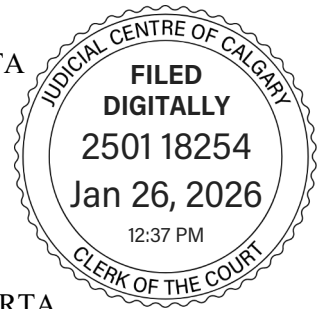


Clerk's Stamp

COURT FILE NUMBER 2501-18254  
COURT COURT OF KING'S BENCH OF ALBERTA  
JUDICIAL CENTRE CALGARY  
APPLICANT ATB FINANCIAL  
RESPONDENTS REGENT AIRCRAFT SERVICES INC.,  
1840648 ALBERTA LTD., 2490506 ALBERTA  
LTD. AND STEVEN JAMES FRANCES  
GRATTO also known as STEVEN GRATTO



DOCUMENT **SUPPLEMENT TO THE  
THIRD REPORT OF THE  
INTERIM RECEIVER  
BDO CANADA LIMITED  
JANUARY 26, 2026**

**INTERIM RECEIVER**  
BDO Canada Limited  
620, 903 8th Avenue SW  
Calgary, Alberta T2P 0P7

Attention: Kevin Meyler  
Phone: (403) 536-8526  
Fax: (403) 640-0591  
Email: kmeyler@bdo.ca

**INTERIM RECEIVER'S COUNSEL**

MLT Aikins LLP  
2100 Livingston Place  
222 3rd Ave SW  
Calgary, AB T2P 0B4

Attention: Ryan Zahara / Paul Olfert  
Phone: (403) 693-5420 / (306) 956-6970  
Fax: (403) 508-4349  
Email: rzahara@mltaikins.com / polfert@mltaikins.com

**SUPPLEMENT TO THE THIRD REPORT OF THE INTERIM RECEIVER  
BDO CANADA LIMITED  
JANUARY 26, 2026**

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## INTRODUCTION

1. On November 14, 2025 (the “**Interim Receivership Date**”), the Court of King’s Bench for Alberta (the “**Court**”) granted an Order (the “**IR Order**”) appointing BDO Canada Limited (“**BDO**”) as the interim receiver (the “**Interim Receiver**”) of Regent Aircraft Services Inc. (“**Regent**” or the “**Company**”).
2. The IR Order provided that unless otherwise ordered by the Court, the date of termination of the Interim Receivership (the “**Termination Date**”) shall be the earliest of:
  - (a) The taking of possession of the Property by a receiver, within the meaning of subsection 243(2) of the *Bankruptcy and Insolvency Act*, RSC 1985 c B-3 (the “**BIA**”);
  - (b) The taking of possession by a trustee (as defined in the BIA); or
  - (c) December 15, 2025, unless the Termination Date is extended or renewed by further Order of this Court prior to the expiry date.
3. On December 4, 2025, the Interim Receiver filed its first report (the “**First IR Report**”) in connection with the December 10, 2025, application referred to below, providing the Court with, *inter alia*:
  - (a) Background information on the Company, including the current status of various leased locations, together with a summary of the Company’s identified material assets and liabilities; and
  - (b) Details of certain of the Interim Receiver’s correspondence with Mr. Steven Gratto (“**Mr. Gratto**”) in his capacity as the sole director and shareholder of the Company, through his ownership of 1840648 Alberta Ltd. and 2490506 Alberta Ltd., as it relates to Mr. Gratto’s delay or refusal to respond to the Interim Receiver’s requests, which was hindering the Interim Receiver’s ability to administer its mandate under the IR Order.
4. On December 10, 2025, upon application by ATB Financial (“**ATB**”), the Court granted a further order (the “**IR Extension Order**”), *inter alia*:
  - (a) Amending the IR Order as follows:
    - i. Extending the latest termination date of the interim receivership from December 15, 2025 to February 2, 2026;
    - ii. Increasing the Interim Receiver’s Charge from \$100,000 to \$200,000; and

