

Headnote

Multilateral Instrument 11-102 *Passport System* and National Policy 11-203 *Process for Exemptive Relief Applications in Multiple Jurisdictions* – National Instrument 52-107, *Acceptable Accounting Principles and Auditing Standards*, ss. 3.1, 3.2 and 5.1 – National Instrument 51-102 *Continuous Disclosure Obligations*, s. 13.1 – s. 5.1 - An issuer that is a ‘foreign issuer’ but not yet an ‘SEC issuer’ wants to file financial statements prepared in accordance with U.S. GAAP - the issuer intends to become an SEC registrant - the issuer has filed a registration statement with the SEC; the issuer will meet all the elements of the definition of ‘SEC issuer’ once the SEC accepts its registration statement; the issuer will file financial statements and MD&A that comply with the requirements for SEC issuers in NI 52-107 and NI 51-102; if the issuer does not become an SEC issuer by a set date, it will re-file its financial statements in accordance with Canadian GAAP and its MD&A in the Canadian form

Applicable Legislative Provisions

National Instrument 52-107, s. 3.2, 3.3 *Acceptable Accounting Principles and Auditing Standards*
National Instrument 51-102, s. 1.1 *Continuous Disclosure Obligations*

April 28, 2021

In the Matter of
the Securities Legislation of
British Columbia and Ontario
(the Jurisdictions)

and

In the Matter of
the Process for Exemptive Relief Applications in Multiple Jurisdictions

and

In the Matter of
Global Crossing Airlines Group Inc.
(the Filer)

Decision

Background

- ¶ 1 The securities regulatory authority or regulator in each of the Jurisdictions (the Decision Maker) has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the Legislation) exempting the Filer from the requirement in section 3.2 of National Instrument 52-107 *Acceptable Accounting Principles and Auditing Standards* (NI 52-

107) that financial statements, other than acquisition statements, be prepared in accordance with Canadian GAAP applicable to publicly accountable enterprises, and exempting the Filer from the requirement in section 5.1 of National Instrument 51-102 *Continuous Disclosure Obligations* (NI 51-102) that management's discussion and analysis be prepared in accordance with the form of 51-102F1 (Canadian MD&A Form) with respect to the financial statements for the year ended December 31, 2020 and the interim period ended March 31, 2021 and the management's discussion and analysis prepared for these periods (collectively, the Exemption Sought).

Under the Process for Exemptive Relief Applications in Multiple Jurisdictions (for a dual application):

- (a) the British Columbia Securities Commission is the principal regulator for this application,
- (b) the Filer has provided notice that subsection 4.7(1) of Multilateral Instrument 11-102 *Passport System* (MI 11-102) is intended to be relied upon in Alberta, Saskatchewan, Manitoba, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland and Labrador, Northwest Territories and Yukon, and
- (c) the decision is the decision of the principal regulator and evidences the decision of the securities regulatory authority or regulator in Ontario.

Interpretation

- ¶ 2 Terms defined in National Instrument 14-101 *Definitions*, NI 52-107, NI 51-102 and MI 11-102 have the same meaning if used in this decision, unless otherwise defined.

Representations

- ¶ 3 This decision is based on the following facts represented by the Filer:
- 1. the Filer is a company domesticated pursuant to the Delaware General Corporation Law;
 - 2. the Filer's head office is located at Bldg. 5A, Miami International Airport, 4th floor, 4200 NW 36th Street, Miami, FL, USA 33166;
 - 3. the Filer's registered office is c/o Cogency Global Inc., 850 New Burton Rd, Suite 201, Dover, County of Kent, Delaware, USA 19904.
 - 4. the primary business of the Filer is the start-up of an aircraft, crew, maintenance, insurance and wet lease United States charter airline serving the United States, Caribbean and Latin American markets;
 - 5. the Filer is a reporting issuer in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland and Labrador, Northwest Territories and Yukon and is not in default of securities legislation in any jurisdiction;

