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*Counsel for Oliver Wyman, Inc. and
Oliver Wyman Services Limited*

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re:	:	Chapter 11
	:	
AVIANCA HOLDINGS S.A., <i>et al.</i> , ¹	:	Case No. 20-11133 (MG)
	:	
Debtors.	:	(Jointly Administered)
	:	
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SUMMARY SHEET FOR (I) THIRD INTERIM APPLICATION OF OLIVER WYMAN, INC. AND OLIVER WYMAN SERVICES LIMITED FOR ALLOWANCE OF COMPENSATION FOR PROFESSIONAL SERVICES RENDERED AND REIMBURSEMENT OF EXPENSES INCURRED AS STRATEGIC ADVISORS TO THE DEBTORS FROM MAY 19, 2021 THROUGH AND INCLUDING DECEMBER 1, 2021; AND (II) FINAL APPLICATION FOR ALLOWANCE OF COMPENSATION FOR PROFESSIONAL SERVICES RENDERED AND REIMBURSEMENT OF EXPENSES INCURRED FROM JUNE 5, 2020 THROUGH AND INCLUDING DECEMBER 1, 2021

¹ The Debtors in these chapter 11 cases, and each Debtor's federal tax identification number (to the extent applicable), are as follows: Avianca Holdings S.A. (N/A); Aero Transporte de Carga Unión, S.A. de C.V. (N/A); Aeroinversiones de Honduras, S.A. (N/A); Aerovías del Continente Americano S.A. Avianca (N/A); Airlease Holdings One Ltd. (N/A); America Central (Canada) Corp. (00-1071563); America Central Corp. (65-0444665); AV International Holdco S.A. (N/A); AV International Holdings S.A. (N/A); AV International Investments S.A. (N/A); AV International Ventures S.A. (N/A); AV Investments One Colombia S.A.S. (N/A); AV Investments Two Colombia S.A.S. (N/A); AV Taca International Holdco S.A. (N/A); Avianca Costa Rica S.A. (N/A); Avianca Leasing, LLC (47-2628716); Avianca, Inc. (13-1868573); Avianca-Ecuador S.A. (N/A); Aviaservicios, S.A. (N/A); Aviateca, S.A. (N/A); Avifreight Holding Mexico, S.A.P.I. de C.V. (N/A); C.R. Int'l Enterprises, Inc. (59-2240957); Grupo Taca Holdings Limited (N/A); International Trade Marks Agency Inc. (N/A); Inversiones del Caribe, S.A. (N/A); Isleña de Inversiones, S.A. de C.V. (N/A); Latin Airways Corp. (N/A); Latin Logistics, LLC (41-2187926); Nicaragüense de Aviación, Sociedad Anónima (Nica, S.A.) (N/A); Regional Express Américas S.A.S. (N/A); Ronair N.V. (N/A); Servicio Terrestre, Aéreo y Rampa S.A. (N/A); Servicios Aeroportuarios Integrados SAI S.A.S. (92-4006439); Taca de Honduras, S.A. de C.V. (N/A); Taca de México, S.A. (N/A); Taca International Airlines S.A. (N/A); Taca S.A. (N/A); Tampa Cargo S.A.S. (N/A); Technical and Training Services, S.A. de C.V. (N/A); AV Loyalty Bermuda Ltd. (N/A); Aviacorp Enterprises S.A. (N/A). The Debtors' principal offices are located at Avenida Calle 26 # 59 – 15 Bogotá, Colombia.



In accordance with the Local Bankruptcy Rules for the Southern District of New York (the “**Local Bankruptcy Rules**”), Oliver Wyman, Inc. and Oliver Wyman Services Limited (collectively, “**OW**”), strategic advisors to the above-captioned debtors and debtors in possession (collectively, the “**Debtors**”), submit this summary (this “**Summary**”) of fees and expenses sought as actual, reasonable, and necessary in the fee application (the “**Application**”) to which this Summary is attached, seeking (i) interim allowance and approval for the period from May 19, 2021 through and including December 1, 2021 (the “**Interim Application Period**”); and (ii) final allowance and approval for the period from June 5, 2020 through and including December 1, 2021 (the “**Final Application Period**”). OW submits the Application in accordance with the Court’s *Modified Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals*, entered on November 15, 2021 [Docket No. 2343] (the “**Interim Compensation Order**”).

Basic Information	
Name of Applicant:	Oliver Wyman, Inc. and Oliver Wyman Services Limited
Name of Client:	Avianca Holdings S.A. et al., as debtors and debtors in possession
Petition Date:	May 10, 2020
Date of Order Approving Employment and Retention:	December 14, 2020, <i>nunc pro tunc</i> to June 5, 2020
This Interim Application	
Time Period Covered:	May 19, 2021 through December 1, 2021
Total Hours Billed:	1,003
Total Fees Requested:	\$531,000.00
Total Expenses Requested:	\$30,505.00
Total Fees and Expenses Requested:	\$561,505.00
Fees Paid Pursuant to Monthly Statements, Not Yet Allowed:	\$424,800.00
Expenses Paid Pursuant to Monthly Statements, Not Yet Allowed:	\$14,979.00
Total Fees and Expenses Paid Pursuant to Monthly Statements, Not Yet Allowed:	\$439,779.00

