

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF DELAWARE**

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<i>In re</i>	:	<b>Chapter 11</b>
	:	
<b>TECT AEROSPACE GROUP HOLDINGS, INC., et al.,</b>	:	<b>Case No. 21-10670 (KBO)</b>
	:	
<b>Debtors.<sup>1</sup></b>	:	<b>Jointly Administered</b>
	:	
-----	X	<b>Re: D.I. 192</b>

**ORDER (I) ESTABLISHING BIDDING PROCEDURES FOR THE  
SALE OF THE DEBTORS’ KANSAS ASSETS, (II) SCHEDULING AN  
AUCTION AND SALE HEARING, (III) APPROVING THE FORM AND  
MANNER OF NOTICE THEREOF, (IV) APPROVING ASSUMPTION AND  
ASSIGNMENT PROCEDURES, AND (V) GRANTING RELATED RELIEF**

Upon the motion (the "**Motion**")<sup>2</sup> 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 order (this "**Order**") (i) approving the Bidding Procedures pursuant to which the Debtors will solicit and select the highest or otherwise best offer for the Sale, (ii) scheduling the Auction and the Sale Hearing, (iii) approving the notice of the proposed Sale, the Bidding Procedures, the Auction, and the Sale Hearing, including the form Sale Notice, (iv) approving the Assumption and Assignment Procedures, and (v) granting related relief, all as more fully set forth in the Motion; and this Court having held a hearing, if necessary, to consider the relief requested in the Motion; and upon all of the proceedings had before the Court and after due deliberation and sufficient cause appearing therefor,

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<sup>1</sup> 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.

<sup>2</sup> Capitalized terms used but not otherwise defined herein have the meanings given to those terms in the Motion unless otherwise specified.



**IT IS HEREBY FOUND AND DETERMINED THAT:**

A. The findings and conclusions set forth herein constitute the Court's findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052, made applicable to this proceeding pursuant to Bankruptcy Rule 9014. To the extent that any of the following findings of fact constitute conclusions of law, and to the extent that any of the following conclusions of law constitute findings of fact, they are adopted as such.

B. This Court has jurisdiction to consider the Motion and the relief requested therein in accordance with 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 under 28 U.S.C. § 157(b). Venue of the Debtors' chapter 11 cases and the Motion in this district is proper under 28 U.S.C. §§ 1408 and 1409.

C. The Debtors' proposed notice of the Motion, the Bidding Procedures, the hearing to consider the relief granted in this Order, and the proposed entry of this Order is (i) appropriate and reasonably calculated to provide all interested parties with timely and proper notice, (ii) in compliance with all applicable requirements of the Bankruptcy Code, the Bankruptcy Rules and the Local Rules, and (iii) adequate and sufficient under the circumstances of these chapter 11 cases, and no other or further notice is required. A reasonable opportunity to object or be heard regarding the relief requested in the Motion (including with respect to the Bidding Procedures) has been afforded to all interested persons and entities.

D. The Bidding Procedures in the form attached hereto as **Exhibit 1** are fair, reasonable, and appropriate and are designed to maximize the value from a sale of the Assets.

E. The Debtors' proposed manner and form of the Sale Notice, which is attached hereto as **Exhibit 2**, is appropriate and reasonably calculated to provide all interested parties with

timely and proper notice of the proposed Sale, the Bidding Procedures, the Auction, and the Sale hearing, and the deadlines related thereto.

F. The procedures set forth herein regarding the Debtors' proposed assumption and assignment of executory contracts and unexpired leases (collectively, "**Contracts**") in connection with a Sale (the "**Assumption and Assignment Procedures**") are fair, reasonable, and appropriate and comply with the provisions of section 365 of the Bankruptcy Code and Bankruptcy Rule 6006.

G. The Debtors have demonstrated a compelling and sound business justification for the Court to enter this Order and, thereby: (i) approve the Bidding Procedures as contemplated by the Motion; (ii) set the dates of the Auction (if needed), Sale Hearing, and other deadlines proposed in the Motion and the Bidding Procedures; (iii) approve the Noticing Procedures and the forms of notice; and (iv) approve the Assumption and Assignment Procedures and proposed notice related thereto. That compelling and sound business justification, as set forth in the Motion and on the record at the hearing, if any, are incorporated herein by reference and, among other things, form the basis for the findings of fact and conclusions of law set forth herein.

H. The legal and factual bases set forth in the Motion establish just cause for the relief granted herein. Entry of this Order is in the best interests of the Debtors and their estates, creditors, interest holders, and all other parties in interest.

**IT IS HEREBY ORDERED THAT:**

1. The Motion is granted to the extent set forth herein.
2. Any objections to the Motion with respect to the relief granted herein that have not been adjourned, withdrawn, or resolved are overruled on the merits.
3. The Bidding Procedures, attached hereto as **Exhibit 1**, are approved and fully incorporated into this Order and the Debtors are authorized to act in accordance therewith. The

failure to specifically include a reference to any particular provision of the Bidding Procedures in this Order shall not diminish or impair the effectiveness of that provision.

4. The form of Sale Notice attached hereto as **Exhibit 2** is hereby approved. Within two business days after the date of this Order, or as soon as reasonably practicable thereafter, the Debtors shall serve the Sale Notice by CM/ECF (as applicable), first-class mail, and/or e-mail (where available) on the Sale Notice Parties listed below:

- a. The U.S. Trustee;
- b. Counsel to the Committee;
- c. Counsel to the DIP Agent;
- d. Any other party that has asserted a lien on or an interest in the Assets;
- e. All Counterparties;
- f. Any potentially interested party identified by Imperial and any other entity known to have expressed an interest in a transaction with respect to the Assets;
- g. All affected federal, state, and local governmental regulatory and taxing authorities, including the Internal Revenue Service, U.S. Attorney for the District of Delaware, U.S. Attorney for the District of Kansas, and the Office of the Attorney General of Kansas;
- h. All known holders of claims against and equity interests in the Debtors; and
- i. All parties that have filed, and not withdrawn, requests for service of notices under Bankruptcy Rule 2002.

5. In addition to the mailing of the Sale Notice, within three business days after the date of entry of this Order, or as soon as reasonably practicable thereafter, the Debtors will cause the information contained in the Sale Notice to be published once in the national edition of *The Wall Street Journal* and once in *The Wichita Eagle*.

6. Service of the Sale Notice on the Sale Notice Parties in the manner provided in this Order constitutes good and sufficient notice of the proposed Sale, the Auction, and the Sale Hearing. No other or further notice is required.

7. As described in the Bidding Procedures, the Bid Deadline shall be **4:00 p.m. (prevailing Eastern Time) on June 24, 2021.**

8. Any party holding a perfected security interest in any of the Assets may seek to credit bid all, or a portion of, its claims for its respective collateral in accordance with section 363(k) of the Bankruptcy Code (each, a “**Credit Bid**”); *provided* that a Credit Bid may only be applied to reduce the cash consideration for the Assets in which the credit bidding party holds a perfected security interest.

