

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, | : | Case No. 21-10670 (KBO) |
| INC., <i>et al.</i> , | : | |
| | : | Jointly Administered |
| Debtors. ¹ | : | |
| | : | Re: D.I. 5, 28, 45 |
| ----- | X | |

**FINAL ORDER (I) AUTHORIZING DEBTORS
TO (A) PAY PREPETITION WAGES, SALARIES, EMPLOYEE
BENEFITS, AND OTHER COMPENSATION, (B) MAINTAIN EMPLOYEE
BENEFIT PROGRAMS AND PAY RELATED OBLIGATIONS, AND (C) PAY
PREPETITION EMPLOYEE EXPENSES 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 (a) pay the Employee Compensation Obligations and the Employee Benefit Obligations, related expenses, and fees and costs attendant to the foregoing, including amounts owed to third-party service providers and administrators and (b) maintain, continue to honor, and pay amounts with respect to the Debtors’ business practices, programs, and policies for their employees as such were in effect as of the commencement of these chapter 11 cases and as such may be modified or supplemented from time to time in the ordinary course of business, and (ii) granting related relief, all as more fully set forth in the Motion; and the Court having

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.



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 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, pursuant to sections 105(a), 363(b), and 507(a) of the Bankruptcy Code, to (a) pay the Employee Compensation Obligations and the Employee Benefit Obligations, including obligations pursuant to the Kent Facility Retention Plan, related expenses, and fees and costs attendant to the foregoing, including amounts owed to third-party service providers, administrators, and taxing authorities, and (b) maintain, continue to honor, and pay on a postpetition basis, in their discretion, amounts with respect to the Debtors’ business practices, programs, and policies for their employees as such were in effect as of the Petition Date and as such may be modified or supplemented from time to time in the ordinary course of business and consistent with the Debtors’ prepetition practices, in an aggregate amount not to exceed

\$2,924,000; *provided, that*, the Debtors shall not make payments that exceed the Wage Cap to any individual on account of any prepetition Employee Compensation Obligations unless such payments are for unpaid Employee Leave Benefits that are required to be paid under applicable law; *provided further, that*, proposed payments with respect to the Kent Facility Retention Plan shall be provided and consented to by the Official Committee of Unsecured Creditors.

3. Notwithstanding any other provision of this Final Order, nothing in this Final Order shall authorize the Debtors to make any payments that would violate or permit a violation of section 503(c) of the Bankruptcy Code, including, for the avoidance of doubt, payment of any bonus or severance obligations to or on behalf of any “insider” (as defined by section 101(31) of the Bankruptcy Code)

4. To the extent the Debtors make any payments on account of prepetition claims incurred with respect to any self-insured Health and Welfare Benefits, such payments shall be made without regard to the current employment status of the Employee (or dependent), provided that such Employee (or dependent) was eligible for coverage on the date such claim was incurred.

5. The Debtors are authorized on a final basis to continue the Corporate Credit Card Program, including as to the Corporate Cards issued by both American Express and Synovus, in the ordinary course of business and consistent with prepetition practices. The Debtors are authorized to continue use of the Corporate Cards and to pay any outstanding prepetition and postpetition obligations with respect to the Corporate Credit Card Program.

6. The Debtors are authorized, but not directed, to continue their workers’ compensation programs and to pay any outstanding prepetition claims, taxes, charges, assessments, premiums, and third-party administrator fees arising under the workers’ compensation policies and or programs in which they participate. In addition, the automatic stay

of section 362 of the Bankruptcy Code is hereby lifted to allow workers' compensation claimants to proceed with their claims under the applicable insurance policy or program and to allow the Debtors' insurance providers and/or third-party administrators to negotiate, settle, and/or litigate workers' compensation claims, and pay resulting amounts, whether such claims arose before or after the Petition Date.

7. Each of the Banks at which the Debtors maintain their accounts relating to the payment of the Employee Obligations 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. For the avoidance of doubt, this Final Order does not constitute a determination by the Court as to whether any individual seeking payment pursuant to the Final Order is not an "insider" as defined by section 101(31) of the Bankruptcy Code.

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

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 Final Order shall be immediately effective and enforceable upon its entry.

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

13. 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.

Dated: May 5th, 2021
Wilmington, Delaware


KAREN B. OWENS
UNITED STATES BANKRUPTCY JUDGE