



Citation: 2025 BCSECCOM 364

#### **Settlement Agreement**

# Global Crossing Airlines Group Inc. (formerly known as Canada Jetlines Ltd.) and Mark Morabito

#### Securities Act, RSBC 1996, c. 418 (the Act)

¶ 1 The Executive Director of the British Columbia Securities Commission (the Executive Director), Global Crossing Airlines Group Inc. (formerly known as Canada Jetlines Ltd.) (Jetlines), and Mark Morabito (Morabito) agree as follows:

### Agreed Statement of Facts Background

- During the relevant period, Jetlines was a federal company, registered extraprovincially in British Columbia, and operating as a start-up ultra-low-cost airline carrier. On June 23, 2020 Jetlines completed a reverse take-over transaction with Global Crossing Airlines, Inc. Jetlines changed its name to Global Crossing Airlines Group Inc. and redomiciled to Delaware, operating under new management and a new board of directors.
- 2. Morabito is a resident of British Columbia and, during the relevant period, was a director and the executive chairman of Jetlines.

#### **Admissions**

- 3. On September 6, 2017, Jetlines entered into a letter of intent (LOI) with an aircraft vendor for the lease of two aircraft for delivery in April 2018.
- 4. On September 7, 2017, Jetlines issued a news release announcing the LOI, that it was planning to begin ticket sales in the spring of 2018, and that it was targeting the summer of 2018 for startup of flight operations.
- 5. On December 12, 2017, the aircraft vendor terminated the LOI.
- 6. On February 22, 2018, Jetlines notified the Canada Transportation Agency that, due to the delay in startup of flight operations owing to the termination of the LOI, the company sought to instead commence operations at the end of 2018 (the Material Change).
- 7. Jetlines did not disclose the Material Change until it issued a news release on March 13, 2018.



- 8. By failing to immediately disclose the Material Change upon notification to Canada Transportation Agency, Jetlines contravened s. 85 of the Act.
- 9. By operation of s. 168.2(1) of the Act, Morabito authorized, permitted, or acquiesced in Jetlines' contravention, and thereby contravened the same provision.

#### **Undertaking**

10. Jetlines and Morabito undertake to make a joint-and-several voluntary payment of \$100,000 to the British Columbia Securities Commission in respect of settlement of this matter which sum is due and payable immediately, without further demand.

#### **Public Interest**

11. In light of all the circumstances, including the undertakings provided in this agreement, it is not in the public interest for the Executive Director to issue orders under section 161 of the Act.

#### Waiver

¶ 2 Jetlines and Morabito waive any right they may have, under the Act or otherwise, to a hearing, hearing and review, judicial review or appeal related to, in connection with, or incidental to this settlement.

#### Counterpart

- ¶ 3 This Settlement Agreement may be signed in counterpart and all such counterparts of signed copies, whether delivered electronically or otherwise, shall be read or construed together as if they formed one originally executed document.
- ¶ 4 August 17<sup>th</sup>, 2025

¶ 5	Mark Morabito	
	Mark Morabito	
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Redacted	
Witness Signature	
Redacted	
Witness Name (please print)	
Redacted	
Address	
Redacted	
Occupation	



## ¶ 6 August<u>8</u>, 2025

Ryan Goepel Global Crossing Airlines Group Inc. (formerly known as Canada Jetlines Ltd.)
(Per_ <i>Ryan Goepel, President</i> Signing Authority)
Redacted       )         Witness Signature       )         Redacted       )         Witness Name (please print)       )
Redacted )  Redacted )  Address )
<u>Redacted</u> ) Occupation )

Peter J Brady 8/22/2025 | 9:00 AM PDT

¶ 7 Peter J. Brady Executive Director