

UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

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<i>In re</i>	:	Chapter 11
	:	
TECT AEROSPACE GROUP HOLDINGS,	:	Case No. 21-10670 (KBO)
INC., <i>et al.</i> ,	:	
	:	Jointly Administered
Debtors. ¹	:	
	:	Hearing Date: May 6, 2021 at 10:00 a.m. (ET)
	:	Obj. Deadline: April 29, 2021 at 4:00 p.m. (ET)
	:	
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**NOTICE OF (A) ENTRY OF INTERIM ORDER (I) AUTHORIZING PAYMENT OF
PREPETITION CLAIMS OF SHIPPERS AND OTHER LIEN CLAIMANTS AND (II)
GRANTING RELATED RELIEF; AND (B) FINAL HEARING THEREON**

PLEASE TAKE NOTICE that, on April 6, 2021, 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**”) filed the *Motion of Debtors for Entry of Interim and Final Orders (I) Authorizing Payment of Prepetition Claims of Shippers and Other Lien Claimants and (II) Granting Related Relief* [D.I. 8] (the “**Motion**”) with the United States Bankruptcy Court for the District of Delaware (the “**Court**”). A copy of the Motion is attached hereto as **Exhibit A**.

PLEASE TAKE FURTHER NOTICE that, following an initial hearing to consider the Motion on April 7, 2021, the Court entered the *Interim Order (I) Authorizing Payment of Prepetition Claims of Shippers and Other Lien Claimants and (II) Granting Related Relief* [D.I. 31] (the “**Interim Order**”). A copy of the Interim Order is attached hereto as **Exhibit B**.

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.



PLEASE TAKE FURTHER NOTICE that, pursuant to the Interim Order, objections or responses to the final relief requested in the Motion, if any, must be made in writing and filed with the Court on or before **April 29, 2021 at 4:00 p.m. (prevailing Eastern Time)** and shall be served on: (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.

PLEASE TAKE FURTHER NOTICE that, pursuant to the Interim Order, the final hearing with respect to the Motion, if required, will be held before The Honorable Karen B. Owens, United States Bankruptcy Judge for the District of Delaware, at the Court, 824 North Market Street, 6th Floor, Courtroom 3, Wilmington, Delaware 19801, on **May 6, 2021 at 10:00 a.m. (prevailing Eastern Time)**. The hearing may be conducted virtually, with instructions noted on the hearing agenda filed on the Court's docket.

PLEASE TAKE FURTHER NOTICE THAT, IF NO OBJECTIONS TO THE MOTION ARE TIMELY FILED IN ACCORDANCE WITH THIS NOTICE, THE COURT MAY GRANT THE FINAL RELIEF REQUESTED IN THE MOTION WITHOUT FURTHER NOTICE OR HEARING.

Dated: April 8, 2021
Wilmington, Delaware

/s/ Amanda R. Steele
RICHARDS, LAYTON & FINGER, P.A.
Daniel J. DeFranceschi (No. 2732)
Paul N. Heath (No. 3704)
Amanda R. Steele (No. 5530)
One Rodney Square
920 N. King Street
Wilmington, DE 19801
Telephone: (302) 651-7700
Facsimile: (302) 651-7701
E-mail: defranceschi@rlf.com
heath@rlf.com
steele@rlf.com

*Proposed Attorneys for the Debtors
and Debtors in Possession*

EXHIBIT A

(Motion)

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

<i>In re</i> TECT AEROSPACE GROUP HOLDINGS, INC., et al., <p style="text-align: center;">Debtors.¹</p>	X : : : : : : : : X	Chapter 11 Case No. 21– ____ (____) Joint Administration Requested
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**MOTION OF DEBTORS FOR ENTRY OF INTERIM
AND FINAL ORDERS (I) AUTHORIZING PAYMENT OF
PREPETITION CLAIMS OF SHIPPERS AND OTHER LIEN
CLAIMANTS AND (II) GRANTING RELATED RELIEF**

TECT Aerospace Group Holdings, Inc. and its debtor affiliates in the above-captioned chapter 11 cases, as debtors and debtors in possession (collectively, “TECT Aerospace” or the “Debtors”), respectfully represent as follows in support of this motion (the “Motion”):²