Rate Increases Not Previously Approved or Disclosed:	N/A
Total Professionals:	8
This Final Application	
Time Period Covered:	June 5, 2020 through December 1, 2021
Total Hours Billed:	42,596 ²
Total Fees Requested:	\$14,134,000.00
Total Expenses Requested:	\$576,633.75
Total Fees and Expenses Requested:	\$14,710,633.75
Total Fees and Expenses Paid to Date:	\$11,868,307.75
Total Outstanding Fees and Expenses:	\$2,842,326.00
Rate Increases Not Previously Approved or Disclosed:	N/A
Total Professionals:	55
Historical	
Fees Approved to Date:	\$13,603,000.00
Expenses Approved to Date:	\$546,128.75
Total Fees and Expenses Approved to Date:	\$14,149,128.75
Approved Amounts Paid to Date:	\$11,428,528.75
Related Information and Case Status	
This is a(n): _____ interim <u>X</u> final application.	
The Debtors have filed the <i>Amended Order (I) Directing Joint Administration of Chapter 11 Cases and (II) Granting Related Relief</i> [Docket No. 73] and the <i>Order Directing Certain Orders in Chapter 11 Cases of Avianca Holdings S.A., et al Be Made Applicable to Subsequent Debtors</i> [Docket No. 1030].	
The Debtors are current on their payment of quarterly fees to the United States Trustee.	
The Debtors are current on all monthly operating report filings.	

² OW's services are not billed on an hourly basis; however, pursuant to the Retention Order, OW has maintained summary records in half-hour increments and has included those records in all monthly fee statements.

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*Counsel for Oliver Wyman, Inc. and
Oliver Wyman Services Limited*

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re:	: Chapter 11
	:
AVIANCA HOLDINGS S.A., <i>et al.</i> , ³	: Case No. 20-11133 (MG)
	:
Debtors.	: (Jointly Administered)
	:
-----X	

**APPLICATION OF OLIVER WYMAN, INC. AND OLIVER WYMAN SERVICES
LIMITED, AS STRATEGIC ADVISORS TO THE DEBTORS, FOR: (I) INTERIM
ALLOWANCE OF COMPENSATION FOR PROFESSIONAL SERVICES RENDERED
AND REIMBURSEMENT OF EXPENSES INCURRED FROM MAY 19, 2021
THROUGH AND INCLUDING DECEMBER 1, 2021; AND (II) FINAL
ALLOWANCE OF COMPENSATION FOR PROFESSIONAL SERVICES
RENDERED AND REIMBURSEMENT OF EXPENSES INCURRED
FROM JUNE 5, 2020 THROUGH AND INCLUDING DECEMBER 1, 2021**

³ The Debtors in these chapter 11 cases, and each Debtor's federal tax identification number (to the extent applicable), are as follows: Avianca Holdings S.A. (N/A); Aero Transporte de Carga Unión, S.A. de C.V. (N/A); Aeroinversiones de Honduras, S.A. (N/A); Aerovías del Continente Americano S.A. Avianca (N/A); Airlease Holdings One Ltd. (N/A); America Central (Canada) Corp. (00-1071563); America Central Corp. (65-0444665); AV International Holdco S.A. (N/A); AV International Holdings S.A. (N/A); AV International Investments S.A. (N/A); AV International Ventures S.A. (N/A); AV Investments One Colombia S.A.S. (N/A); AV Investments Two Colombia S.A.S. (N/A); AV Taca International Holdco S.A. (N/A); Avianca Costa Rica S.A. (N/A); Avianca Leasing, LLC (47-2628716); Avianca, Inc. (13-1868573); Avianca-Ecuador S.A. (N/A); Aviaservicios, S.A. (N/A); Aviateca, S.A. (N/A); Avifreight Holding Mexico, S.A.P.I. de C.V. (N/A); C.R. Int'l Enterprises, Inc. (59-2240957); Grupo Taca Holdings Limited (N/A); International Trade Marks Agency Inc. (N/A); Inversiones del Caribe, S.A. (N/A); Isleña de Inversiones, S.A. de C.V. (N/A); Latin Airways Corp. (N/A); Latin Logistics, LLC (41-2187926); Nicaragüense de Aviación, Sociedad Anónima (Nica, S.A.) (N/A); Regional Express Américas S.A.S. (N/A); Ronair N.V. (N/A); Servicio Terrestre, Aéreo y Rampa S.A. (N/A); Servicios Aeroportuarios Integrados SAI S.A.S. (92-4006439); Taca de Honduras, S.A. de C.V. (N/A); Taca de México, S.A. (N/A); Taca International Airlines S.A. (N/A); Taca S.A. (N/A); Tampa Cargo S.A.S. (N/A); Technical and Training Services, S.A. de C.V. (N/A); AV Loyalty Bermuda Ltd. (N/A); Aviacorp Enterprises S.A. (N/A). The Debtors' principal offices are located at Avenida Calle 26 # 59 – 15 Bogotá, Colombia.

