RSC 1985, c.
C-36, AS AMENDED:**

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Debtor

-and-

ERA GROUP INC./GROUPE ERA INC.

Applicant

-and-

KPMG INC.

Proposed Monitor

NOTICE OF PRESENTATION

TO:

ALLIANCE HANGER INC.
2500 rue Guénette
Montreal, QC H4R 2H2

EDWARD REICHMAN
245 av. Bloomfield
Outremont, QC H2V 3R6

Me Zavie Levine
Levine, Frishman, Lancry
zlevine@levinefrishman.com
Attorney for Edward Reichman

Me Michel La Roche
Miller Thomson LLP
mlaroche@millertomson.com
Attorney for Business
Development Bank of Canada
-and-
Roynat Inc.

Me Steven Shein
Kaufman Laramée
sshein@kicanada.com
Attorney for TD Bank

Me Mark E. Meland
Fishman Flanz Meland Paquin LLP
mmeland@ffmp.ca
Attorney for the Proposed Monitor,
KPMG INC.

TAKE NOTICE that the present *Application for a Claims Procedure Order* will be presented for adjudication before the Honourable Martin Castonguay, J.S.C., sitting in the Commercial Division of the Superior Court of Quebec, in and for the district of Montreal, on **February 16, 2017 at 11:30 A.M.** in **Room 16.12** of the Montreal Courthouse.

DO GOVERN YOURSELVES ACCORDINGLY

MONTREAL, February 10, 2017

(SGD.) Kugler Kandestin LLP

KUGLER KANDESTIN LLP

Attorneys for Applicant

Me Gerald F. Kandestin

Me David Stolor

Me Jeremy Cuttler

1 Place Ville Marie, Suite 1170

Montreal, Québec H3B 2A7

Tel.: 514 878-2861 / Fax: 514 875-8424

gkandestin@kklex.com

dstolor@kklex.com

jcuttler@kklex.com

TRUE COPY


KUGLER KANDESTIN LLP