- iii. Increasing the Interim Receiver’s Borrowings Charge from \$100,000 to \$250,000;  
and
  - (b) declaring that Mr. Gratto is a “Person” for the purposes of paragraphs 6, 7 and 8 of the IR Order and must therefore cooperate and comply with any requests for information, documentation, or cooperation from the Interim Receiver.
- 5. On December 29, 2025, the Interim Receiver filed its second report (the “**Second IR Report**”) for the limited purpose of providing this Court with:
  - (a) Additional information with respect to the Interim Receiver’s interactions with Mr. Gratto, including submission of material correspondence as between Mr. Gratto and the Interim Receiver, leading to the Interim Receiver’s application for an Order, *inter alia*:
    - i. Declaring Mr. Steven Gratto (“**Mr. Gratto**”) in civil contempt for failing to comply with obligations imposed upon him pursuant to the IR Order and the IR Extension Order; and
    - ii. Directing Mr. Gratto to immediately comply with paragraphs 6, 7 and 8 of the IR Order; and
  - (b) the Interim Receiver’s recommendations thereon;
- 6. Following discussions with Mr. Gratto and his newly engaged legal counsel, the Receiver proposed, and Mr. Gratto did not object to an Order granted by the Court (the “**Compliance Order**”) which requires, *inter alia*, Mr. Gratto’s responses to outstanding requests of the Interim Receiver, together with Mr. Gratto’s attendance in Calgary by January 24, 2026 (or, if the Interim Receiver agreed in writing, a later date) and adjourning the application for contempt to January 27, 2026. A copy of the Compliance Order is attached as **Appendix “A”**.
- 7. On January 23, 2026, the Interim Receiver filed its third report (the “**Third IR Report**”), providing the Court with, *inter alia*:
  - (a) details of the material activities of the Interim Receiver subsequent to the First IR Report, together with an overview of the next steps of the Interim Receiver in the event this Court grants an extension of the IR Order as discussed below;
  - (b) an update on the Interim Receiver’s correspondence and interactions with Mr. Gratto as it relates to obligations under the IR Order and the Compliance Order; and
  - (c) details on the relief being sought by ATB, including:

- i. An extension of the outside date for the termination of the Interim Receivership to February 28, 2026; and
  - ii. An increase to the Receiver's Borrowing Charge to \$300,000.
8. The purpose of this report (the "**Supplement to the Third IR Report**") is to provide the Court with an update as to the Interim Receiver's review of the information provided by, and actions of, Mr. Gratto, in response to the Compliance Order.
9. Unless otherwise indicated, capitalized terms not defined in this Supplemental to the Third IR Report are as defined in the Affidavit of Mr. Bhaskar Kakkar of ATB sworn on November 12, 2025 (the "**Kakkar Affidavit**"), the IR Order and/or the previous reports of the Interim Receiver, as applicable.
10. All references to currency are in Canadian dollars unless otherwise noted.
11. This Supplement to the Third IR Report, together with other information and filings regarding these proceedings, will be posted on the Interim Receiver's website at: <http://www.bdo.ca/Regent>.

#### **TERMS OF REFERENCE**

12. In preparing this Supplement to the Third IR Report, the Interim Receiver has relied upon unaudited financial or other information provided by the Company and/or its discussions with key stakeholders, including key Regent employees ("**Management**"), among other sources of information (the "**Information**").
13. The Interim Receiver has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Canadian Auditing Standards pursuant to the Chartered Professional Accountants Handbook. Accordingly, the Interim Receiver expresses no opinion or any other form of assurance in respect of the Information referred to or used in the Supplement to the Third IR Report.

#### **BACKGROUND INFORMATION**

14. Based on a corporate registry search dated November 6, 2025, Regent was incorporated in Alberta on May 6, 1977. Its sole director is Mr. Gratto, and its sole voting shareholder is 1840648 Alberta Ltd. The Interim Receiver understands that Mr. Gratto is a second-generation owner of the Company.

15. Based on a corporate registry search dated November 6, 2025, 1840648 Alberta Ltd. was incorporated in Alberta on August 12, 2014. Its sole voting shareholder is 2490506 Alberta Ltd., and its sole director is Mr. Gratto
16. Based on a corporate registry search dated November 6, 2025, 2490506 Alberta Ltd. was incorporated in Alberta on February 8, 2023. Its sole director and voting shareholder is Mr. Gratto.
17. The Company historically provided complete aircraft repair services, including repairs for both fixed-wing aircraft and helicopters. It also designed and manufactured various aircraft components and products.

#### **UPDATE TO INTERACTIONS WITH MR. GRATTO SUBSEQUENT TO ISSUANCE OF THE COMPLIANCE ORDER**

18. As described in the Third IR Report, the Interim Receiver, Mr. Gratto and their respective legal counsel had a teleconference on January 19<sup>th</sup> to discuss the Compliance Order, as well as various outstanding information requests.
19. The Receiver noted in its Third IR Report that it was continuing to review the information provided following the January 19 call and during Mr. Gratto's attendance in Calgary and the Receiver has provided as **Appendix "B"** a status update with respect to the delivery by Mr. Gratto of the material deliverables.
20. In summary, while there are a number of deliverables that remain outstanding, Mr. Gratto has complied with the requirement to attend in Calgary and, in the Interim Receiver's opinion, has commenced making an effort to comply with the IR Order and the Compliance Order. Some of the information may be outside of Mr. Gratto's possession or ability to provide, therefore; a further compliance order specifically requiring the provision of certain deliverables would not, in the Interim Receiver's view, assist at this time.
21. The Interim Receiver does require Mr. Gratto's continuing cooperation on outstanding and future requests, made in accordance with the IR Order and the Compliance Order.
22. As a result, the Receiver is prepared to have its application for contempt adjourned *sine die* in order to allow Mr. Gratto additional time to provide the outstanding information, continue to cooperate with the Interim Receiver, and respond in a timely fashion to future requests of the Interim Receiver.