Oliver Wyman, Inc. and Oliver Wyman Services Limited (collectively, “**OW**”), strategic advisors to the above-captioned debtors and debtors in possession (collectively, the “**Debtors**”), hereby submit this application (the “**Application**”), pursuant to sections 330 and 331 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (as amended, the “**Bankruptcy Code**”), Rule 2016 of the Federal Rules of Bankruptcy Procedure (as amended, the “**Bankruptcy Rules**”), Rule 2016-1 of the Local Bankruptcy Rules for the Southern District of New York (as amended, the “**Local Bankruptcy Rules**”), the Amended Guidelines for Fees and Disbursements for Professionals in Southern District of New York Bankruptcy Cases, dated January 29, 2013 (the “**Local Guidelines**”), the United States Trustee Appendix B Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330 by Attorneys in Larger Chapter 11 Cases, effective November 1, 2013 (the “**U.S. Trustee Guidelines**” and, together with the Local Guidelines, the “**Guidelines**”), and this Court’s *Modified Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals*, entered on November 15, 2021 [Docket No. 2343] (the “**Interim Compensation Order**”), for (i) interim allowance and approval for professional services rendered by OW to the Debtors and reimbursement of actual and necessary expenses incurred by OW in connection with rendering such services for the period from May 19, 2021 through and including December 1, 2021 (the “**Interim Application Period**”); and (ii) final allowance and approval for professional services rendered by OW to the Debtors and reimbursement of actual and necessary expenses incurred by OW in connection with rendering such services for the period from June 5, 2020 through and including December 1, 2021 (the “**Final Application Period**”).

Pursuant to the Guidelines, OW submits the declaration of Tim Hoyland, a Senior Partner and Co-Head of the Global Aerospace Practice at Oliver Wyman, Inc. (the “**Hoyland Declaration**”), regarding OW’s compliance with the Guidelines, which is attached hereto as **Exhibit A** and is incorporated herein by reference. In further support of this Application, OW respectfully represents as follows:

Jurisdiction and Venue

1. This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409. This matter is a core proceeding under 28 U.S.C. § 157(b)(2).

2. The bases for the relief requested herein are sections 330 and 331 of the Bankruptcy Code, Bankruptcy Rule 2016, Local Bankruptcy Rule 2016-1(a), and the Interim Compensation Order.

Background

3. On May 10, 2020 (the “**Initial Petition Date**”), certain of the Debtors (the “**Initial Debtors**”) filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code (the “**Initial Chapter 11 Cases**”). On September 21, 2020 (together with the Initial Petition Date, as applicable to each Debtor, the “**Petition Date**”), each of AV Loyalty Bermuda Ltd. and Aviacorp Enterprises S.A. (collectively, the “**Subsequent Debtors**”) filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code (the “**Subsequent Chapter 11 Cases**” and together with the Initial Chapter 11 Cases, the “**Chapter 11 Cases**”).

4. The Debtors continue to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. The Chapter 11 Cases are being jointly administered pursuant to Bankruptcy Rule 1015(b) and the *Amended*

Order (I) Directing Joint Administration of Chapter 11 Cases and (II) Granting Related Relief [Docket No. 73] and the *Order Directing Certain Orders in Chapter 11 Cases of Avianca Holdings S.A., et al Be Made Applicable to Subsequent Debtors* [Docket No. 1030].

5. On May 22, 2020, the United States Trustee for the Southern District of New York appointed an official committee of unsecured creditors (the “**Committee**”). See *Notice of Appointment of Official Committee of Unsecured Creditors* [Docket No. 154]. No trustee or examiner has been appointed in these cases.

6. Additional information regarding the Debtors’ business, capital structure, and the circumstances leading to the filing of these cases is set forth in the *Declaration of Adrian Neuhauser in Support of the Debtors’ Chapter 11 Petitions and First Day Orders* [Docket No. 20].

7. On October 24, 2021, the Debtors filed the *Further Modified Joint Chapter 11 Plan of Avianca Holdings S.A. and Its Affiliated Debtors* [Docket No. 2259] (as amended or modified, the “**Plan**”). On November 2, 2021, the Court entered the *Order (I) Confirming Further Modified Joint Chapter 11 Plan of Avianca Holdings S.A. and Its Affiliated Debtors and (II) Granting Related Relief* [Docket No. 2300] (the “**Confirmation Order**”). The effective date of the Plan occurred on December 1, 2021 (the “**Effective Date**”).

Retention of OW

8. On July 1, 2020 the Debtors filed the *Application for Entry of Order Authorizing Employment and Retention of Oliver Wyman, Inc. and Oliver Wyman Services Limited as Strategic Advisor* [Docket No. 370] (the “**Retention Application**”), which sought approval of the Debtors’ retention of OW pursuant to the terms of the parties’ June 5, 2020 engagement letter (the “**Engagement Letter**”). Effective as of August 15, 2020, OW and the Debtors entered into an addendum (the “**Addendum**”) to the Engagement Letter, which expanded the scope of OW’s

retention to assist in implementing the Debtors' restructuring strategy and achieve significant cost reductions.

9. The Court held an initial hearing on the Application on July 15, 2020 and declined to approve the Application based upon the scope of the search conducted for connections with potential parties-in-interest. The Court requested that OW expand the scope of the search and work with the Office of the United States Trustee to confirm the expanded search was sufficient.