9. The DIP Secured Parties and the Prepetition Secured Parties (each as defined in D.I. 174 (the “**Final DIP Order**”)) shall be entitled to Credit Bid, subject to (i) the provisions of the Final DIP Order, and (ii) the rights of parties in interest, including the Committee, to oppose any asserted Credit Bid in accordance with section 363(k) of the Bankruptcy Code. To be a Qualified Bidder, the DIP Secured Parties and the Prepetition Secured Parties must submit a Qualified Bid by **June 25, 2021 at 4:00 p.m. (prevailing Eastern Time)** (the “**Credit Bid Deadline**”).

10. The Debtors shall have the right, in their reasonable business judgment, in a manner consistent with their fiduciary duties and applicable law, after consulting with the Consultation Parties, to modify the Bidding Procedures, including to (a) waive terms and conditions with respect to any Potential Bidder or Qualified Bid; (b) extend the deadlines in the Bidding Procedures, to the extent permitted in accordance with the Final DIP Order; and (c) announce at the Auction modified or additional procedures for conducting the Auction, in each case, to the extent not

materially inconsistent with the Bidding Procedures and this Order. Nothing in this Order or the Bidding Procedures shall obligate the Debtors to consummate or pursue any transaction with respect to the Assets with a Qualified Bidder.

11. Absent further order of the Court, no Qualified Bidder shall be entitled to any expense reimbursement, break-up fee, termination fee, or other similar fee or payment in connection with the Sale and, by submitting a bid, each Potential Bidder is deemed to have waived its right to request or file with this Court any request for expense reimbursement, break-up fee, or similar payment.

12. Auction. If the Debtors receive more than one Qualified Bid, the Debtors will conduct a virtual Auction beginning **at 10:00 a.m. (prevailing Eastern Time) on June 28, 2021**, or at such other time and/or place or method as the Debtors, after consulting with the Consultation Parties, determines and provides notice of by filing a notice with the Court. The Debtors will provide virtual access instructions for the Auction. Only the Debtors, any Qualified Bidder that has timely submitted a Qualified Bid, counsel to the Committee, and counsel to the DIP Agent, and the advisors to each of the foregoing, will be permitted to attend and participate in the Auction; *provided, however*, that any party in interest may attend (but not participate in) the Auction if the party in interest provides the Debtors with written notice of its request to attend the Auction at least one business day prior to the Auction, which written notice shall be sent to counsel for the Debtors via e-mail, to Daniel J. DeFranceschi ([defranceschi@rlf.com](mailto:defranceschi@rlf.com)), Paul N. Heath ([heath@rlf.com](mailto:heath@rlf.com)), and Christopher M. De Lillo ([delillo@rlf.com](mailto:delillo@rlf.com)). The Debtors are authorized to conduct the Auction in accordance with the Bidding Procedures. Promptly following the Auction's conclusion, the Debtors shall file the Notice of Auction Results with the Court

identifying the Successful Bid(s) and Back-up Bid(s), if any, and cause the Notice of Auction Results to be published on the Case Information Website.

13. Sale Objections. Objections to the Sale, the Sale Order, the Successful Bidder, or the conduct of the Auction must (a) be in writing, (b) state, with specificity, the legal and factual bases thereof, (c) conform to the Bankruptcy Code, Bankruptcy Rules, and Local Rules, (d) be filed with the Court by no later than **4:00 p.m. (prevailing Eastern Time) on July 6, 2021** (the “**Sale Objection Deadline**”), and (e) be served in accordance with the Local Rules on (i) counsel for the Debtors; (ii) the U.S. Trustee; (iii) counsel to the Committee; (iv) counsel to the DIP Agent; (v) counsel to the Successful Bidder; and (vi) counsel to the Back-Up Bidder(s), if any.

14. Sale Hearing. The Sale Hearing shall be held on **July 9, 2021 at 9:30 a.m. (prevailing Eastern Time)**, or at such other date and time as the Court may direct. The Sale Hearing may be adjourned from time to time without further notice to creditors or parties in interest other than by announcement in open court or on the Court’s docket.

15. All persons or entities that participate in the bidding process, whether or not they submit a bid or Qualified Bid, shall be deemed to have knowingly and voluntarily submitted to the exclusive jurisdiction of this Court with respect to all matters relating to the terms and condition of the bids, the Auction, and any Sale, and consented to the entry of a final order by this Court in connection with the Motion and the Sale, including related to any disputes regarding the foregoing.

16. Assumption and Assignment Procedures. The Assumption and Assignment Notice, substantially in the form attached hereto as **Exhibit 3**, is approved, and no other or further notice of the Debtors’ proposed Cure Costs with respect to Contracts listed on an Assumption and Assignment Notice is necessary or required. By no later than two business days after the date of entry of this Order, the Debtors shall file with the Court, serve on the applicable Counterparties,

and cause to be published on the Case Information Website, the Assumption and Assignment Notice.

17. Objections to the proposed assumption and assignment of the Contracts, and the proposed Cure Costs, must (a) be in writing, (b) state, with specificity, the legal and factual bases thereof and include any appropriate documentation in support, (c) conform to the Bankruptcy Code, Bankruptcy Rules, and Local Rules, (d) be filed with the Court **by no later than 4:00 p.m. (prevailing Eastern Time) on June 24, 2021** (the “**Cure Objection Deadline**”), and (e) be served in accordance with the Local Rules on (i) counsel for the Debtors; (ii) the U.S. Trustee; (iii) counsel to the Committee; and (iv) counsel to the DIP Agent.

18. To the extent that, after serving the Assumption and Assignment Notice, the Debtors propose to assume and/or assign additional Contracts with respect to the Assets, the Debtors shall file a Supplemental Assumption and Assignment Notice, and serve it by overnight mail and e-mail (where available) on the Counterparties to the additional Contracts. Objections to any Supplemental Assumption and Assignment Notice must (a) be in writing, (b) state, with specificity, the legal and factual bases thereof and include any appropriate documentation in support, (c) conform to the Bankruptcy Code, Bankruptcy Rules, and Local Rules, (d) be filed with the Court **by no later than ten days after service of the Supplemental Assumption and Assignment Notice**, and (e) be served in accordance with the Local Rules on (i) counsel for the Debtors; (ii) the U.S. Trustee; (iii) counsel to the Committee; (iv) counsel to the DIP Agent, and (v) counsel to the Successful Bidder, if applicable.

19. The Debtors, the Successful Bidder, and the objecting Counterparty shall first confer in good faith to attempt to resolve a Cure Objection without Court intervention. If the parties are unable to consensually resolve the Cure Objection prior to the commencement of the

Sale Hearing, the Court will make all necessary determinations relating to the applicable Cure Costs and Cure Objection at a hearing scheduled pursuant to paragraph 19 of this Order. If a Cure Objection is resolved in a manner that is not in the best interests of the Debtors and their estates, whether or not that resolution occurs prior to or after the closing of the applicable Sale, the Debtors, in consultation with the Consultation Parties, may determine that any Contract subject to that resolved Cure Objection no longer will be assumed and assigned in connection with the applicable Sale (subject to the terms of the applicable Sale). All other objections to the Debtors' proposed assumption and assignment of the Debtors' right, title, and interest in, to, and under a Contract shall be heard at the Sale Hearing.

