

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

TECT AEROSPACE GROUP
HOLDINGS, INC., *et al.*,¹

Debtors.

)
) Chapter 11
)
) Case No. 21-10670 (KBO)
)
) (Jointly Administered)
)
) Related Docket No.: 174
)

**CERTIFICATION OF COUNSEL REGARDING STIPULATION BY AND BETWEEN
THE DEBTORS, THE BOEING COMPANY, AND THE OFFICIAL COMMITTEE
OF UNSECURED CREDITORS EXTENDING THE CHALLENGE PERIOD**

The undersigned counsel to the Official Committee of Unsecured Creditors (the “Committee”) in the chapter 11 cases of the above-captioned debtors (collectively, the “Debtors”), respectfully certify and state as follows:

1. On April 5, 2021, each of the Debtors filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code in the United States Bankruptcy Court for the District of Delaware (the “Bankruptcy Court”).

2. On April 20, 2021, the Office of the United States Trustee appointed the Committee in these cases.²

3. On May 13, 2021, the Bankruptcy Court entered the *Final Order Pursuant to Sections 105, 361, 362, 363, 364 and 507 of the Bankruptcy Code, Bankruptcy Rule 4001 and Local Rule 4001-2, (I) Authorizing Debtors to (A) Obtain Postpetition Financing And (B) Use*

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 Docket No. 76.



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Cash Collateral, (II) Granting Adequate Protection to the Prepetition Secured Parties, And (III) Granting Related Relief (the “DIP Order”).³

4. To facilitate settlement discussions regarding any potential Challenge that might be brought by the Committee, the Debtors, the Committee, and The Boeing Company, in its capacities as Prepetition Lender, Prepetition Agent, DIP Lender and DIP Agent, have agreed to extend the Challenge Period solely for the Committee as set forth in the attached Stipulation (“Stipulation”). Attached hereto as Exhibit A is a proposed order (the “Proposed Order”) approving the Stipulation. A copy of the Stipulation is attached to the Proposed Order as Exhibit 1.

³ Docket No. 174. Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the DIP Order.

WHEREFORE, the Committee respectfully requests that the Court enter the Proposed Order approving the Stipulation at the Court's earliest convenience.

Dated: June 17, 2021

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EXHIBIT A

Proposed Order

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

TECT AEROSPACE GROUP
HOLDINGS, INC., *et al.*,

Debtors.

)
) Chapter 11
)
) Case No. 21-10670 (KBO)
)
) (Jointly Administered)
)
) **Related Docket Nos.: 174, ____**
)

**ORDER APPROVING STIPULATION BY AND BETWEEN THE DEBTORS,
THE BOEING COMPANY, AND THE OFFICIAL COMMITTEE OF
UNSECURED CREDITORS EXTENDING THE CHALLENGE PERIOD**

This Court having considered the *Stipulation By and Between the Debtors, The Boeing Company, and the Official Committee of Unsecured Creditors Extending the Challenge Period* (the “Stipulation”), attached hereto as Exhibit 1; the Court having determined that good and adequate cause exists for approval of the Stipulation; and the Court having determined that no further notice of the Stipulation must be given; it is hereby

ORDERED that the Stipulation is approved.

EXHIBIT 1

Stipulation

**UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:) Chapter 11
))
) Case No. 21-10670 (KBO)
TECT AEROSPACE GROUP HOLDINGS,)
INC., *et al.*,) Jointly Administered
))
Debtors.¹) **Re: Docket Nos. 174**
))
))
))

STIPULATION BY AND BETWEEN THE DEBTORS, THE BOEING COMPANY, AND THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS EXTENDING THE CHALLENGE PERIOD

This stipulation (the “Stipulation”) is entered into by and between: (i) TECT Aerospace Group Holdings, Inc., *et al.*, the above-captioned debtors and debtors-in-possession (the “Debtors”); (ii) The Boeing Company, in its capacities as Prepetition Lender and administrative agent on behalf of the Prepetition Lenders (the “Prepetition Agent”) under that certain Revolving Credit, Term Loan and Security Agreement, dated as of June 27, 2017 (as the same has been amended, restated, supplemented, modified or assigned from time to time, the “Prepetition Credit Agreement”) and in its capacities as DIP Lender and administrative agent on behalf of the DIP Lenders (the “DIP Agent” and together with the Prepetition Agent, the “Agent”) under the DIP Agreement; and (iii) the Official Committee of Unsecured Creditors of the Debtors (the “Committee” and together with the Debtors and the Agent, the “Parties”).

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, Kansas 67202.