10. OW completed the expanded search in accordance with the Court's instructions, and on December 14, 2020 the Court entered the *Order Authorizing Debtors to Employ and Retain Oliver Wyman, Inc. and Oliver Wyman Services Limited as Strategic Advisor* [Docket No. 1258] (the "**Retention Order**"), authorizing the Debtors to employ and retain OW as strategic advisors effective as of June 5, 2020 pursuant to the terms of the Engagement Letter and the Addendum. The Retention Order also authorized OW to receive compensation pursuant to the procedures set forth in the Bankruptcy Code, the Bankruptcy Rules, the Guidelines, the Local Bankruptcy Rules, and Orders of this Court.

11. Effective as of January 15, 2021, the Debtors and OW entered into addendums (collectively, the "**Initial 2021 Addendum**") for: (i) additional Phase 3 services (the "**Phase 3a Services**"), including reviewing and redefining contact center policies, procedures, and technology to increase efficiencies; and (ii) the deployment of an instance of OW's The Hub software to assist the Debtors in managing efficiency goals.⁴

⁴ The 2021 Addendum for the Phase 3a Services is attached to the *Notice of Proposed Additional Services to be Performed for Debtors by Oliver Wyman, Inc. and Oliver Wyman Services Limited as Strategic Advisor* [Docket No. 1416].

12. Effective as of March 17, 2021, the Debtors and OW entered into an addendum (“**Second 2021 Addendum**”) for additional Phase 3 services (the “**Phase 3b Services**”), including implementing executory contracts management and resolution strategies.⁵

The Compensation Procedures

13. The Interim Compensation Order provides certain compensation procedures for these cases (the “**Compensation Procedures**”). Pursuant to the Compensation Procedures, retained professionals are authorized to serve monthly fee statements (each, a “**Monthly Statement**”) on or before the 30th day of each month following the month for which compensation is sought or as soon thereafter as practicable. Provided that no objection to a Monthly Statement is raised, the Debtors are authorized to pay such professionals an amount equal to eighty percent (80%) of the fees and one hundred percent (100%) of the expenses requested in such Monthly Statement.

14. In addition, the Compensation Procedures provide that, beginning with the period ending on September 30, 2020, and at four-month intervals thereafter, retained professionals are authorized to file interim applications (each, an “**Interim Application**”) with the Court for the allowance of compensation and reimbursement of expenses sought in the monthly fee statements submitted during the applicable Interim Fee Period (as defined in the Interim Compensation Order).

Compensation Paid and Its Sources

15. All services during the Interim Application Period and Final Application Period for which compensation is requested by OW were performed for or on behalf of the Debtors.

⁵ The Second 2021 Addendum for the Phase 3b Services is attached to the *Amended Notice of Proposed Additional Services to be Performed for Debtors by Oliver Wyman, Inc. and Oliver Wyman Services Limited as Strategic Advisor* [Docket No. 1539].

Additionally, OW has not received any payment or promises of payment from any source for services rendered or to be rendered in any capacity whatsoever in connection with matters covered by this Application. A certification confirming OW's compliance with the Guidelines is attached hereto as **Exhibit A**.

16. To the extent that disbursement charges for services rendered or expenses incurred relate to the Interim Application Period or the Final Application Period but were not processed prior to the preparation of this Application, OW reserves the right to request reimbursement of such expenses in a future fee application.

The Interim Application Period

I. Billing History

17. Pursuant to the terms of the Compensation Procedures, OW filed and served three Monthly Statements for the services rendered and expenses incurred during the Interim Application Period as follows:

Docket No.	Title and Period Covered	Fees Requested	Expenses Requested	Fees Approved	Expenses Approved	Amounts Outstanding⁶
1958	Seventh Monthly Statement May 19, 2021 – July 18, 2021	\$450,000.00	\$504.00	N/A	N/A	\$90,000.00
2304	Eighth Monthly Statement July 19, 2021 – Oct. 31, 2021	\$81,000.00	\$14,475.00	N/A	N/A	\$16,200.00
2450	Ninth Monthly Statement Nov. 1, 2021 – Dec. 1, 2021	\$0.00	\$15,526.00	N/A	N/A	\$15,526.00
Totals		\$531,000.00	\$30,505.00			\$121,726.00

⁶ No objections were filed in response to the Seventh and Eighth Monthly Statements. Accordingly, OW was paid 80% of the fees and 100% of the expenses requested in those Monthly Statements, pursuant to the Interim Compensation Order. The deadline to object to the Ninth Monthly Statement had not lapsed at the time of filing this Application.

II. Summary of Services

18. As set forth in the statements of work (collectively and together with addenda, the “SOWs”), OW structured its services in three phases:

- a. Phase 1: OW created a business strategy by analyzing the airline post-COVID customer profile, analyzing the Debtors’ network and fleet options, defining the Debtors’ product and service offering, and conducting financial analyses to determine revenue and cost projections under different scenarios;
- b. Phase 2: OW created an implementation plan by defining various fleet options, determining commercial strategy, redesigning and resizing the organizational structure, defining key system changes, and determining new governance models and implementation costs; and
- c. Phase 3: OW implemented a business plan by utilizing commercial product changes, restructuring the organizational structure, implementing IT transformation plan, renegotiating and restructuring contracts, and implementing supply chain inventory optimization.