20. If a timely Cure Objection cannot otherwise be resolved by the parties, the Cure Objection may be heard at the Sale Hearing or, subject to the terms of the applicable Sale, be adjourned to another date fixed by the Court (each, an "**Adjourned Cure Objection**"). An Adjourned Cure Objection may be resolved after the closing date of the Sale, subject to the terms of the applicable Sale. Upon resolution of an Adjourned Cure Objection and the payment of the applicable cure amount, if any, the Contract that was the subject of the Adjourned Cure Objection shall, at the election of the Successful Bidder, and subject to the Debtors' rights set forth in paragraph 18 of this Order, be deemed assumed and assigned to the applicable Successful Bidder as of the closing date of the Sale.

21. If a Counterparty fails to file with the Court and serve on the Objection Notice Parties a timely Cure Objection, the Counterparty forever shall be barred from asserting any objection with regard to the cost to cure any outstanding defaults under the applicable Contract. The Cure Costs set forth in the applicable Assumption and Assignment Notice shall be controlling and will be the only amount necessary to cure outstanding defaults under the Contract and satisfy

the requirements of section 365(b) of the Bankruptcy Code, and the Counterparty to the Contract shall be bound by and deemed to have consented to the Cure Costs.

22. In accordance with the Bidding Procedures, Qualified Bids must be accompanied by Adequate Assurance Information. Promptly following the conclusion of the Auction, the Debtors shall serve, by overnight mail and email (where available), on the Counterparties with the Notice of Auction Results the Successful Bidder's Adequate Assurance Information or access instructions therefor.

23. Any Adequate Assurance Objection must be (a) in writing and state, with specificity, the legal and factual bases thereof and include any appropriate documentation in support thereof; (b) filed with the Court **by no later than the Sale Objection Deadline**; and (c) served in accordance with the Local Rules on (i) counsel for the Debtors; (ii) the U.S. Trustee; (iii) counsel to the Committee; (iv) counsel to the DIP Agent; (v) counsel to the Successful Bidder; and (vi) counsel to the Back-Up Bidder(s), if any.

24. The Debtors, the Successful Bidder, and a Counterparty that has filed an Adequate Assurance Objection shall first confer in good faith to attempt to resolve the Adequate Assurance Objection without Court intervention. If the parties are unable to consensually resolve the Adequate Assurance Objection prior to the commencement of the Sale Hearing, the Adequate Assurance Objection and all issues of adequate assurance of future performance of the applicable Successful Bidder (or any other relevant assignee) shall be determined by the Court at the Sale Hearing.

25. If a Counterparty fails to file with the Court and serve on the Objection Notice Parties a timely Adequate Assurance Objection by the applicable deadline, the Counterparty shall be forever barred from asserting any objection to the assumption and/or assignment of a Contract

with regard to adequate assurance of future performance. The Successful Bidder (or any other relevant assignee) shall be deemed to have provided adequate assurance of future performance with respect to a Contract in accordance with Bankruptcy Code section 365(b)(1)(C), 365(f)(2)(B), and, if applicable, Bankruptcy Code section 365(b)(3), notwithstanding anything to the contrary in the Contract or any other document.

26. Within five days after the closing of a Sale, the Debtors shall file with the Court, serve on the applicable Counterparties, and cause to be published on the Case Information Website, a notice containing the list of Contracts that the Debtors assumed and assigned pursuant to the asset purchase agreement with the Successful Bidder.

27. The inclusion of a Contract or Cure Costs with respect to any Contract on any Assumption and Assignment Notice shall not constitute or be deemed a determination or admission by the Debtors or any other party that the Contract is an executory contract or an unexpired lease within the meaning of the Bankruptcy Code, and shall not be a guarantee that the Contract ultimately will be assumed or assigned. The Debtors and the Committee reserve all of their rights, claims, and causes of action with respect to each Contract listed on any Assumption and Assignment Notice.

28. The Debtors and the Committee reserve their rights regarding the allocation of any Sale's purchase price among specific Assets.

29. Textron Aviation Inc. ("Textron"). Notwithstanding anything to the contrary in this Order or the Bidding Procedures, and except as set forth in any agreement with Textron, the Debtors shall not disclose the information identified in paragraph 9 of Textron's limited objection [D.I. 187] to Potential Bidders.

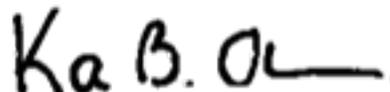
30. Under the circumstances of this chapter 11 case, notice of the Motion is adequate under Bankruptcy Rule 6004(a).

31. Notwithstanding the applicability of Bankruptcy Rules 6004(h), 6006(d), or other Bankruptcy Rules or Local Rules, this Order shall be immediately effective and enforceable upon its entry and any stay of this Order is hereby waived.

32. The Debtors are authorized to take all action necessary to effect the relief granted in this Order.

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

**Dated: June 7th, 2021**  
**Wilmington, Delaware**

  
**KAREN B. OWENS**  
**UNITED STATES BANKRUPTCY JUDGE**

**Exhibit 1**

**Bidding Procedures**

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF DELAWARE**

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

**BIDDING PROCEDURES**

On April 5, 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 voluntary petitions under chapter 11 of title 11 of the United States Code (the “**Bankruptcy Code**”) in the United States Bankruptcy Court for the District of Delaware (the “**Court**”). On [\_\_\_\_], 2021, the Court entered an order [D.I. \_\_] (the “**Bidding Procedures Order**”) granting certain relief regarding the potential sale of, and related bidding process for, the Debtors’ assets related to their Kansas manufacturing facilities and related business (collectively, the “**Assets**”).

Set forth below are the bidding procedures (these “**Bidding Procedures**”) to be employed in connection with the proposed sale of the Assets and the auction therefor (the “**Auction**”).<sup>2</sup>

**I. Property to Be Sold**

The Debtors seek to consummate the Sale of the Assets, free and clear of all liens, claims, interests, and encumbrances, except certain permitted encumbrances as determined by the Debtors and the Successful Bidder.

**II. Important Dates and Deadlines**

The key dates for the bidding and sale process are listed below. These dates may be extended or modified by the Debtors, after consulting with counsel to the Committee and the DIP Agent, by filing a notice of the extension or modification on the Court’s docket, or otherwise by order of the Court for cause shown.

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<sup>1</sup> 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.

<sup>2</sup> Capitalized terms used but not otherwise defined herein have the meanings given to those terms in the Debtors’ motion seeking approval of these Bidding Procedures, filed at D.I. 192.

