



Clerk's Stamp:

COURT FILE NUMBER

1603 20319

JUDICIAL CENTRE

COURT OF QUEEN'S BENCH OF ALBERTA
EDMONTON

IN THE MATTER OF THE COMPANIES'
CREDITORS ARRANGEMENT ACT,
R.S.C. 1985, c. C-36, As Amended

AND IN THE MATTER OF PARKLAND
AIRPORT DEVELOPMENT CORPORATION

DOCUMENT

AFFIDAVIT OF ROBERT GILGEN

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS DOCUMENT

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AFFIDAVIT OF ROBERT GILGEN

Sworn on February 16, 2018

I, ROBERT GILGEN, of Edmonton, Alberta, SWEAR AND SAY THAT:

1. I am the President of the Applicant, Parkland Airport Development Corporation ("Parkland"), and as such have a personal knowledge of the facts and matters hereinafter deposed to except where stated to be based upon information and belief and where so stated do verily believe the same to be true.
2. I am also, in my personal capacity, the "Accountable Executive" appointed by Parkland pursuant to the Canadian Aviation Regulations ("CARs").

Plan of Arrangement

3. I have worked closely with the Chief Restructuring Officer ("CRO") in an attempt to find a solution to the difficulties of Parkland. I believe the CRO has done everything possible to find a financial solution. The CRO and I are in agreement that if an order is granted allowing the Mortgagees to continue the foreclosure process, the activities of the CRO will no longer be needed and it should be discharged.

4. As the mortgagees have indicated to me, and to the CRO, that they do not wish to participate in a plan of arrangement that involves a global replacement mortgage or payment in kind of creditors' claims, I do not believe a plan of arrangement is viable at this time as I believe it would be rejected by the mortgagees as a class of creditors.
5. I believe that it might be possible to do a plan of arrangement if the Airport property is sold in a foreclosure process and that sale generates sufficient funds to pay the claims of the mortgagees and prior encumbrances with the surplus available to be distributed.

Foreclosure

6. For reasons described above, and better described in the Report of the CRO, which I have read, the contents of which are, to my knowledge, true, I believe it is appropriate at this stage to lift the stay as it applies to the Mortgagees.
7. On behalf of Parkland, I will consent to any order necessary to allow the Mortgagees to recommence its foreclosure proceeding.

The Stay

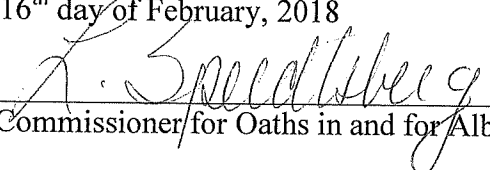
8. Commencing at paragraph 18 of my First Affidavit, sworn and filed November 17, 2016, I described, under the title "Operation of an Airport", the obligations of an Accountable Executive, why an Accountable Executive is required and the requirements of the Accountable Executive, particularly in that the Accountable Executive must have control of the financial and human resources that are necessary for the activities and operations authorized under the Airport Certificate.
9. I believe that it is essential to the obtaining of a realistic value for Parkland's property that I remain the Accountable Executive so as to maintain the Transport Canada certification. I further believe that in order for me to qualify as the Accountable Executive, an extension of the stay of proceedings is necessary.

Loss of Airport Certificate

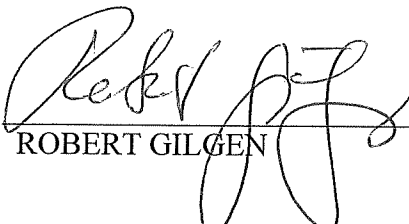
10. If a qualified and able Accountable Executive is not in place, the airport certification will likely be lost.
11. If that certification is lost, in the current financial position, opposition from a neighbour group and changes to the Canadian aeronautical laws and related regulations, the certification is unlikely to be regained in the future without very significant time, effort and cost.
12. When the Airport was constructed, the standards required to be met were contained in the TP312 *Aerodrome Standards and Recommended Practices* 4th Edition (1993).
13. Since the Airport was constructed, the 5th Edition (2015) of these standards came into effect.

14. Airports certified under the previous Edition are grandfathered, i.e. they do not need to comply with the 5th Edition for previously developed designs.
15. Recertification would require compliance with all aspects of the 5th Edition and I am not, at all, confident that such certification would be granted without potentially significant changes.
16. A loss of certification would result in significant loss of value to the Parkland lands with the associated additional loss to the creditors. It would also significantly detrimentally affect the owners of lots purchased from Parkland upon which hangars were either built or are planned to be built.
17. The operating losses that would be incurred in operating the Airport during the foreclosure/sale process are, I believe, insignificant in comparison with the loss of value to all concerned, if the Airport closes.
18. I believe that the Applicant has acted and continues to act in good faith and with due diligence and that, in the circumstances described above, it is appropriate that the Court grant a further extension of the stay created by the Initial Order.

SWORN before me at Edmonton, Alberta
this 16th day of February, 2018



A Commissioner for Oaths in and for Alberta

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ROBERT GILGEN

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LILLIAN SPEEDTSBERG
COMMISSION EXPIRES
NOVEMBER 24, 2018