19. Phases 1 and 2 were completed prior to the Interim Application Period. The Phase 3 services OW provided to the Debtors during the Interim Application Period are summarized as follows:

- a. Executory Contracts: Supported strategy and implementation of detailed four month executory contract resolution plan.
- b. Overall: Assisted in defining future strategic plans and project management.
- c. The Hub: Provided usage, maintenance and support services related to The Hub software to assist Debtors in managing efficiency goals.

The Final Application Period

I. Billing History

20. Pursuant to the terms of the Compensation Procedures, OW filed and served two Interim Applications and three Monthly Statements for the services rendered and expenses incurred during the Final Application Period as follows:

Docket No.	Title and Period Covered	Fees Requested	Expenses Requested	Fees Approved	Expenses Approved	Amounts Outstanding
1474	First Interim Fee Application June 5, 2020 – Jan. 14, 2021 ⁷	\$7,179,500.00	\$327,745.91	\$7,179,500.00	\$327,745.91	\$1,435,900.00
1899	Second Interim Fee Application Jan. 15, 2021 – May 18, 2021	\$6,423,500.00	\$218,382.84	\$6,423,500.00	\$218,382.84	\$1,284,700.00
1958	Seventh Monthly Statement May 19, 2021 – July 18, 2021	\$450,000.00	\$504.00	N/A	N/A	\$90,000.00
2304	Eighth Monthly Statement July 19, 2021 – Oct. 31, 2021	\$81,000.00	\$14,475.00	N/A	N/A	\$16,200.00
2450	Ninth Monthly Statement Nov. 1, 2021 – Dec. 1, 2021	\$0.00	\$15,526.00	N/A	N/A	\$15,526.00
Totals		\$14,134,000.00	\$576,633.75	\$13,603,000.00	\$546,128.75	\$2,842,326.00

21. OW maintains detailed time records of services rendered by its professionals and independent contractors. Copies of these time records have been filed with OW's Monthly Statements and are incorporated herein by reference.

II. Summary of Services

22. As previously stated, OW structured its services in three phases. The services OW provided to the Debtors during the Final Application Period are summarized as follows:

a. Phases 1 and 2:

- i. Executory Contracts: Developed strategy and support negotiations for engine and component repair contract cost reduction.

⁷ The Order (the "**Retention Order**") approving the *Debtors Application for Entry of Order Authorizing Employment and Retention of Oliver Wyman, Inc. and Oliver Wyman Services Limited as Strategic Advisor* [Docket No. 370] (the "**Retention Application**") was not entered until December 14, 2020, approximately one month after the date set for professionals to file their first interim fee application. Accordingly, OW's first interim fee application covered the period of June 5, 2020 through January 14, 2021.

- ii. Network and Fleet: Defined and analyzed network and fleet requirement scenarios.
- iii. Pilots: Analyzed industry benchmarks and assisted with financial model for new pilot contracts.
- iv. Zero Based Organization (“ZBO”) and Commercial: Defined target state organizational structure and commercial model.
- v. Overall: Assisted in defining future strategic plans and project management.

b. Phase 3:

- i. Commercial and Customer: Supported implementation of strategy to reduce the Debtors’ commercial cost of sales and development of future customer experience strategy.
- ii. Engine and Component Repair Contracts: Developed strategy and supported negotiations for engine and component repair contract cost reduction.
- iii. Maintenance: Developed plans to reduce heavy and line maintenance costs, including material and labor cost.
- iv. Network and Budget: Ensured network, revenue and cost reduction initiatives are aligned with, and included in, 2021 and 2022 budget planning.
- v. Pilots: Continued support of pilot negotiations, model, and communication.
- vi. ZBO: Assisted with implementing a lower-cost organizational structure through alignment with the future operation, elimination of non-value added activities, and development of more efficient processes and systems that enable reduced headcount in all areas of the business.
- vii. Revenue Management: develop low cost revenue management process that enables forecasting and optimization mechanisms.
- viii. Contact Center Redesign: define, align and support implementation of urgent and longer-term solutions to alleviate contact center congestion.
- ix. Business Model Alignment and CASK Target: align stakeholders on future business model incorporating latest network plans; define CASK target and additional cost reduction opportunities.

- x. Hub: Online management tool set-up and support to provide tracking, reporting, and oversight of the Debtors' restructuring plan and cost savings initiatives.
- xi. Catering: Define requirements and roadmap for issues concerning catering vendor contractors.
- xii. Executory Contracts: Support strategy and implementation of detailed four month executory contract resolution plan.
- xiii. Overall: Assisted in defining future strategic plans and project management.

Relief Requested

23. OW respectfully requests the entry of an order granting: (i) interim allowance of compensation for the actual, reasonable and necessary professional services that OW rendered to the Debtors during the Interim Application Period in the amount of \$531,000.00 and the actual, reasonable and necessary out-of-pocket expenses incurred in providing services to the Debtors during the Interim Application Period in the amount of \$30,505.00; and (ii) final allowance of compensation for the actual, reasonable and necessary professional services that OW has rendered to the Debtors during the Final Application Period in the amount of \$14,134,000.00 and the actual, reasonable and necessary out-of-pocket expenses incurred in providing services to the Debtors in the amount of \$576,633.75.