**III. Provisions Governing Qualifications of Bidders**

<b>June 24, 2021 at 4:00 p.m. (ET)</b>	Cure Objection Deadline
<b>June 24, 2021 at 4:00 p.m. (ET)</b>	Bid Deadline
<b>June 25, 2021 at 4:00 p.m. (ET)</b>	Credit Bid Deadline
<b>June 25, 2021</b>	Deadline for the Debtors to notify Potential Bidders of their status as Qualified Bidders
<b>June 28, 2021 at 10:00 a.m. (ET)</b>	Auction
<b>June 29, 2021</b>	Target date for the Debtors to file with the Court the Notice of Auction Results
<b>July 6, 2021 at 4:00 p.m. (ET)</b>	Sale Objection Deadline and Adequate Assurance Objection Deadline
<b>July 9, 2021 at 9:30 a.m. (ET)</b>	Sale Hearing

Prior to the Bid Deadline, each party who wishes to participate in the bidding process (a “**Potential Bidder**”) must deliver the following to the Bid Notice Parties:<sup>3</sup>

- a. a written disclosure of the identity of each entity that will be bidding for the Assets or otherwise participating in connection with the bid;
- b. a statement or other factual support demonstrating to the Debtors, in the exercise of their reasonable business judgment, that the Potential Bidder has a bona fide interest in purchasing the Assets and identifying the Potential Bidder’s commercial experience related to operating the Assets post-closing;
- c. proof, in a form substantially acceptable to the Debtors, of the Potential Bidder’s financial ability to close on any transaction, including committed financing; and

<sup>3</sup> The “**Bid Notice Parties**” are: (1) counsel for the Debtors: Richards, Layton & Finger, P.A., Attn: Daniel J. DeFranceschi ([defranceschi@rlf.com](mailto:defranceschi@rlf.com)), Paul N. Heath ([heath@rlf.com](mailto:heath@rlf.com)), and Christopher M. De Lillo ([delillo@rlf.com](mailto:delillo@rlf.com)); (2) investment banker for the Debtors: Imperial Capital, LLC Attn: Timothy O’Connor ([toconnor@imperialcapital.com](mailto:toconnor@imperialcapital.com)), Sunny Cheung ([scheung@imperialcapital.com](mailto:scheung@imperialcapital.com)), and David Burns ([dburns@imperialcapital.com](mailto:dburns@imperialcapital.com)); (3) counsel to the Committee: (a) Kilpatrick Townsend & Stockton LLP, Attn: David M. Posner ([dposner@kilpatricktownsend.com](mailto:dposner@kilpatricktownsend.com)) and Gianfranco Finizio ([gfinizio@kilpatricktownsend.com](mailto:gfinizio@kilpatricktownsend.com)), and (b) Womble Bond Dickinson (US) LLP, Attn: Matthew P. Ward ([matthew.ward@wbd-us.com](mailto:matthew.ward@wbd-us.com)) and Morgan L. Patterson ([morgan.patterson@wbd-us.com](mailto:morgan.patterson@wbd-us.com)); and (4) counsel to the DIP Agent, (a) The Boeing Company, Attn: Christopher A. Glass ([Christopher.A.Glass@boeing.com](mailto:Christopher.A.Glass@boeing.com)), (b) Perkins Coie LLP, Attn: Alan D. Smith ([ADSmith@perkinscoie.com](mailto:ADSmith@perkinscoie.com)), and (c) Young Conaway Stargatt & Taylor, LLP, Attn: Kenneth J. Enos ([kenos@ycst.com](mailto:kenos@ycst.com)). If the DIP Agent or its affiliate becomes a Potential Bidder, then counsel to the DIP Agent shall no longer be a Bid Notice Party, until such time as the DIP Agent or its affiliate is no longer a Potential Bidder.

- d. an executed confidentiality agreement (to be delivered prior to the distribution of any confidential information by the Debtors to a Potential Bidder) in form and substance satisfactory to the Debtors.

A Potential Bidder that delivers the documents and information described above and that the Debtors determine, in consultation with the Consultation Parties, is (based on evidence of available financing, experience and other considerations) able to consummate the Sale, and whose Qualified Bid is received by the Bid Notice Parties no later than the Bid Deadline, is deemed qualified (a “**Qualified Bidder**”).

#### **IV. Due Diligence**

The Debtors will provide any Potential Bidder, after execution of a non-disclosure agreement, with access to the Debtors’ confidential electronic data room or with additional information as the Debtors deem appropriate, which may include differentiations between the diligence provided to strategic and financial bidders, as appropriate in consultation with the Consultation Parties, and contractual obligations to limit access to certain proprietary information. The due diligence period will extend through and including the Bid Deadline. Additional due diligence will not be provided after the Bid Deadline, unless otherwise deemed reasonably appropriate by the Debtors, in consultation with the Consultation Parties. Any additional due diligence provided to a Potential or Qualified Bidder will be shared with all Potential or Qualified Bidders, as applicable, subject to contractual obligations and the terms of the confidentiality agreement with each bidder.

#### **V. Provisions Governing Qualifications of Bids**

A bid will be considered a “**Qualified Bid**” only if it is submitted by a Qualified Bidder and the Debtors determine, in consultation with the Consultation Parties, that the bid complies with all of the following:

- a. it is received by the Bid Notice Parties prior to the Bid Deadline;
- b. it includes a signed writing stating that the Qualified Bidder’s offer is irrevocable until the selection of the Successful Bidder, provided that if the bidder is selected as the Successful Bidder or the Back-Up Bidder (each, as defined below), its offer must remain irrevocable until the later of (i) the closing of the Sale to the Successful Bidder or the Back-Up Bidder and (ii) the date that is thirty days after the Sale Hearing;
- c. it includes confirmation that there is no condition precedent to the Qualified Bidder’s ability to enter into a definitive agreement and that all necessary internal and shareholder approvals have been obtained prior to the submission of the bid;
- d. it contains no due diligence or financing contingencies of any kind;

- e. it includes a duly authorized and executed copy of an asset purchase agreement (an “**Asset Purchase Agreement**”), which includes the purchase price for the Assets expressed in U.S. Dollars (the “**Purchase Price**”) and identifies the particular Assets the bidder seeks to acquire, together with all necessary exhibits and schedules thereto, together with a copy marked to show any amendments and modifications to the form of asset purchase agreement provided by the Debtors to Potential Bidders, and a proposed order for approval of the Sale by this Court (which shall be substantially similar to the proposed Sale Order), together with a copy marked to show any modifications to the Sale Order;
- f. it includes financial statements or other written evidence, including (if applicable) a firm, irrevocable commitment for financing, establishing the ability of the Qualified Bidder to consummate the proposed Sale and pay the Purchase Price in cash, such as will allow the Debtors, in consultation with the Consultation Parties, to make a reasonable determination as to the Qualified Bidder’s financial and other capabilities to consummate the transaction contemplated by the Asset Purchase Agreement;
- g. it includes an analysis or description of the value of any non-cash component of the Purchase Price, including supporting documentation;
- h. it includes evidence of the bidder’s ability to comply with section 365 of the Bankruptcy Code (to the extent applicable), including providing adequate assurance of the bidder’s ability to perform future obligations arising under any Contracts included in its bid, which may include (and the Debtors may require):
  - 1. information evidencing the bidder’s (or any relevant assignee) financial wherewithal and willingness to perform under any Contracts included in the bid, including a corporate organizational chart or similar disclosures, financial statements, tax returns, annual reports;
  - 2. information regarding the bidder’s prior experience and operational expertise in similar circumstances;
  - 3. the bidder’s proposed use of any leased premises or other property included in the bid (collectively with the foregoing, the “**Adequate Assurance Information**”);
- i. it states whether the bidder intends to offer future employment to any of the Debtors’ employees and, if so, the proposed treatment of claims and costs related to the applicable employees;
- j. it states or otherwise estimates the types and durations of, and costs or charges for, transition services, if any, the bidder would require of and/or provide to the Debtors;

