

UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

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| <i>In re</i> | : | Chapter 11 |
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| TECT AEROSPACE GROUP HOLDINGS, INC., <i>et al.</i> , | : | Case No. 21-10670 (KBO) |
| | : | |
| Debtors. ¹ | : | Jointly Administered |
| | : | |
| | : | Re: D.I. 7 |
| ----- | X | |

**INTERIM ORDER (I) AUTHORIZING DEBTORS
TO PAY PREPETITION CLAIMS OF (A) CRITICAL VENDORS,
(B) FOREIGN VENDORS, AND (C) 503(b)(9) CLAIMANTS, (II) CONFIRMING
ADMINISTRATIVE EXPENSE PRIORITY STATUS FOR OUTSTANDING
PREPETITION PURCHASE ORDERS, AND (III) GRANTING RELATED RELIEF**

Upon the motion (the “**Motion**”)² of TECT Aerospace Group Holdings, Inc. and its debtor affiliates in the above-captioned chapter 11 cases, as debtors and debtors in possession (collectively, the “**Debtors**”), for entry of an interim order (this “**Interim Order**”) (i) authorizing, but not directing, the Debtors to pay the prepetition claims of (a) Critical Vendors, (b) Foreign Vendors, and (c) 503(b)(9) Claimants as provided herein, (ii) confirming the administrative expense priority status of all Outstanding Orders, and (iii) granting related relief, all as more fully set forth in the Motion; and the Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157(a)–(b) and 1334(b), and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated February 29, 2012; and consideration of the Motion and the requested relief being a core

¹ The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification number, are: TECT Aerospace Group Holdings, Inc. (9338); TECT Aerospace Kansas Holdings, LLC (4241); TECT Aerospace Holdings, LLC (9112); TECT Aerospace Wellington Inc. (4768); TECT Aerospace, LLC (8650); TECT Hypervelocity, Inc. (8103); and Sun Country Holdings, LLC (6079). The Debtors’ mailing address is 300 W. Douglas, Suite 100, Wichita, KS 67202.

² Capitalized terms used but not otherwise defined herein have the meanings given to those terms in the Motion.



proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided to the Notice Parties under the circumstances, and it appearing that no other or further notice need be provided; and this Court having held a hearing to consider the interim relief requested in the Motion (the “**Hearing**”); and upon the First Day Declaration; and the Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and it appearing that the relief requested in the Motion is necessary to avoid immediate and irreparable harm to the Debtors and their estates as contemplated by Bankruptcy Rule 6003, and is in the best interests of the Debtors, their estates, creditors, and all parties in interest; and upon all of the proceedings had before the Court and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. The Motion is granted on an interim basis to the extent set forth herein.
2. The Debtors are authorized, but not directed, to pay Critical Vendor Claims in an amount not to exceed \$1,800,000.
3. The Debtors are authorized, but not directed, to pay Foreign Vendor Claims in an amount not to exceed \$10,000.
4. For the avoidance of doubt, the Debtors shall not make any payments to an affiliate or insider of the Debtors pursuant to the relief granted in this Interim Order.
5. The Debtors are authorized to undertake all appropriate efforts to cause a Vendor to enter into the form of Vendor Agreement, substantially in the form annexed to the Motion as **Exhibit C**, which such form of Vendor Agreement is hereby approved, and the Debtors are authorized to negotiate, modify, or amend the form of Vendor Agreement in the exercise of their

reasonable business judgment after consultation with the DIP Agent, to the extent such negotiations, modifications, or amendments are not materially adverse to the Debtors.

6. The Debtors are authorized, but not directed, in the exercise of their reasonable business judgment, to condition payment of Vendor Claims on the agreement of Vendors to enter into Vendor Agreements.

7. If any party accepts payment pursuant to the relief requested by this Interim Order and thereafter does not continue to provide goods or services on Customary Trade Terms (regardless of whether a Vendor Agreement has been executed), and subject to any Vendor Agreement that may be executed or otherwise agreed by the Debtors: (a) the Debtors may seek repayment in cash and otherwise seek relief to have such payment be deemed to be an improper postpetition transfer on account of a prepetition claim and (b) upon recovery by the Debtors, any prepetition claim of such party shall be reinstated as if the payment had not been made and the deadline for such party to file a reinstated claim will be the later of (i) the general bar date established by order of this Court or (ii) 30 days after the Debtors provide written notice to the party of the reinstatement of its claim.