24. In accordance with the Guidelines, the following exhibits are attached to this Application:

- a. **Exhibit A** is the certification of Tim Hoyland, a Senior Partner and Co-Head of the Global Aerospace Practice at Oliver Wyman, Inc., regarding OW's compliance with the Guidelines.
- b. **Exhibit B** is a schedule of the number of hours billed by OW professionals and independent contractors during the Interim and Final Application Periods with respect to each workstream OW has established in accordance with its internal billing procedures. OW and its independent contractors billed a total of 1,003 hours in connection with these cases during the

Interim Application Period and 42,596 hours during the Final Application Period.

- c. **Exhibit C** contains a summary schedule of hours that each OW professional and independent contractor billed during the Interim and Final Application Periods.
- d. **Exhibit D** contains a summary schedule of the actual and necessary out-of-pocket expenses incurred by OW during the Interim and Final Application Periods.

Notice

25. Notice of this Application will be provided in accordance with the procedures set forth in the *Order Implementing Certain Notice and Case Management Procedures* [Docket No. 47]. OW respectfully submits that no further notice is required.

No Prior Request

26. No previous request for the relief sought herein has been made by OW to this or any other Court.

Conclusion

WHEREFORE, OW respectfully requests that the Court enter an order: (i) allowing, on an interim basis, (a) compensation to OW in the amount of \$531,000.00 for services provided to the Debtors during the Interim Application Period and (b) the actual, reasonable and necessary out-of-pocket expenses incurred in providing services to the Debtors during the Interim Application Period in the amount of \$30,505.00; and (ii) final allowance of (a) compensation to OW in the amount of \$14,134,000.00 for the actual, reasonable and necessary professional services that OW has rendered to the Debtors during the Final Application Period and (b) the actual, reasonable and necessary out-of-pocket expenses incurred in providing services to the Debtors in the amount of \$576,633.75; (iii) authorizing and directing the Debtors to pay OW the sum of \$2,842,326.00, representing the unpaid portion of the fees and expenses as set forth in this Application; and (iv)

granting such other relief as the Court deems proper and just.

Dated: January 18, 2022
Milwaukee, Wisconsin

**BECK CHAET BAMBERGER & POLSKY,
S.C.**

/s/ Devon J. Eggert

Devon J. Eggert (admitted *pro hac*
vice)

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Telephone: (414) 390-5928

*Counsel to Oliver Wyman Inc. and Oliver
Wyman Services Limited*

Exhibit A

Hoyland Declaration

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

-----x	Chapter 11
	:
In re:	:
	:
AVIANCA HOLDINGS S.A., <i>et al.</i> , ⁸	:
	:
Debtors.	:
	:
-----x	

**DECLARATION OF TIM HOYLAND IN SUPPORT OF APPLICATION OF OLIVER
WYMAN, INC. AND OLIVER WYMAN SERVICES LIMITED, AS STRATEGIC
ADVISORS TO THE DEBTORS, FOR: (I) INTERIM ALLOWANCE OF
COMPENSATION FOR PROFESSIONAL SERVICES RENDERED AND
REIMBURSEMENT OF EXPENSES INCURRED FROM MAY 19, 2021 THROUGH
AND INCLUDING DECEMBER 1, 2021; AND (II) FINAL
ALLOWANCE OF COMPENSATION FOR PROFESSIONAL SERVICES
RENDERED AND REIMBURSEMENT OF EXPENSES INCURRED
FROM JUNE 5, 2020 THROUGH AND INCLUDING DECEMBER 1, 2021**

1. I am a Senior Partner and Co-Head of the Global Aerospace Practice at Oliver Wyman, Inc., a strategic advisory services firm with numerous offices throughout the United States and abroad. I am duly authorized to make this declaration (the “**Declaration**”) on behalf of Oliver Wyman, Inc. and Oliver Wyman Services Limited (collectively, “**OW**”). I am the lead

⁸ The Debtors in these chapter 11 cases, and each Debtor’s federal tax identification number (to the extent applicable), are as follows: Avianca Holdings S.A. (N/A); Aero Transporte de Carga Unión, S.A. de C.V. (N/A); Aeroinversiones de Honduras, S.A. (N/A); Aerovías del Continente Americano S.A. Avianca (N/A); Airlease Holdings One Ltd. (N/A); America Central (Canada) Corp. (00-1071563); America Central Corp. (65-0444665); AV International Holdco S.A. (N/A); AV International Holdings S.A. (N/A); AV International Investments S.A. (N/A); AV International Ventures S.A. (N/A); AV Investments One Colombia S.A.S. (N/A); AV Investments Two Colombia S.A.S. (N/A); AV Taca International Holdco S.A. (N/A); Avianca Costa Rica S.A. (N/A); Avianca Leasing, LLC (47-2628716); Avianca, Inc. (13-1868573); Avianca-Ecuador S.A. (N/A); Aviaservicios, S.A. (N/A); Aviateca, S.A. (N/A); Avifreight Holding Mexico, S.A.P.I. de C.V. (N/A); C.R. Int’l Enterprises, Inc. (59-2240957); Grupo Taca Holdings Limited (N/A); International Trade Marks Agency Inc. (N/A); Inversiones del Caribe, S.A. (N/A); Isleña de Inversiones, S.A. de C.V. (N/A); Latin Airways Corp. (N/A); Latin Logistics, LLC (41-2187926); Nicaragüense de Aviación, Sociedad Anónima (Nica, S.A.) (N/A); Regional Express Américas S.A.S. (N/A); Ronair N.V. (N/A); Servicio Terrestre, Aéreo y Rampa S.A. (N/A); Servicios Aeroportuarios Integrados SAI S.A.S. (92-4006439); Taca de Honduras, S.A. de C.V. (N/A); Taca de México, S.A. (N/A); Taca International Airlines S.A. (N/A); Taca S.A. (N/A); Tampa Cargo S.A.S. (N/A); Technical and Training Services, S.A. de C.V. (N/A); AV Loyalty Bermuda Ltd. (N/A); Aviacorp Enterprises S.A. (N/A). The Debtors’ principal offices are located at Avenida Calle 26 # 59 – 15 Bogotá, Colombia.