- k. it includes an acknowledgement and representation that the bidder: (a) has had an opportunity to conduct any and all required due diligence regarding the Assets prior to making its offer; (b) has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the Assets in making its bid; (c) did not rely upon any written or oral statements, representations, promises, warranties or guaranties whatsoever, whether express or implied (by operation of law or otherwise), regarding the Assets or the completeness of any information provided in connection therewith or with the Auction, except as expressly stated in the Asset Purchase Agreement; and (d) absent further order of the Court, is not entitled to any expense reimbursement, break-up fee, or similar type of payment in connection with its bid;
- l. it includes evidence, in form and substance reasonably satisfactory to the Debtors, in consultation with the Consultation Parties, of authorization and approval from the bidder's board of directors (or comparable governing body) with respect to the submission, execution, delivery and closing of the Asset Purchase Agreement;
- m. it is accompanied by a good faith deposit, or in the case of an otherwise appropriate credit bid by the DIP Secured Parties or the Prepetition Secured Parties, a conditional waiver of the applicable secured claim, in the form of a wire transfer (to a bank account specified by the Debtors), certified check, or in other form acceptable to the Debtors, payable to the order of the Debtors (or other party as the Debtors may determine) in an amount equal to 10% of the aggregate consideration provided by the Asset Purchase Agreement (a "**Good Faith Deposit**");
- n. it states that the bidder consents to the jurisdiction of this Court; and
- o. it contains other information as may be reasonably requested by the Debtor, in consultation with the Consultation Parties.

The Debtors reserve the right, in consultation with the Consultation Parties, to negotiate with any Potential Bidder in advance of the Auction to cure any deficiencies in a bid that is not initially determined to be a Qualified Bid. Each Potential Bidder shall comply with all reasonable requests for additional information by the Debtors or their advisors regarding the Potential Bidder's financial wherewithal to consummate and perform obligations set forth in the Asset Purchase Agreement. Failure by a Potential Bidder to comply with requests for additional information may be a basis for the Debtors to determine, in consultation with the Consultation Parties, that the Potential Bidder is not a Qualified Bidder and that the bid made by the Potential Bidder or Qualified Bidder, as applicable, is not a Qualified Bid.

## **VI. Credit Bidding**

The DIP Secured Parties and the Prepetition Secured Parties shall be entitled to Credit Bid, subject to (i) the provisions of the Final DIP Order, and (ii) the rights of parties in interest, including the Committee, to oppose any asserted Credit Bid in accordance with section 363(k) of the Bankruptcy Code. To be a Qualified Bidder, the DIP Secured Parties and the Prepetition Secured Parties must submit a Qualified Bid by the Credit Bid Deadline.

## **VII. Submission of Bids by the Bid Deadline**

A Potential Bidder that desires to make a bid must deliver copies of its bid by e-mail by no later than **4:00 p.m. (prevailing Eastern Time) on June 24, 2021** to the Bid Notice Parties. The Debtors may extend the Bid Deadline in consultation with the Consultation Parties.

By **June 25, 2021**, the Debtors, after consultation with the Consultation Parties, will notify the Consultation Parties and all Qualified Bidders in writing (e-mail is sufficient) which bids constitute Qualified Bids.

## **VIII. Evaluation of Competing Bids**

A Qualified Bid will be valued by the Debtors, in consultation with the Consultation Parties, based on several factors including, without limitation, (1) the amount of the aggregate consideration offered pursuant to any Asset Purchase Agreement, (2) the nature of the bid's consideration, (3) the risks and timing associated with consummating the bid, (4) any proposed revisions to the Asset Purchase Agreement and/or the proposed Sale Order, (5) whether it contains a sufficient cash component to ensure that the Debtors' estates are not rendered administratively insolvent, and (6) any other factors deemed relevant by the Debtors, in consultation with the Consultation Parties.

## **IX. Auction Process**

In the event the Debtors receive more than one Qualified Bid before the Bid Deadline, the Debtors will conduct a virtual Auction beginning at **10:00 a.m. (prevailing Eastern Time) on June 28, 2021**, or at such other time, place, and/or method as the Debtors, in consultation with the Consultation Parties, determine and provide notice of by filing a notice with the Court. The Debtors will provide access instructions for the virtual Auction to the parties submitting Qualified Bids and other attendees (subject to (a) below) if there will be an Auction. If the Debtors do not receive more than one Qualified Bid by the Bid Deadline, then the Debtors, in consultation with the Consultation Parties, may cancel the Auction and file a notice with the Court indicating that and designating the Successful Bidder.

The Auction will be recorded and transcribed, and conducted in accordance with the following procedures:

- a. only the Debtors, Qualified Bidders that have timely submitted a Qualified Bid, counsel to the Committee, counsel to the DIP Agent, and the advisors to each of the foregoing will be permitted to attend and participate in the Auction; *provided, however*, that any party in interest may attend (but not participate in) the Auction if the party in interest provides the Debtors with written notice of its request to attend the Auction at least one business day prior to the Auction, which written notice shall be sent to counsel for the Debtors via e-mail to Daniel J. DeFranceschi

([defranceschi@rlf.com](mailto:defranceschi@rlf.com)), Paul N. Heath ([heath@rlf.com](mailto:heath@rlf.com)), and Christopher M. De Lillo ([delillo@rlf.com](mailto:delillo@rlf.com));

- b. only Qualified Bidders who have timely submitted Qualified Bids will be entitled to make any subsequent bids at the Auction;
- c. each Qualified Bidder shall be required to confirm on the record that it has not engaged in any collusion, within the meaning of section 363(n) of the Bankruptcy Code, with respect to any bids submitted or not submitted in connection with the Sale;
- d. at least one business day prior to the Auction, each Qualified Bidder who has timely submitted a Qualified Bid must inform the Debtors whether it intends to attend the Auction and all Qualified Bidders wishing to attend the Auction must have at least one individual representative with authority to bind that Qualified Bidder in attendance at the Auction; *provided* that in the event a Qualified Bidder elects not to attend the Auction, that Qualified Bidder's Qualified Bid will nevertheless remain fully enforceable against that Qualified Bidder until the selection of the Successful Bidder and Back-Up Bidder (each, as defined below) at the conclusion of the Auction. At least twenty-four hours prior to the time scheduled for the commencement of the Auction noted above, the Debtors will provide to all Qualified Bidders copies of each Qualified Bid and identify to them the Qualified Bid that the Debtors believe, after consultation with the Consultation Parties, is the highest or otherwise best offer (the "**Starting Bid**");
- e. all Qualified Bidders who have timely submitted Qualified Bids will be entitled to be present for all Subsequent Bids (as defined below) at the Auction and the actual identity of each Qualified Bidder will be disclosed on the record at the Auction;
- f. the Debtors, in consultation with the Consultation Parties, may modify, employ and announce at the Auction additional or amended procedural rules that are reasonable under the circumstances for conducting the Auction, *provided* that those rules (1) are not materially inconsistent with the Bidding Procedures, the Bidding Procedures Order, the Bankruptcy Code, or any order of the Court entered in connection herewith, and (2) are disclosed to each Qualified Bidder attending the Auction;
- g. bidding at the Auction will begin with the Starting Bid and continue in bidding increments (each, a "**Subsequent Bid**") providing a net value of at least \$100,000 above the prior bid or collection of bids (the "**Continuing Minimum Overbid Amount**"). After the first round of bidding and between each subsequent round of bidding, the Debtors, after consultation with the Consultation Parties, will announce the bid (and the value of the bid) that it believes to be the highest or otherwise best bid (each, the "**Leading Bid**");
- h. a round of bidding will conclude after each participating Qualified Bidder has had the opportunity to submit a Subsequent Bid with full knowledge of the Leading

Bid, and subject to the Debtors' right to impose reasonable timing deadlines for the submission of Subsequent Bids; and

- i. for the purpose of evaluating the value of the Purchase Price provided by each Subsequent Bid, the Debtors may give effect to any additional costs that may be imposed on the Debtors by the Subsequent Bid.