#### **RECOMMENDATION**

23. For the reasons outlined above, the Interim Receiver respectfully recommends that this Honourable Court adjourn the Interim Receiver's application for contempt *sine die*.

All of which is respectfully submitted this 26<sup>th</sup> day of January 2026.

**BDO Canada Limited**

In its capacity as Interim Receiver of Regent Aircraft Services Inc.  
and not in its personal or corporate capacity.



Per:

Kevin Meyler, CA, CIRP, LIT  
Senior Vice President

# APPENDIX “A”

CERTIFIED *E. Wheaton*  
by the Court Clerk as a true copy of  
the document digitally filed on Jan 9,  
2026

COURT FILE NUMBER

2501 - 18254

COURT

COURT OF KING'S BENCH OF ALBERTA  
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE INTERIM  
RECEIVERSHIP OF REGENT AIRCRAFT  
SERVICES INC.

JUDICIAL CENTRE

CALGARY

PLAINTIFF

ATB FINANCIAL

DEFENDANTS

REGENT AIRCRAFT SERVICES INC., 1840648  
ALBERTA LTD., 2490506 ALBERTA LTD. and  
STEVEN JAMES FRANCES GRATTO, also known  
as STEVEN GRATTO

APPLICANT

BDO CANADA LIMITED, in its capacity as Interim  
Receiver of REGENT AIRCRAFT SERVICES INC.

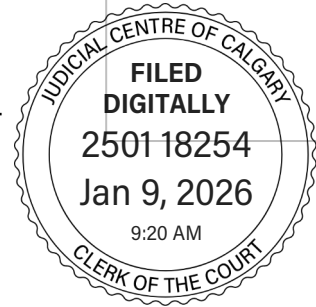
**DOCUMENT**

**ORDER - COMPLIANCE**

ADDRESS FOR SERVICE  
AND CONTACT  
INFORMATION OF PARTY  
FILING THIS DOCUMENT

MLT AIKINS LLP  
2100, 222 3<sup>rd</sup> Avenue S.W.  
Calgary, AB T2P 0B4  
Phone: (403) 693-5420 / (306) 956-6970  
Fax: (403) 508-4349  
Attention: Ryan Zahara / Paul Olfert  
Email: rzahara@mltaikins.com / polfert@mltaikins.com  
File No.: 0128056.00012

Clerk's Stamp



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**DATE ON WHICH ORDER WAS PRONOUNCED:**

**JANUARY 8, 2026**

**LOCATION OF HEARING OR TRIAL:**

**CALGARY, ALBERTA**

**NAME OF JUSTICE WHO MADE THIS ORDER:**

**JUSTICE C.D. SIMARD**

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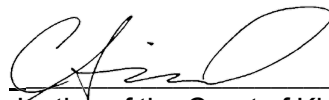
**UPON** the Application of the Interim Receiver, BDO Canada Limited (the "**Interim Receiver**"), in its capacity as Interim Receiver of Regent Aircraft Services Inc. (the "**Debtor**"), for an Order holding the Defendant, Steven Gratto ("**Gratto**"), in civil contempt; **AND UPON** having read the Application, the Second Report of the Interim Receiver dated December 29, 2025 (the "**Second Report**"), Confidential Appendix "G" to the Second Report, the Confidential Supplement to the Second Report of the Receiver dated January 8, 2025, the brief of law of the Interim

Receiver and the Affidavit of Service of Karin Koppitz, sworn on January 8, 2025; **AND UPON** having heard oral submissions from counsel for the Interim Receiver and all other interested parties present;