Senior Partner working on this matter, and I am familiar with the work OW performed on behalf of the Debtors.

2. I have read the foregoing *Application of Oliver Wyman, Inc. and Oliver Wyman Services Limited for Allowance of Interim Compensation for Professional Services Rendered and Reimbursement of Expenses Incurred, as Strategic Advisors to the Debtors, for (I) Interim Allowance of Compensation for Professional Services Rendered and Reimbursement of Expenses Incurred from May 19, 2021 Through and Including December 1, 2021; and (II) Final Allowance of Compensation for Professional Services Rendered and Reimbursement of Expenses Incurred from June 5, 2020 Through and Including December 1, 2021* (the “**Application**”).⁹ To the best of my knowledge, information and belief, the statements contained in the Application are true and correct and comply in material part with Local Bankruptcy Rule 2016-1(a) and the Local Guidelines.

3. In accordance with the Local Guidelines, I certify that:

- a. I have read the Application;
- b. To the best of my knowledge, information, and belief formed after reasonable inquiry, the fees and disbursements sought fall within the Local Guidelines;
- c. The fees and disbursements sought in the Application are billed at rates in accordance with practices customarily employed by OW and generally accepted by OW’s clients;
- d. In providing a reimbursable service, OW does not make a profit on that service, whether the service is performed by OW in-house or through a third party;
- e. In accordance with Bankruptcy Rule 2016(a) and section 504 of the Bankruptcy Code, no agreement or understanding exists between OW and any other person for the sharing of compensation to be received in connection with the above-captioned cases; and

⁹ Capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the Application.

f. All services for which compensation is sought were performed on behalf of the Debtors and not on behalf of any other person.

4. In accordance with the Local Guidelines, and as required by the Interim Compensation Order, I also certify that OW has complied with provisions requiring it to provide the Debtors, the Committee, and the U.S. Trustee with a statement of OW's fees and disbursements accrued during the previous month.

5. In accordance with the Local Guidelines, I further certify that the Debtors, the Committee, and the U.S. Trustee are each being provided with a copy of the Application.

6. OW responds to the questions identified in the U.S. Trustee Guidelines as follows:

Question: Did you agree to any variations from, or alternatives to, your standard or customary billing rates, fees or terms for services pertaining to this engagement that were provided during the application period? If so, please explain.

Response: No.

Question: If the fees sought in this fee application as compared to the fees budgeted for the time period covered by this fee application are higher by 10% or more, did you discuss the reasons for the variation with the client?

Response: Not applicable.

Question: Have any of the professionals included in this fee application varied their hourly rate based on the geographic location of the bankruptcy case?

Response: Not applicable.

Question: Does this fee application include time or fees related to reviewing the time records or preparing, reviewing, or revising invoices? (This is limited to work involved in preparing and editing billing records that would not be compensable outside of bankruptcy and does not include reasonable fees for preparing a fee application.). If so, please quantify by hours and fees.

Response: Yes, OW retained outside counsel to assist with preparing and filing applications for compensation, and such amounts are reimbursable by the Debtors' estates pursuant to the Engagement Letter, Retention Application, and Retention Order. The Application includes approximately 43 hours and \$16,400.00 in fees from outside counsel for reviewing or revising fee statement exhibits, time records and preparing, reviewing, and revising

invoices during the Final Application Period. The invoices of outside counsel are included in the Monthly Statements.

Question: Does the Application include time or fees for reviewing time records to redact any privileged or other confidential information? If so, please quantify hours and fees.

Response: No.

Question: Did the Application include any rate increases since retention in these cases?

Response: No.

Question: Did the client agree when retaining OW to accept all future rate increases?

Responses: The client was informed regarding OW's rates and future rate increases as part of its approval of OW's retention application.

7. Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Dated: January 18, 2022
Dallas, Texas

/s/ Tim Hoyland
Tim Hoyland
Senior Partner, Oliver Wyman, Inc.