PRELIMINARY STATEMENT

1. By this Motion, the Debtors request authorization to pay certain parties whose critical services may give rise to a lien on the Debtors’ property to ensure a smooth transition into chapter 11 and preserve the Debtors’ estates. The Debtors manufacture highly specialized aerospace components, parts and assemblies that must meet the stringent demands of their customers. As such, the Debtors rely on the services of shippers and others parties that may be entitled to assert and perfect liens against either the Debtors’ property and, in some instances, their customers’ property, if the Debtors fail to pay for the services rendered. Any interruption in the

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 Certain facts and circumstances supporting the relief requested herein are set forth in the First Day Declaration (as defined herein) filed contemporaneously herewith. Capitalized terms used but not defined herein have the respective meanings given to those terms in the First Day Declaration.

Debtors' operations resulting from non-payment of the aforementioned parties would jeopardize the Debtors' ability to generate revenue and potentially result in irreparable harm to the Debtors' estates. Accordingly, the relief requested herein is necessary to minimize any disruptions to the Debtors' chapter 11 strategy and maximize value for all parties in interest.

BACKGROUND

2. On the date hereof (the "**Petition Date**"), the Debtors commenced with this Court voluntary cases under chapter 11 of title 11 of the United States Code (the "**Bankruptcy Code**"). The Debtors are authorized to continue to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No trustee, examiner, or statutory committee of creditors has been appointed in these chapter 11 cases.

3. Contemporaneously herewith, the Debtors have filed a motion requesting joint administration of their chapter 11 cases pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the "**Bankruptcy Rules**") and Rule 1015-1 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the "**Local Rules**").

4. Additional information regarding the Debtors' businesses, capital structures, and the circumstances leading to the commencement of these chapter 11 cases is set forth in the *Declaration of Shaun Martin in Support of Chapter 11 Petitions and First Day Pleadings* (the "**First Day Declaration**"), filed contemporaneously herewith and incorporated herein by reference.

JURISDICTION

5. The Court has jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and 1334, and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated February 29, 2012. This is a core proceeding pursuant to 28 U.S.C.

§ 157(b). Pursuant to Local Rule 9013-1(f), the Debtors consent to the entry of a final order by the Court in connection with this Motion to the extent it is later determined that the Court, absent consent of the parties, cannot enter final orders or judgments consistent with Article III of the United States Constitution. Venue is proper before the Court pursuant to 28 U.S.C. §§ 1408 and 1409.

RELIEF REQUESTED

6. By this Motion, the Debtors, pursuant to sections 105(a), 363, and 503 of the Bankruptcy Code, request (i) authority, but not direction, to pay Shipping Charges and Other Lien Claims (each as defined herein) and (ii) other related relief.³

7. A proposed form of order granting the relief requested herein on an interim basis is attached hereto as **Exhibit A** (the “**Proposed Interim Order**”), and a proposed form of order granting the relief requested herein on a final basis herein is attached hereto as **Exhibit B** (the “**Proposed Final Order**” and together with the Proposed Interim Order, the “**Proposed Orders**”).

THE DEBTORS’ SUPPLY CHAIN

8. The Debtors manufacture complex aerostructure components, parts and assemblies, including, among other things, components and assemblies for wings, fuselage, interiors, landing gear, assist controls, and cockpit applications. The Debtors are headquartered in Wichita, Kansas and operate manufacturing and assembling facilities in Kansas and Washington (collectively, the “**Facilities**”). In operating their manufacturing and assembling distribution processes, the Debtors must ensure the Facilities are continuously replenished with a supply of raw aluminum,

³ Contemporaneously herewith, the Debtors have sought authority, but not direction, to pay claims held by certain third party vendors pursuant to the *Motion of Debtors’ for Entry of Interim and Final Orders (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* (the “**Critical Vendors Motion**”). In this Motion, the Debtors do not seek authority to satisfy any prepetition claim that may be paid pursuant to the Critical Vendors Motion.

lithium, titanium, steel, labels and other shipping materials, and other related goods (the “**Goods**”). As part of their operations, the Debtors use and make payments to commercial common carriers, movers, shippers, delivery services, and other third-party service providers (collectively, the “**Shippers**”), who ship, transport, store, and otherwise facilitate the movement of the Goods through established distribution networks (collectively, the “**Shipping Charges**”).