6. the common shares of the Filer are listed on the TSX Venture Exchange Inc. under the symbol “JET”;
7. the Filer’s financial year end is December 31;
8. all of the executive officers, except the Corporate Secretary, and the majority of the directors of the Filer are resident in the United States; the Corporate Secretary and one director are resident in Canada;
9. the vast majority of the consolidated assets of the Filer are located in the United States through two operating subsidiaries;
10. the business of the Filer is administered principally in the United States;
11. the Filer’s outstanding voting securities carrying more than 50 per cent of the votes for the election of directors are owned, directly or indirectly, by residents of the United States;
12. the Filer is currently a “foreign issuer” as defined in NI 52-107;
13. on March 22, 2021, on a confidential basis, the Filer filed a registration statement on Form S-1 (the Form S-1) with the U.S. Securities and Exchange Commission (the SEC);
14. the Form S-1 includes complete audited financial statements for the fiscal years ended December 31, 2020 and December 31, 2019 prepared in accordance with U.S. GAAP (the Financial Statements); the audit for the Financial Statements was conducted in accordance with U.S. PCAOB GAAS;
15. subject to receipt of relief for the Exemption Sought, the Filer intends to file the Financial Statements on SEDAR on or before April 30, 2021;
16. the Filer has filed the Form S-1 with the SEC in order to register its common shares under the Securities Act of 1933, as amended, to conduct an initial public offering of its common shares in the United States and list its common shares on The Nasdaq Capital Market, and upon the effectiveness of the Registration Statement on Form S-1, will become subject to the periodic reporting requirements to file reports with the SEC under the Securities Exchange Act of 1934, as amended (1934 Act); the Filer anticipates that it will become an SEC Issuer as defined in NI 52-107 within 60 days of the date of filing the S-1;
17. upon becoming an SEC Issuer, the Filer may (i) under Part 3.7 of NI 52-107, prepare its financial statements, other than acquisitions statements, in accordance with U.S. GAAP, and (ii) under Part 1.1 of NI 51-102, prepare its management’s discussion and analysis prepared in accordance with Item 303 of Regulation S-K under the 1934 Act;
18. the Exemption Sought will eliminate the need to also prepare financial statements for the fiscal year ended December 31, 2020 and the interim period ended March 31, 2021 in accordance with Canadian GAAP applicable to publicly accountable enterprises;

19. if the Filer does not become an SEC Issuer by August 30, 2021, the Filer will immediately re- file on SEDAR the previously filed financial statements prepared in accordance with U.S. GAAP for the year ended December 31, 2020 and the interim period ending March 31, 2021 and related management's discussion and analysis; the re-filed financial statements will be prepared in accordance with Canadian GAAP applicable to publicly accountable enterprises; the management's discussion and analysis will be amended to reflect the re-filed financial statements and will be re-filed in the Canadian MD&A Form; and the Filer will issue a news release upon re-filing the financial statements that explains the nature and purpose of the re-filings; and
20. on or prior to April 30, 2021, the Filer will comply with the requirement of subsection 4.3(4) of NI 51-102 by filing the restated interim financial statements for each of the interim periods in fiscal 2020 in accordance with U.S. GAAP.

Decision

- ¶ 4 Each of the Decision Makers is satisfied that the decision meets the test set out in the Legislation for the Decision Maker to make the decision.

The decision of the Decision Makers under the Legislation is that the Exemption Sought is granted, provided that:

- (a) the Filer files:
 - (i) financial statements prepared in accordance with U.S. GAAP for the year ended December 31, 2020 and the interim period ending March 31, 2021;
 - (ii) the related management's discussion and analysis prepared in accordance with Item 303 of Regulation S-K under the 1934 Act for these periods; and
- (b) if the Filer does not become an SEC Issuer by August 30, 2021, the Filer will immediately file on SEDAR:
 - (i) the financial statements for the year ended December 31, 2020 and the interim period ending March 31, 2021, prepared in Canadian GAAP applicable to publicly accountable enterprises
 - (ii) the related management's discussion and analysis in the Canadian MD&A Form; and
 - (iii) a news release explaining the nature and purpose of the re-filings.

John Hinze
Director, Corporate Finance
British Columbia Securities Commission