#### **X. Selection of Successful Bid**

Prior to the conclusion of the Auction, the Debtors, in consultation with the Consultation Parties, will review and evaluate each Qualified Bid submitted at the Auction in accordance with the procedures set forth herein and determine which offer is the highest or otherwise best offer (one or more bids together, the "**Successful Bid**", and the bidder(s) making the bid(s), collectively, the "**Successful Bidder**"), and communicate to the Auction participants the identity of the Successful Bidder and the material details of the Successful Bid. The determination of the Successful Bid by the Debtors, in consultation with the Consultation Parties, at the conclusion of the Auction shall be final, subject only to approval by the Court.

The Qualified Bidder(s) with the next highest or otherwise best Qualified Bid or collection of Qualified Bids, as determined by the Debtors, in consultation with the Consultation Parties, will be required to serve as a back-up bidder (each, a "**Back-Up Bidder**") and keep its bid open and irrevocable until the later to occur of (i) thirty days after the Sale Hearing and (ii) closing on the Successful Bid with the Successful Bidder. If the Successful Bidder fails to consummate the Sale, the Debtors will be authorized to consummate the Sale with the Back-Up Bidder without further order of the Court.

After announcing the Successful Bidder and the Back-Up Bidder on the record, the Debtors will close the Auction. Within one business day after the conclusion of the Auction, the Successful Bidder must complete and execute all agreements, contracts, instruments and other documents necessary to consummate the Successful Bid. Within one business day after the conclusion of the Auction, the Debtors will file a notice with the Court identifying the Successful Bidder and the Back-Up Bidder. The Debtors will sell the Assets to the Successful Bidder pursuant to the terms of the Successful Bid after the Court's approval of the Successful Bid at the Sale Hearing. The Debtors will return all Good Faith Deposits to the bidders not selected by the Debtors as the Successful Bidder or the Back-Up Bidder within five business days following the conclusion of the Auction. The Back-Up Bidder's Good Faith Deposit shall be held in escrow until five business days after the Debtors consummate the Sale with the Successful Bidder or such earlier date as the Debtors determine in consultation with the Consultation Parties, subject to the terms of the applicable escrow agreement. The Good Faith Deposits shall be held in escrow by the Debtors or their agent, and shall not become property of the Debtors' estates unless and until released from escrow to the Debtors pursuant to the terms of the applicable escrow agreement.

#### **XI. Sale Hearing**

The Debtors will seek entry of an order from the Court at a hearing (the "**Sale Hearing**") to begin **on or before July 9, 2021 at 9:30 a.m. (prevailing Eastern Time)**, to approve and authorize the Sale to the Successful Bidder. Subject to the Court's availability, the Debtors, in consultation with

the Consultation Parties, reserve the right to change the date and/or time of the Sale Hearing (or any other dates related to the Sale) in order to achieve the maximum value for the Assets.

**Exhibit 2**

**Sale Notice**

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF DELAWARE**

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

**NOTICE OF PROPOSED SALE,  
BIDDING PROCEDURES, AUCTION, AND SALE HEARING**

PLEASE TAKE NOTICE that, on April 5, 2021, the above-captioned debtors (the “**Debtors**”) filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code (the “**Bankruptcy Code**”) in the United States Bankruptcy Court for the District of Delaware (the “**Court**”).

PLEASE TAKE FURTHER NOTICE that, on May 21, 2021, the Debtors filed a motion [D.I. 192] (the “**Bidding Procedures Motion**”)² with the Court seeking entry of an order, among other things, granting the following relief in connection with the Debtor’s proposed sale of the Debtors’ assets related to their Kansas manufacturing business (the “**Sale**”, and the assets, the “**Assets**”): (a) approving the Bidding Procedures pursuant to which the Debtors will solicit and select the highest and otherwise best offer for the Sale; (b) scheduling and conducting an auction (the “**Auction**”); (c) approving the form and manner of notice of the Sale; (d) approving assumption and assignment procedures for executory contracts and unexpired leases in connection with the Sale; and (e) scheduling a hearing (the “**Sale Hearing**”) to approve the Sale.

PLEASE TAKE FURTHER NOTICE that, on \_\_\_\_\_, 2021, the Court entered an order (the “**Bidding Procedures Order**”) approving, among other things, the Bidding Procedures, which are attached as **Exhibit 1** to the Bidding Procedures Order and establish the key dates and deadlines related to the Sale and the Auction. All interested bidders should carefully read the Bidding Procedures Order and the Bidding Procedures in their entirety.

PLEASE TAKE FURTHER NOTICE that, the Sale will be free and clear of any and all pledges, liens, security interests, encumbrances, claims, charges, options, and interests thereon to the maximum extent permitted by section 363 of the Bankruptcy Code.

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<sup>1</sup> 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.

<sup>2</sup> Capitalized terms used but not otherwise defined herein have the meanings given to those terms in the Bidding Procedures Motion.

### **Information for Parties Interested in Submitting a Bid**

The Bidding Procedures set forth the requirements for becoming a Qualified Bidder and submitting a Qualified Bid, and any party interested in making an offer to purchase the Assets must comply strictly with the Bidding Procedures. Only Qualified Bids will be considered by the Debtors in accordance with the Bidding Procedures.

**Any interested bidder should contact, as soon as possible, by e-mail:** investment banker for the Debtors, Imperial Capital, LLC, Attn: Timothy O'Connor ([toconnor@imperialcapital.com](mailto:toconnor@imperialcapital.com)), Sunny Cheung ([scheung@imperialcapital.com](mailto:scheung@imperialcapital.com)), and David Burns ([dburns@imperialcapital.com](mailto:dburns@imperialcapital.com)).

Copies of the Bidding Procedures Motion, the Bidding Procedures Order, the Bidding Procedures, as well as all related exhibits, and all other documents filed with the Court, are available free of charge on the Debtors' case information website: <http://www.kccllc.net/TECTAerospace>.