9. In the event the Debtors fail to pay the Shipping Charges, various state laws permit the Shippers to assert statutory liens against any Goods in their possession that are the subject of any delinquent charges to secure such charges, potentially blocking the Debtors’ access to such Goods. Thus, to maintain access to the Goods that are essential to the continued viability of the Debtors’ operations and to preserve the value of such Goods, the Debtors seek authority to honor outstanding invoices related to the Shipping Charges associated with services provided to the Debtors prior to the Petition Date.

10. Accordingly, the Debtors seek authority, but not direction, to pay the outstanding Shipping Charges, in an amount not to exceed \$40,000 on an interim basis.

OTHER LIEN CLAIMANTS

11. The Debtors routinely engage a number of third parties, including equipment manufacturers, tool makers, service technicians, materialmen, carriers, and other service providers (collectively, the “**Other Lien Claimants**”), that may be able to assert and perfect liens, including mechanic’s liens, artisan’s liens, materialman’s liens, and other similar liens,⁴ against the Debtors’ property and, in some cases, their customers’ property, if the Debtors fail to pay for the goods or

⁴ Pursuant to section 362(b)(3) of the Bankruptcy Code, the act of perfecting such liens, to the extent consistent with section 546(b) of the Bankruptcy Code, might be excluded from the automatic stay. Under section 546(b) of the Bankruptcy Code, a debtor’s lien avoidance powers “are subject to any generally applicable law that . . . permits perfection of an interest in property to be effective against an entity that acquires rights in such property before the date of perfection.” 11 U.S.C. § 546(b)(1)(A).

services rendered. The Other Lien Claimants perform a number of services for the Debtors, including manufacturing or servicing equipment, tools, molds, and components that are integral to the Debtors' manufacturing and servicing processes. If the Debtors are unable to pay the Other Lien Claimants, they risk being unable to fully operate their businesses, which could prevent them from maximizing recoveries for all stakeholders in these chapter 11 cases.

12. The Debtors are currently unaware of any amounts due to the Other Lien Claimants for the provision of prepetition services. However, out of an abundance of caution, the Debtors seek authority, but not direction, to pay the claims of the Other Lien Claimants (collectively, the **"Other Lien Claims"** and, together with the Shipping Charges, the **"Lien Claims,"** and the holders of the Lien Claims, collectively, the **"Lien Claimants"**), to the extent such claims arise for the provision of prepetition services, that the Debtors believe will create, or could give rise to, a lien against the Debtors' property, regardless of whether the related Lien Claimants have already perfected their interests, in an amount not to exceed \$15,000 on an interim basis.

AGREED TRADE TERMS

13. The Debtors propose that any payments be subject to the following:
- (i) If a Lien Claimant accepts payment pursuant to an order granting the relief requested in this Motion, such party is deemed to have agreed to release any liens it may have on the Debtors' Goods or any other property.
 - (ii) If a Lien Claimant accepts payment pursuant to an order granting the relief requested in this Motion, such party is deemed to have agreed to continue to provide goods or services to the Debtors on the same trade terms given to them prior to the Petition Date or upon new trade terms (to the extent agreed to by the applicable Lien Claimant, the **"Agreed Terms"**) during the pendency of these chapter 11 cases.
 - (iii) If any Lien Claimant who has been paid pursuant to an order granting the relief requested in the Motion fails to comply with the Agreed Terms, the Debtors shall have the right to seek to cause any payment made to such Lien Claimant on account of its Lien Claim to be deemed to have been in payment of then outstanding postpetition obligations owed to such party and require such party to immediately repay to the Debtors any payments

made, to the extent the aggregate amount of such payments exceeds the postpetition obligations then outstanding, without the right of any setoffs, claims, provision for payment of reclamation or trust fund claims, or otherwise.