8. If a Vendor that is party to an executory contract conditions continued post-petition performance under that contract on payment of its Vendor Claims, then the Debtors may pay that Vendor Claim; *provided, however*, that, within 10 days of making that payment, the Debtors shall file a motion seeking disgorgement of the payment and enforcement of the automatic stay.

9. All undisputed obligations of the Debtors arising under the Outstanding Orders are granted administrative expense priority status in accordance with section 503(b)(1)(a) of the Bankruptcy Code.

10. Notwithstanding anything to the contrary in this Interim Order, the Motion, or any exhibits thereto, the priority of a Vendor's claim (including that of claims arising under section 503(b)(9) of the Bankruptcy Code) shall not be affected by whether such Vendor executes a Vendor Agreement, provides goods or services to the Debtors under Customary Trade Terms, or otherwise.

11. The Debtors will provide the DIP Agent with a report of the payments made pursuant to this Interim Order seven days following the end of each week.

12. Each of the Banks at which the Debtors maintain their accounts relating to the payment of obligations on account of Vendor Claims are authorized to (i) receive, process, honor, and pay all checks presented for payment and to honor all fund transfer requests made by the Debtors related thereto, to the extent that sufficient funds are on deposit in those accounts and (ii) accept and rely on all representations made by the Debtors with respect to which checks, drafts, wires, or automated clearing house transfers should be honored or dishonored in accordance with this or any other order of the Court, whether such checks, drafts, wires, or transfers are dated prior to, on, or subsequent to the Petition Date, without any duty to inquire otherwise.

13. Nothing contained in the Motion or this Interim Order, nor any payment made pursuant to the authority granted by this Interim Order, is intended to be or shall be construed as (i) an admission as to the validity of any claim against the Debtors, (ii) a waiver of the Debtors' or any appropriate party in interest's rights to dispute the amount of, basis for, or validity of any claim against the Debtors, (iii) a waiver of any claims or causes of action which may exist against any creditor or interest holder, or (iv) an approval, assumption, adoption, or rejection of any agreement, contract, lease, program, or policy between the Debtors and any third party under section 365 of the Bankruptcy Code.

14. The requirements of Bankruptcy Rule 6003(b) have been satisfied.

15. Under the circumstances of these chapter 11 cases, notice of the Motion is adequate under Bankruptcy Rule 6004(a) and the Local Rules.

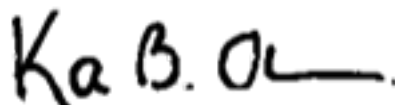
16. Notwithstanding Bankruptcy Rule 6004(h), this Interim Order shall be immediately effective and enforceable upon its entry.

17. A hearing to consider entry of an order granting the relief requested in the Motion on a final basis will be held on **May 6, 2021, at 10:00 a.m. (prevailing Eastern Time)** and any objections or responses to the Motion must be in writing and filed with the Court by no later than **April 29, 2021 at 4:00 p.m. (prevailing Eastern Time)**, and served on the following parties: (i) proposed counsel for the Debtors, Richards, Layton & Finger, P.A., Daniel J. DeFranceschi (defranceschi@rlf.com), Paul N. Heath (heath@rlf.com), and Amanda R. Steele (steele@rlf.com); (ii) the Office of the United States Trustee for the District of Delaware, 844 King Street, Suite 2207, Wilmington, DE 19801, Attn: Linda Casey (Linda.Casey@usdoj.gov); (iii) counsel for the DIP Agent: (a) Perkins Coie LLP, Alan D. Smith (ADSmith@perkinscoie.com), and (b) Young Conaway Stargatt & Taylor, LLP, Kenneth J. Enos (kenos@ycst.com); and (iv) counsel for any official committee of unsecured creditors.

18. The Debtors are authorized to take all action necessary to effectuate the relief granted in this Interim Order.

19. The Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation, and/or enforcement of this Interim Order.

Dated: April 7th, 2021
Wilmington, Delaware



KAREN B. OWENS
UNITED STATES BANKRUPTCY JUDGE