### **Important Dates and Deadlines**

1. **Bid Deadline.** The deadline to submit a Qualified Bid is **June 24, 2021 at 4:00 p.m. (prevailing Eastern Time)**.
2. **Auction.** If the Debtors timely receive more than one Qualified Bid, subject to the satisfaction of any further conditions set forth in the Bidding Procedures, the Debtors intend to conduct an Auction for the Assets. The Auction, if held, will begin at **10:00 a.m. (prevailing Eastern Time) on June 28, 2021** and will be conducted virtually. Consistent with the Bidding Procedures, the Debtors may adjourn or continue the Auction from time to time and will provide notice of the same.
3. **Sale Objection Deadline.** The deadline to file an objection with the Court to the Sale, the conduct of the Auction, or the Successful Bidder ("**Sale Objections**") is **4:00 p.m. (prevailing Eastern Time) on July 6, 2021**.
4. **Sale Hearing.** A hearing to consider approval of the Sale to the Successful Bidder will be held before the Court on **July 9, 2021 at 9:30 a.m. (prevailing Eastern Time)**, or at such other date and time as determined by the Court. The Sale Hearing may be conducted virtually via Zoom, access instructions for which will be provided by a hearing agenda filed on the Court's docket.

### **Filing Objections**

Sale Objections must (a) be in writing, (b) state, with specificity, the legal and factual bases thereof, (c) conform to the Bankruptcy Code, Bankruptcy Rules, and Local Rules, (d) be filed with the Court by no later than the Sale Objection Deadline, and (e) be served in accordance with the Local Rules on (i) counsel for the Debtors, Richards, Layton & Finger, P.A., Attn: Daniel J. DeFranceschi ([defranceschi@rlf.com](mailto:defranceschi@rlf.com)), Paul N. Heath ([heath@rlf.com](mailto:heath@rlf.com)), and Christopher M. De Lillo ([delillo@rlf.com](mailto:delillo@rlf.com)); (ii) the U.S. Trustee, Attn: Linda Casey ([linda.casey@usdoj.gov](mailto:linda.casey@usdoj.gov)); (iii) counsel to the Committee, (1) Kilpatrick Townsend & Stockton LLP, Attn: David M. Posner

([dposner@kilpatricktownsend.com](mailto:dposner@kilpatricktownsend.com)) and Gianfranco Finizio ([gfinizio@kilpatricktownsend.com](mailto:gfinizio@kilpatricktownsend.com)), and (2) Womble Bond Dickinson (US) LLP, Attn: Matthew P. Ward ([matthew.ward@wbd-us.com](mailto:matthew.ward@wbd-us.com)) and Morgan L. Patterson ([morgan.patterson@wbd-us.com](mailto:morgan.patterson@wbd-us.com)); (iv) counsel to the Successful Bidder(s); (v) counsel to the Back-up Bidder(s), if any; and (vi) counsel to the DIP Agent, (1) The Boeing Company, Attn: Christopher A. Glass ([Christopher.A.Glass@boeing.com](mailto:Christopher.A.Glass@boeing.com)), (2) Perkins Coie LLP, Attn: Alan D. Smith ([ADSmith@perkinscoie.com](mailto:ADSmith@perkinscoie.com)), and (3) Young Conaway Stargatt & Taylor, LLP, Attn: Kenneth J. Enos ([kenos@ycst.com](mailto:kenos@ycst.com)).

**Any party that fails to make a timely Sale Objection on or before the Sale Objection Deadline in accordance with the Bidding Procedures Order and this Notice shall be barred from asserting its objection, including with respect to the transfer of the Assets free and clear of all liens, claims, encumbrances, and other interests.**

Dated: \_\_\_\_\_, 2021  
Wilmington, Delaware

/s/ DRAFT  
\_\_\_\_\_  
RICHARDS, LAYTON & FINGER, P.A.  
Daniel J. DeFranceschi (No. 2732)  
Paul N. Heath (No. 3704)  
Zachary I. Shapiro (No. 5103)  
Christopher M. De Lillo (No. 6355)  
One Rodney Square  
920 N. King Street  
Wilmington, DE 19801  
Telephone: (302) 651-7700  
Facsimile: (302) 651-7701  
E-mail: [defranceschi@rlf.com](mailto:defranceschi@rlf.com)  
[heath@rlf.com](mailto:heath@rlf.com)  
[shapiro@rlf.com](mailto:shapiro@rlf.com)  
[delillo@rlf.com](mailto:delillo@rlf.com)

*Attorneys for the Debtors and Debtors in Possession*

**Exhibit 3**

**Assumption and Assignment Notice**

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF DELAWARE**

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

**NOTICE OF CURE COSTS AND POTENTIAL ASSUMPTION  
AND ASSIGNMENT OF EXECUTORY CONTRACTS AND UNEXPIRED  
LEASES IN CONNECTION WITH SALE OF DEBTORS' KANSAS ASSETS**

PLEASE TAKE NOTICE that, on April 5, 2021, the above-captioned debtors (the “**Debtors**”) filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code (the “**Bankruptcy Code**”) in the United States Bankruptcy Court for the District of Delaware (the “**Court**”).

PLEASE TAKE FURTHER NOTICE that, on May 21, 2021, the Debtors filed a motion [D.I. 192] (the “**Bidding Procedures Motion**”)<sup>2</sup> with the Court seeking entry of an order, among other things, granting the following relief in connection with the Debtor’s proposed sale of the Debtors’ assets related to their Kansas manufacturing business (the “**Sale**”, and the assets, the “**Assets**”): (a) approving the Bidding Procedures pursuant to which the Debtors will solicit and select the highest and otherwise best offer for the Sale; (b) scheduling and conducting an auction (the “**Auction**”); (c) approving the form and manner of notice of the Sale; (d) approving assumption and assignment procedures for executory contracts and unexpired leases in connection with the Sale (each, a “**Contract**”, parties thereto, a “**Counterparty**”, and the procedures, the “**Assumption and Assignment Procedures**”); and (f) scheduling a hearing (the “**Sale Hearing**”) to approve the Sale.

PLEASE TAKE FURTHER NOTICE that, on \_\_\_\_\_, 2021, the Court entered the Bidding Procedures Order [D.I. \_\_\_\_].

**You are receiving this Notice because you may be a Counterparty to a Contract of the Debtors that may be assumed and assigned to a Successful Bidder for the Assets.**

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<sup>1</sup> 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.

<sup>2</sup> Capitalized terms used but not otherwise defined herein have the meanings given to those terms in the Bidding Procedures Motion.

## CURE COSTS

In accordance with the Assumption and Assignment Procedures and the Bidding Procedures Order, the Debtors may, in connection with a Sale with a Successful Bidder, seek to assume and assign to the Successful Bidder certain of their Contracts. Each of the Contracts that potentially could be assumed and assigned in connection with a Sale, together with the Debtors' calculation of Cure Costs with respect to those Contracts, is set forth on **Schedule 1** hereto. The inclusion of any Contract on **Schedule 1** does not constitute an admission by the Debtors, any Successful Bidder, or any other party that the Contract is an executory contract or an unexpired lease within the meaning of the Bankruptcy Code, or require or guarantee that the Contract ultimately will be assumed or assigned. All rights of the Debtors with respect thereto are reserved.

In addition, to the extent that any of the Cure Costs set forth on **Schedule 1** do not reflect (i) post-petition payments that have been made by the Debtors in respect of applicable Cure Costs or (ii) any payments that are made by the Debtors in respect of Cure Costs after the filing of this Notice, the respective amounts required to be paid to cure any existing defaults under the applicable Contracts shall be reduced by any corresponding post-petition payments, and the Debtors reserve their rights to update the Cure Costs set forth on **Schedule 1** accordingly, either by filing a supplemental notice with the Court or by written notice to the applicable Counterparty.