**IT IS HEREBY ORDERED AND DECLARED THAT:**

1. Gratto is hereby ordered and directed to forthwith provide to the Interim Receiver any and all documents, records, and information that has been requested by the Interim Receiver since the date of the Interim Receiver's appointment on November 14, 2025.
2. Without limiting the generality of the foregoing, Gratto is hereby ordered and directed to forthwith:
  - a. provide particulars of any assets of the Debtor that are not located at any of the former property or premises of the Debtor;
  - b. provide particulars of the following vehicles, including their location and contact information for any individuals in possession of the same:
    - i. 2022 Ram 1555 (VIN 1C6RR7FG9NS189762);
    - ii. 2021 Polaris General XP Deluxe (S/N 3NSGXJ991MH658941);
    - iii. 2017 Dodge Ram (VIN 1C6RR7MT5HS849025); and
    - iv. 2021 Dodge Ram 3500 ST Quad Cab (VIN 3D7MU48C34G251985);
  - c. disclose the location of the following boats, namely:
    - i. the boat bearing serial number UAGALA6000G223; and
    - ii. the boats referred to at Note 8 and Note 10 to the Debtor's financial statements for the year ended February 28, 2025  
  
(collectively, the "**Boats**");
  - d. provide a confirmation of insurance document in respect of each of the Boats;
  - e. not move any of the Boats except with written permission from the Interim Receiver;

- f. provide the Receiver with any and all documents, contracts, invoices, etc. pertaining to the Piper Cheyenne II currently being held at the Debtor's former McTavish hangar premises, and confirm the legal basis upon which it is being held.
3. Gratto shall accept reasonable requests from the Interim Receiver for calls or videoconferences and participate fully in the same.
4. Gratto is hereby ordered and directed to meet with the Interim Receiver in Calgary, Alberta by January 24, 2026 (or, if the Interim Receiver agrees in writing, a later date) for the purpose of complying with his obligations pursuant to the Interim Receivership Order granted on November 14, 2025 by the Honourable Justice Bourque (the "**IR Order**"), the Interim Receivership Extension Order granted on December 10, 2025 by Justice Simard (the "**IR Extension Order**"), and together with the IR Order, the "**Interim Receivership Order**"), and hereunder. Gratto shall provide the Interim Receiver with full compliance and co-operation during such meetings for such time as the Interim Receiver may require.
5. In all other respects (including costs), the Interim Receiver's application for contempt is adjourned to January 27, 2026 at 9:00 a.m. before the Honourable Justice Simard. ATB Financial is hereby granted leave to apply to extend the Interim Receivership Order at that time.



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Justice of the Court of King's Bench of Alberta  
Justice C.D. Simard

# APPENDIX “B”

<b>Regent Aircraft Services Inc., Interim Receiver – January 19, 2026 listing of Gratto Deliverables</b>	
<b>Request</b>	<b>Status</b>
Photos of vehicles in Gratto’s possession: <ul style="list-style-type: none"> <li>○ Interior</li> <li>○ Exterior; and</li> <li>○ Odometer</li> </ul>	Outstanding
Lease / Financing documentation for both boats	Outstanding
Proof of insurance for: <ul style="list-style-type: none"> <li>○ Both boats; and</li> <li>○ All vehicles in Gratto’s possession</li> </ul>	Insurance contact received for Acera, with the Interim Receiver having made a request to Acera for policy documents and confirmation that it remains in place and in good standing.
Contact information for Acera Insurance agent and insurance agent for other boat (if different)	As above
RCMP and Coast Guard incident reports relating to incident (including pictures or other documentation required for the filing of an insurance claim).	Outstanding
Documentation confirming large boat is personally owned by Gratto	Bill of sale provided and under review
Documentation regarding lien charge from marina, Vector Marina	Outstanding
Emails relating to the following accounts receivable: <ul style="list-style-type: none"> <li>○ Gravitas: \$935,000;</li> <li>○ Titan Air Charter: \$410,000;</li> <li>○ Central Mountain Air \$470,000 (provide an estimate of value of work performed to date);</li> <li>○ Harbour Air \$177,000; and</li> <li>○ CVAU Aviation \$169,000.</li> </ul>	Access to emails has been provided and under review.
Email/documentation regarding potential personal guarantee from Steve Earle for Gravitas’ account receivable	Access to documentation has been provided and under review.
List of assets located offsite, detailing the following: <ul style="list-style-type: none"> <li>○ Item description;</li> <li>○ Location;</li> <li>○ Contact information for any individuals in possession of Regent assets</li> </ul>	Partial response provided and under review, with Mr. Gratto unable to obtain information with respect to third parties in possession of aircraft or tooling equipment from Regent software, therefore efforts are continuing in this regard.
List of assets that Gratto personally owns that may be on Regent premises	In process based on January 22/23 attendance.
Documentation confirming proof of Gratto’s ownership of claimed personal items	In process based on January 22/23 attendance.
Confirmation of Gratto’s trip to Calgary for January 22 <sup>nd</sup> for at least two (2) days	Confirmed and Mr. Gratto attended.