Exhibit B

Summary of Hours by Workstream (Including Independent Contractors)

Interim Application Period

Workstream	Total Hours
Executory Contracts	926
Overall	78
Total	1,003

Final Application Period

Workstream	Total Hours
Business Model / CASK	1,011
Commercial / Customer	5,572
Executory Contracts	5,881
Maintenance	4,564
Network & Budget	2,799
Network & Fleet	1,619
Overall	4,479
Pilots	1,931
ZBO	8,635
ZBO & Commercial	2,584
Contact Center	995
Engine / Comp Contracts	1,132
Hub	227
Rev Management	843
Catering	326
Total	42,596

Exhibit C

OW Professionals and Independent Contractor Summary Information

Interim Application Period

Name	Position	Total Hours	Fees ¹⁰
Oliver Wyman Professionals			
Dylan Dickens	Manager	337	Flat Fee
Jessie Rodriguez	Consultant	311	
Ryan Diebner	Consultant	17	
Steve Walsh	Principal	67	
Tim Hoyland	Partner	11	
Independent Contractors			
Cathy Schillinger	Contractor	63	Flat Fee
Cherokee Cleary	Contractor	53.5	
Franco Corbo	Contractor	145.5	
Total		1,003	

Final Application Period

Name	Position	Total Hours	Fees¹¹
Oliver Wyman Professionals			
Aditi Athavale	Consultant	1,378	<i>Flat Fee</i>
Aliya Somani	Consultant	108	
Andy Buchanan	Vice President	1,026	
Angelo Ibrahim	Associate	407	
Colin Donahoe	Consultant	540	
Corbin Ray	Consultant	1,283	
Crawford Thompson	Consultant	47	
Daniel Leblanc	Principal	687	

¹⁰ While the fees of independent contractors are generally payable as a reimbursable expense, OW agreed that the fees charged for Phase 3b Services would include the work of independent contractors. The work of all independent contractors during the Interim Application Period only related to Phase 3b Services. Accordingly, there are no separate charges for the work of independent contractors during the Interim Application Period.

¹¹ Fees are only stated for independent contractors, which is billed on an hourly or per diem basis. The time of OW professionals are not billed on an hourly basis, as OW is compensated on a flat fee basis.

Name	Position	Total Hours	Fees ¹¹
Daniel Spiller	Manager	1,189	Flat Fee
Dylan Dickens	Manager	2,524	
Eloise Charreyron	Manager	310	
Emma Miloff	Consultant	134	
Hans Salazar	Consultant	999	
Hayley Bardos	Consultant	384	
Hemat Patel	Consultant	20	
Ian de Souza	Consultant	601	
Jeff Leavitt	Principal	1,713	
Jessie Rodriguez	Consultant	372	
Johnathon Berry	Consultant	326	
Joseph Grimm	Principal	52	
Lindsay Grant	Sr Manager	1,316	
Matthew Black	Sr Manager	938	
Matthew Schabas	Sr Manager	755	
Michael Albert	Sr Manager	1,281	
Michael Bodek	Consultant	986	
Morgan Dickinson	Consultant	1,380	
Morgan Zaidel	Sr Manager	2,338	
Naveed Mostaghimi	Consultant	1,279	
Nicolas Nossovitch	Sr Manager	1,160	
Nicolas Serna	Manager	789	
Patrick Conaton	Consultant	215	
Paul Simon	Consultant	606	
Reva Ranka	Consultant	1,022	
Rory Heilakka	Principal	1,115	
Ryan Diebner	Consultant	373	
Salena Hess	Manager	170	
Samuel Vetromile	Consultant	878	
Scot Hornick	Partner	435	
Scott Boland-Krouse	Principal	166	
Scott Horowitz	Consultant	360	
Simon Luong	Sr Manager	2,195	
Steve Walsh	Principal	2,616	
Sydney Ladner	Consultant	352	
Som Ghosh	Manager	266	
Tim Hoyland	Partner	600	
Tom Stalnaker	Partner	233	
William Kleinheinz	Consultant	1,233	

Name	Position	Total Hours	Fees ¹¹
Independent Contractors¹²			
Ben Baldanza	Contractor	99	\$30,859
Cathy Schillinger	Contractor	651	\$75,882
Cherokee Cleary	Contractor	646	\$14,918
Randy Babbitt	Contractor	78	\$46,950
Sonia Jerez	Contractor	296	\$31,397
Tom Blaikie	Contractor	1,092	\$97,988
Alex Clerc	Contractor	448	\$137,500
Totals		42,596	\$435,493

¹² The fees of independent contractors are payable as a reimbursable expense. However, OW agreed that the fees charged for Phase 3b Services would include the work of independent contractors. Additionally, as reflected in Exhibit D, the independent contractor fees for which OW seeks reimbursement are \$1,248.63 *less* than the total independent contractor fees incurred and set forth in Exhibit C.

Exhibit D

Summary of Expenses for Which OW Seeks Reimbursement

Interim Application Period

Expense Categories	Amount
Outside Counsel Fees ¹³	\$30,505.00

Final Application Period

Expense Categories	Amount
Lodging	\$5,363.38
Meals Travel	\$1,369.39
Independent Contractors ¹⁴	\$434,243.87
Travel	\$9,626.68
Travel – Other Charges	\$1,011.43
Telephonic Court Appearance Fees	\$70.00
Outside Counsel Fees ¹⁵	\$120,949.00
Research	\$4,000.00
Total	\$576,633.75

¹³ Detailed time entries for outside counsel fees incurred during the Interim Application Period are included in the Monthly Statements.

¹⁴ Detailed time entries for independent contractors are included in the Monthly Statements.

¹⁵ Detailed time entries for outside counsel fees incurred during the Final Application Period are included in the Monthly Statements.