## CURE OBJECTIONS

### **I. Cure Objection Deadline**

Any Counterparty that wishes to object to the Debtors' proposed Cure Costs (each, a "**Cure Objection**") must file with the Court and serve on the Objection Notice Parties (as defined in the Bidding Procedures) its Cure Objection, which must be in writing and state, with specificity, the legal and factual bases thereof and include any appropriate documentation in support thereof, by no later than **June 24, 2021, at 4:00 p.m. (prevailing Eastern Time)**.

### **II. Resolution of Cure Objections**

Pursuant to the Bidding Procedures Order, the Debtors or Successful Bidder and the objecting Counterparty must first confer in good faith to attempt to resolve the Cure Objection without Court intervention. If the parties are unable to consensually resolve the Cure Objection prior to the commencement of the Sale Hearing, the Court shall make all necessary determinations relating to the applicable Cure Costs and Cure Objection at a hearing scheduled pursuant to the following paragraph. If a Cure Objection is resolved in a manner that is not in the best interests of the Debtors and their estates, whether or not the resolution occurs prior to or after the closing of the applicable Sale, the Debtors may determine that any Contract subject to the resolved Cure Objection no longer will be assumed and assigned. All other objections to the Debtors' proposed assumption and assignment of the Debtors' right, title, and interest in, to, and under a Contract shall be heard at the Sale Hearing.

### **III. Adjourned Cure Objections**

If a timely filed Cure Objection cannot otherwise be resolved by the parties, the Cure Objection may be heard at the Sale Hearing, or, subject to the terms of the applicable Sale, be

adjourned to another date fixed by the Court (each, an “**Adjourned Cure Objection**”). Upon resolution of an Adjourned Cure Objection and the payment of the applicable cure amount, if any, the applicable Contract that was the subject of the Adjourned Cure Objection shall, at the election of the Successful Bidder, and subject to the Debtors’ rights under the Bidding Procedures Order, be deemed assumed and assigned to the applicable Successful Bidder as of the closing date of the applicable Sale.

**IF A COUNTERPARTY FAILS TO FILE WITH THE COURT AND SERVE ON THE OBJECTION NOTICE PARTIES A TIMELY CURE OBJECTION, THE COUNTERPARTY FOREVER SHALL BE BARRED FROM ASSERTING ANY OBJECTION WITH REGARD TO THE COST TO CURE ANY OUTSTANDING DEFAULTS UNDER THE APPLICABLE CONTRACT. THE CURE COSTS SET FORTH ON SCHEDULE 1 HERETO SHALL BE CONTROLLING AND WILL BE THE ONLY AMOUNT NECESSARY TO CURE OUTSTANDING DEFAULTS UNDER THE CONTRACT AND SATISFY THE REQUIREMENTS OF SECTION 365(b) OF THE BANKRUPTCY CODE, AND THE COUNTERPARTY TO THE CONTRACT SHALL BE DEEMED BOUND BY AND TO HAVE CONSENTED TO THE CURE COSTS.**

#### **NOTICE OF AUCTION RESULTS**

The Auction, if required, will be conducted virtually on **June 28, 2021, at 10:00 a.m. (prevailing Eastern Time)**, or at such other time as designated by the Debtors in accordance with the Bidding Procedures.

One day after the conclusion of the Auction, the Debtors will file with the Court, serve on the Sale Notice Parties (as defined in the Bidding Procedures) and cause to be published on the website maintained by Prime Clerk, the Debtors’ claims and noticing agent in these Chapter 11 Cases, located at <http://www.kccllc.net/TECTAerospace>, a notice of the results of the Auction, which will, among other things, (A) identify the Successful Bidder and Back-Up Bidder; (B) include a copy of each Successful Bid and each Back-Up Bid or a summary of the material terms of those bids, including any assumption and assignment of Contracts contemplated thereby; and (C) set forth the date, time, and location of the Sale Hearing and any other relevant dates or other information necessary to reasonably apprise the Sale Notice Parties of the outcome of the Auction. Any Counterparty that wishes to receive that notice by email should contact undersigned counsel for the Debtors as soon as possible.

#### **ADEQUATE ASSURANCE OBJECTIONS**

##### **A. Adequate Assurance Objection Deadline**

Any Counterparty to a Contract that wishes to object to the proposed assumption and assignment of a Contract, the subject of which objection is the proposed form of adequate assurance of future performance with respect to the Contract (each, an “**Adequate Assurance Objection**”), must file with the Court and serve on the Objection Notice Parties an Adequate Assurance Objection, which must state, with specificity, the legal and factual bases thereof and include any appropriate documentation in support thereof, by no later than **July 6, 2021 at**

**4:00 p.m. (ET).** Any Counterparty that wishes to receive the Adequate Assurance Information by email should contact undersigned counsel for the Debtors as soon as possible.

**B. Resolution of Adequate Assurance Objections**

Pursuant to the Bidding Procedures Order, the Debtors, the applicable Successful Bidder and the objecting Counterparty must first confer in good faith to attempt to resolve the Adequate Assurance Objection without Court intervention. If the parties are unable to consensually resolve the Adequate Assurance Objection prior to the commencement of the Sale Hearing, the Adequate Assurance Objection and all issues of adequate assurance of future performance of the applicable Successful Bidder (or any other relevant assignee) shall be determined by the Court at the Sale Hearing.

**IF A COUNTERPARTY FAILS TO FILE WITH THE COURT AND SERVE ON THE OBJECTION NOTICE PARTIES A TIMELY ADEQUATE ASSURANCE OBJECTION, THE COUNTERPARTY FOREVER SHALL BE BARRED FROM ASSERTING ANY OBJECTION TO THE ASSUMPTION AND/OR ASSIGNMENT OF THE APPLICABLE CONTRACT WITH REGARD TO ADEQUATE ASSURANCE OF FUTURE PERFORMANCE. THE APPLICABLE SUCCESSFUL BIDDER SHALL BE DEEMED TO HAVE PROVIDED ADEQUATE ASSURANCE OF FUTURE PERFORMANCE WITH RESPECT TO THE CONTRACT IN ACCORDANCE WITH BANKRUPTCY CODE SECTION 365(b)(1)(C), 365(f)(2)(B) AND, IF APPLICABLE, 365(b)(3), NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE CONTRACT OR ANY OTHER DOCUMENT.**

**SALE HEARING**

The Sale Hearing shall take place on **July 9, 2021, at 9:30 a.m. (prevailing Eastern Time)** before the Honorable Karen B. Owens, United States Bankruptcy Judge, in the United States Bankruptcy Court for the District of Delaware, located at 824 N. Market Street, Wilmington, Delaware 19801. The Sale Hearing may be conducted virtually via Zoom, access instructions for which will be provided by a hearing agenda filed on the Court's docket.

**ADDITIONAL INFORMATION**

Copies of the Motion, the Bidding Procedures Order, the Bidding Procedures, and other filings in these chapter 11 cases may be obtained free of charge by visiting <http://www.kccllc.net/TECTAerospace>.

Dated: \_\_\_\_\_, 2021  
Wilmington, Delaware

/s/ DRAFT  
\_\_\_\_\_  
RICHARDS, LAYTON & FINGER, P.A.  
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