- (iv) Prior to making a payment to any Lien Claimant in accordance with an order granting the relief requested in this Motion, the Debtors may, in their absolute discretion, and in consultation with the DIP Agent, settle all or part the prepetition claims of such party for less than their face amount, without further notice or hearing. The Debtors may elect to only pay part of a prepetition claim, leaving the remainder of the claim to be addressed pursuant to the Debtors' plan of reorganization.

RELIEF REQUESTED SHOULD BE GRANTED

14. Section 363(b) of the Bankruptcy Code provides, in relevant part, that “[t]he [debtor], after notice and a hearing, may use, sell, or lease, other than in the ordinary course of business, property of the estate.” 11 U.S.C. § 363(b)(1). To approve the use of assets outside the ordinary course of business pursuant to section 363(b) of the Bankruptcy Code, courts require only that the debtor “show that a sound business purpose justifies such actions.” *In re Montgomery Ward Holding Corp.*, 242 B.R. 147, 153 (D. Del. 1999) (internal citations omitted); *see also In re Phoenix Steel Corp.*, 82 B.R. 334, 335–36 (Bankr. D. Del. 1987). Moreover, if “the debtor articulates a reasonable basis for its business decisions (as distinct from a decision made arbitrarily or capriciously), courts will generally not entertain objections to the debtor’s conduct.” *In re Johns-Manville Corp.*, 60 B.R. 612, 616 (Bankr. S.D.N.Y. 1986) (citation omitted); *see also In re Tower Air, Inc.*, 416 F.3d 229, 238 (3d Cir. 2005) (stating that “[o]vercoming the presumptions of the business judgment rule on the merits is a near-Herculean task”).

15. In addition, the Court has the authority, pursuant to its equitable powers under section 105(a) of the Bankruptcy Code, to authorize the relief requested herein, because such relief is necessary for the Debtors to carry out their fiduciary duties under section 1107(a) of the

Bankruptcy Code. Section 105(a) of the Bankruptcy Code empowers bankruptcy courts to “issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title.” 11 U.S.C. § 105; *see In re Ionosphere Clubs*, 98 B.R. 174, 175 (Bankr. S.D.N.Y. 1989) (applying section 105(a) to justify an order authorizing the payment of certain prepetition wages, salaries, medical benefits, and business expense claims to debtor’s employees). Section 1107(a) of the Bankruptcy Code “contains an implied duty of the debtor-in-possession” to act as a fiduciary to “protect and preserve the estate, including an operating business’ going-concern value,” on behalf of a debtor’s creditors and other parties in interest. *In re CEI Roofing, Inc.*, 315 B.R. 50, 59 (Bankr. N.D. Tex. 2004) (quoting *In re CoServ, L.L.C.*, 273 B.R. 487, 497 (Bankr. N.D. Tex. 2002)); *see also Unofficial Comm. of Equity Holders v. McManigle (In re Penick Pharm., Inc.)*, 227 B.R. 229, 232–33 (Bankr. S.D.N.Y. 1998) (“[U]pon filing its petition, the Debtor became debtor in possession and, through its management . . . was burdened with the duties and responsibilities of a bankruptcy trustee.”). Courts consistently have permitted payment of prepetition obligations where necessary to preserve or enhance the value of a debtor’s estate for the benefit of all creditors. *See, e.g., In re Lehigh & New Eng. Ry. Co.*, 657 F.2d 570, 581 (3d Cir. 1981) (holding that “if payment of a claim which arose prior to reorganization is essential to the continued operation of the . . . [business] during reorganization, payment may be authorized even if it is made out of [the] corpus”).

16. The Court may also authorize the payment of prepetition claims in appropriate circumstances under section 105(a) of the Bankruptcy Code and the doctrine of necessity when such payment is essential to the continued operation of a debtor’s business. *See, e.g., In re Just for Feet, Inc.*, 242 B.R. 821, 824–25 (D. Del. 1999) (holding that section 105(a) of Bankruptcy Code provides a statutory basis for payment of prepetition claims under the doctrine of necessity

and noting that “[t]he Supreme Court, the Third Circuit and the District of Delaware all recognize the court’s power to authorize payment of pre-petition claims when such payment is necessary for the debtor’s survival during chapter 11”); *In re Columbia Gas Sys., Inc.*, 171 B.R. 189, 191–92 (Bankr. D. Del. 1994) (confirming that the doctrine of necessity is standard for enabling a court to authorize payment of prepetition claims prior to confirmation of a reorganization plan).

17. The relief requested by this Motion represents a sound exercise of the Debtors’ business judgment, is necessary to avoid immediate and irreparable harm to the Debtors’ estates, and is justified under sections 105(a) and 363(b) of the Bankruptcy Code. The Lien Claimants provide services to the Debtors that, if interrupted, may have a drastic impact on the Debtors’ business operations. The Lien Claimants are unlikely to release the Goods in their possession because such release would result in a forfeiture of the collateral securing their claims. Therefore, unless the Court authorizes the Debtors to pay the Lien Claimants, it is unlikely the Debtors will continue to have access to the Goods in the possession of the Lien Claimants. If the Lien Claimants possess lien rights or have the ability to exercise “self-help” remedies to secure payment of their claims, failure to satisfy the Lien Claims could disrupt the Debtors’ operations, resulting in material harm to the Debtors’ estates.

18. In addition, the relief requested herein should not impair unsecured creditor recoveries in these chapter 11 cases. Many of the amounts owed to the Lien Claimants are less than the value of the Goods held by such Lien Claimants to secure their claims. In such instances, payment at this time only provides such parties with what they would be entitled to receive under a plan of reorganization, only without any interest costs that might otherwise accrue during these chapter 11 cases.

19. Based on the foregoing, the Debtors submit that the proposed relief with respect to the Lien Claimants' claims is warranted in these chapter 11 cases.

**APPLICABLE FINANCIAL INSTITUTIONS SHOULD BE
AUTHORIZED TO RECEIVE, PROCESS, HONOR, AND PAY
CHECKS ISSUED AND TRANSFERS REQUESTED TO PAY LIEN CLAIMS**

20. The Debtors further request that this Court authorize applicable financial institutions (the “**Banks**”) to receive, process, honor, and pay any and all checks issued, or to be issued, and electronic funds transfers requested, or to be requested by or on behalf of the Debtors relating to the Lien Claims, to the extent that sufficient funds are on deposit and standing in the Debtors' credit in the applicable bank accounts to cover such payment. The Debtors represent that these checks are drawn on identifiable disbursement accounts and can be readily identified as relating directly to the authorized payment of Lien Claims. Accordingly, the Debtors believe that checks other than those relating to authorized payments will not be honored inadvertently. Any such financial institution may rely on the representations of such Debtors as to which checks are issued or wire transfers are made (or, as applicable, requested to be issued or made) and authorized to be paid in accordance with this Motion without any duty of further inquiry. The Debtors also seek authority, but not direction, to issue new postpetition checks or effect new postpetition electronic funds transfers in replacement of any checks or funds transfer requests on account of Lien Claims dishonored or rejected as a result of the commencement of the Debtors' chapter 11 cases.

BANKRUPTCY RULE 6003(b)

21. Bankruptcy Rule 6003(b) provides that, to the extent relief is necessary to avoid immediate and irreparable harm, a bankruptcy court may issue an order granting “a motion to use, sell, lease, or otherwise incur an obligation regarding property of the estate, including a motion to pay all or part of a claim that arose before the filing of the petition” before twenty-one days after

filing of the petition. Fed. R. Bankr. P. 6003(b). As explained above and in the First Day Declaration, the relief requested herein is necessary for the Debtors' transition into chapter 11, to continue to operate their business in the ordinary course, and to maximize the value of the Debtors' estates for the benefit of all stakeholders. Accordingly, the Debtors submit that the relief requested herein is necessary to avoid immediate and irreparable harm, and, therefore, satisfies Bankruptcy Rule 6003.

BANKRUPTCY RULE 6004(a) AND (h)

22. To implement the foregoing successfully, the Debtors request that the Court find that notice of the Motion is adequate under Bankruptcy Rule 6004(a) under the circumstances, and waive the fourteen-day stay of an order authorizing the use, sale, or lease of property under Bankruptcy Rule 6004(h). As explained above and in the First Day Declaration, the relief requested herein is necessary for the Debtors' transition into chapter 11 and to avoid immediate and irreparable harm to the Debtors. Accordingly, ample cause exists to justify finding that the notice requirements under Bankruptcy Rule 6004(a) have been satisfied and to grant a waiver of the fourteen-day stay imposed by Bankruptcy Rule 6004(h), to the extent those requirements apply.

RESERVATION OF RIGHTS

23. Nothing contained herein is intended or shall be construed as (a) an admission as to the validity of any claim against the Debtors; (b) 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; (c) a waiver of any claim or cause of action which may exist against any creditor or interest holder; or (d) 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. Likewise, if the Court grants the relief sought herein, any payment made

pursuant to the Court's order is not intended to be and should not be construed as an admission to the validity of any claim or a waiver of the Debtors' rights to dispute such claim subsequently.

NOTICE

24. Notice of this Motion will be provided to (i) Office of the United States Trustee for the District of Delaware; (ii) the holders of the thirty largest unsecured claims against the Debtors on a consolidated basis; (iii) counsel to the DIP Agent; (iv) the Internal Revenue Service; (v) the United States Attorney's Office for the District of Delaware; (vi) the Securities and Exchange Commission; and (vii) any party entitled to notice under Bankruptcy Rule 2002 or Local Rule 9013-1(m) (collectively, the "**Notice Parties**"). The Debtors respectfully submit that no further notice is required. No previous request for the relief sought herein has been made by the Debtors to this or any other court.

WHEREFORE the Debtors respectfully request entry of the Proposed Orders granting the relief requested herein, and such other and further relief as the Court may deem just and appropriate.

Dated: April 5, 2021
Wilmington, Delaware

/s/ Paul N. Heath

RICHARDS, LAYTON & FINGER, P.A.

Daniel J. DeFranceschi (No. 2732)

Paul N. Heath (No. 3704)

Amanda R. Steele (No. 5530)

One Rodney Square

920 N. King Street

Wilmington, DE 19801

Telephone: (302) 651-7700

Facsimile: (302) 651-7701

E-mail: defranceschi@rlf.com

heath@rlf.com

steele@rlf.com

*Proposed Attorneys for the Debtors
and Debtors in Possession*

Exhibit A

Proposed Interim Order

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

<i>In re</i> TECT AEROSPACE GROUP HOLDINGS, INC., <i>et al.</i>, <p style="text-align: center;">Debtors.¹ </p>	X : : : : : : : : X	Chapter 11 Case No. 21–____ (____) Jointly Administered Re: D.I. ____
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**INTERIM ORDER (I) AUTHORIZING PAYMENT OF
PREPETITION CLAIMS OF SHIPPERS AND OTHER LIEN
CLAIMANTS AND (II) 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 the Debtors to pay (a) Shipping Charges and (b) Other Lien Claims, and (ii) 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 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

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.

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 the Lien Claims in an amount not to exceed \$55,000 in the aggregate.
3. If a Lien Claimant accepts payment pursuant to the relief granted in this Interim Order, such party is deemed to have agreed to release any liens it may have on the Debtors’ Goods or any other property.
4. The Debtors are authorized, but not directed, in the exercise of their reasonable business judgment, to condition payment of Lien Claims on the agreement of Lien Claimants to continue supplying services to the Debtors on the same trade terms given to them prior to the Petition Date or upon new trade terms (to the extent agreed to by the applicable Lien Claimant, the “**Agreed Terms**”).
5. 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 Agreed Terms: (a) the Debtors may demand repayment in cash and otherwise take all action 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.

6. Neither the Debtors nor any other party in interest concedes that any liens (contractual, common law, statutory or otherwise) satisfied pursuant to this Interim Order are valid, and the Debtors expressly reserve the right to contest the extent, validity or perfection or seek the avoidance of all such liens.

7. Each of the Banks at which the Debtors maintain their accounts relating to the payment of obligations on account of the Lien 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.

8. 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.

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

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

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

12. A hearing to consider entry of an order granting the relief requested in the Motion on a final basis will be held on _____, **2021**, at _____ (**prevailing Eastern Time**) and any objections or responses to the Motion must be in writing and filed with the Court by no later than _____, **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.

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

14. 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.

Exhibit B

Proposed Final Order

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

<i>In re</i> TECT AEROSPACE GROUP HOLDINGS, INC., <i>et al.</i>, <p style="text-align: center;">Debtors.¹ </p>	X : : : : : : : : X	Chapter 11 Case No. 21–____ (____) Jointly Administered Re: D.I. ____
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**FINAL ORDER (I) AUTHORIZING PAYMENT OF
PREPETITION CLAIMS OF SHIPPERS AND OTHER LIEN
CLAIMANTS AND (II) 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 a final order (this “**Final Order**”) (i) authorizing the Debtors to pay (a) Shipping Charges and (b) Other Lien Claims, and (ii) 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 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

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.

provided; and this Court having held a hearing, if necessary, to consider the final 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, if any, establish just cause for the relief granted herein; and it appearing that the relief requested in the Motion 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 a final basis to the extent set forth herein.
2. The Debtors are authorized, but not directed, to pay the Lien Claims in the ordinary course of business.
3. If a Lien Claimant accepts payment pursuant to the relief granted in this Final Order, such party is deemed to have agreed to release any liens it may have on the Debtors’ Goods or any other property.
4. The Debtors are authorized, but not directed, in the exercise of their reasonable business judgment, to condition payment of Lien Claims on the agreement of Lien Claimants to continue supplying services to the Debtors on the same trade terms given to them prior to the Petition Date or upon new trade terms (to the extent agreed to by the applicable Lien Claimant, the “**Agreed Terms**”).
5. If any party accepts payment pursuant to the relief requested by this Final Order and thereafter does not continue to provide goods or services on Agreed Terms: (a) the Debtors may demand repayment in cash and otherwise take all action 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.

6. Neither the Debtors nor any other party in interest concedes that any liens (contractual, common law, statutory or otherwise) satisfied pursuant to this Final Order are valid, and the Debtors expressly reserve the right to contest the extent, validity or perfection or seek the avoidance of all such liens.

7. Each of the Banks at which the Debtors maintain their accounts relating to the payment of obligations on account of the Lien 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.

8. Nothing contained in the Motion, the Interim Order, or this Final Order, nor any payment made pursuant to the authority granted by the Interim Order or this Final 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.

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

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

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

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

EXHIBIT B

(Interim Order)

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

<i>In re</i> TECT AEROSPACE GROUP HOLDINGS, INC., <i>et al.</i>, <p style="text-align: center;">Debtors.¹ </p>	X : : : : : : : : X	Chapter 11 Case No. 21–10670 (KBO) Jointly Administered Re: D.I. 8
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**INTERIM ORDER (I) AUTHORIZING PAYMENT OF
PREPETITION CLAIMS OF SHIPPERS AND OTHER LIEN
CLAIMANTS AND (II) 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 the Debtors to pay (a) Shipping Charges and (b) Other Lien Claims, and (ii) 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 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

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.

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 the Lien Claims in an amount not to exceed \$55,000 in the aggregate. 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.
3. If a Lien Claimant accepts payment pursuant to the relief granted in this Interim Order, such party is deemed to have agreed to release any liens it may have on the Debtors’ Goods or any other property.
4. The Debtors are authorized, but not directed, in the exercise of their reasonable business judgment, to condition payment of Lien Claims on the agreement of Lien Claimants to continue supplying services to the Debtors on the same trade terms given to them prior to the Petition Date or upon new trade terms (to the extent agreed to by the applicable Lien Claimant, the “**Agreed Terms**”).
5. 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 Agreed Terms: (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.

6. Neither the Debtors nor any other party in interest concedes that any liens (contractual, common law, statutory or otherwise) satisfied pursuant to this Interim Order are valid, and the Debtors expressly reserve the right to contest the extent, validity or perfection or seek the avoidance of all such liens.

7. Each of the Banks at which the Debtors maintain their accounts relating to the payment of obligations on account of the Lien 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.

8. 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.

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

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

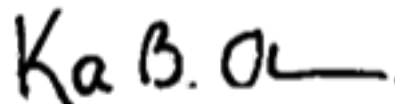
11. Notwithstanding Bankruptcy Rule 6004(h), this Interim Order shall be immediately effective and enforceable upon its entry.

12. 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.

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

14. 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