WHEREAS, on April 5, 2021 (the “Petition Date”), each of the Debtors filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code in the United States Bankruptcy Court for the District of Delaware;

WHEREAS, on May 13, 2021, the Bankruptcy Court entered the *Final Order Pursuant to Sections 105, 361, 362, 363, 364 and 507 of the Bankruptcy Code, Bankruptcy Rule 4001 and Local Rule 4001-2, (I) Authorizing Debtors to (A) Obtain Postpetition Financing And (B) Use Cash Collateral, (II) Granting Adequate Protection to the Prepetition Secured Parties, And (III) Granting Related Relief* [Docket No. 174] (the “DIP Order”);²

WHEREAS, pursuant to the DIP Order, among other things, the Debtors admitted, stipulated, acknowledged, and agreed, among other things, to the validity, perfection, priority and enforceability of the security interests granted to the Prepetition Agent and the Prepetition Lenders under the Prepetition Loan Documents, subject to the Committee’s rights under paragraph 19 of the DIP Order, and the DIP Order provides, among other things, that the releases set forth in paragraphs 18(a), (b) and (c) of the DIP Order and the stipulations set forth in paragraph D of the DIP Order, would become binding on each party in interest other than the Debtors, including the Creditors’ Committee, unless a party in interest having standing, *first*, commences, with respect to challenges respecting the releases set forth in paragraph 18(c) of the DIP Order, no later than July 19, 2021, and with respect to all other matters described in paragraph 19 of the DIP Order as subject to a Challenge (including but not limited to the releases set forth in Paragraphs 18(a) and 18(b) of the DIP Order, and perfection or priority of the Prepetition Obligations), no later than June 21, 2021, (A) a contested matter, adversary proceeding, or other action or claim (as defined in the Bankruptcy Code)

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the DIP Order.

challenging or otherwise objecting to the releases set forth in paragraph 18 of the DIP Order or the stipulations set forth in paragraph D of the DIP Order or (B) a contested matter, adversary proceeding, or other action or claim (as defined in the Bankruptcy Code) against any Releasee relating to any pre-Petition Date act, omission or aspect of the relationship between such Releasee and the Debtors ((A) and (B) being, collectively, the “Challenges” and, each individually, a “Challenge”), and, *second*, obtains a final, non-appealable order in favor of such party in interest sustaining any such Challenge in any such timely-filed contested matter, adversary proceeding or other action; provided, that, any trustee that is appointed in these Chapter 11 Cases or any Successor Case prior to the expiration of the Challenge Period shall have until the later of the expiration of the Challenge Period or 10 days after such trustee’s appointment to commence a Challenge or move to be substituted for the Committee in a pending Challenge;

WHEREAS, paragraph 19 of the DIP Order provides that the Challenge Period may be extended upon stipulation of the Parties or upon order of the Court for cause shown; and

WHEREAS, the Committee has undertaken an investigation of the liens and security interests of the Agent and any potential claims to be asserted on behalf of the Debtors’ estates against the Agent;

WHEREAS, the Committee wishes to continue its investigation with respect to certain assets (the “Reserved Assets”), as follows: (1) all rights, claims and interests of TECT Aerospace Group Holdings, Inc. (“TECT Parent”) in and to tax refunds, net operating losses and tax attributes, (2) TECT Parent’s equity interests in its domestic subsidiaries TECT Aerospace Kansas Holdings, LLC and TECT Aerospace Holdings, LLC (“Aerospace Holdings”), (3) thirty-five percent (35%) of Aerospace Holdings’s equity interests in foreign subsidiaries TECT Support Services UK Limited and TECT Aerospace Components SRL de CV, (4) five items of leased equipment

(specifically, MAG3.Ex 5-Axis Horizontal Machining Center, S/N 336, MAG3.Ex 5-Axis Horizontal Machining Center, S/N 337, 12 pallet expansion system for MAG3.Ex, Makino T1 Horizontal Machining Center, S/N 53 and Makino T1 Horizontal Machining Center, S/N 56, which items have been identified as being associated with purchase orders 279108, 316645 and 316646), (5) motor vehicles and other assets subject to certificates of title, and (6) the Debtors' leasehold interests in real property;

WHEREAS, to avoid the cost of litigation to the Debtors' estates, the Committee and the Agent wish to engage in good faith discussions regarding a consensual resolution of the Committee's Challenges; and

NOW THEREFORE, IT IS STIPULATED AND AGREED, by and between the Debtors, the Agent and the Committee, as follows:

1. Each of the recitals above is incorporated herein by reference.
2. Upon execution of this Stipulation, the Challenge Period for the Committee with respect to Challenges respecting perfection or priority of the Reserved Assets, and with respect to the stipulations and releases set forth in paragraphs D and 18 of the DIP Order relating to the Reserved Assets, shall be extended to July 19, 2021 ("Extended Challenge Period"). Nothing herein shall affect the Challenge Period with respect to any person or entity other than the Committee. For the avoidance of doubt, the Challenge Period concerning any rights of set off shall be the Extended Challenge Period.
3. To the extent set forth in the previous paragraph respecting the rights of the Committee and the Reserved Assets, the Extended Challenge Period shall supersede and replace the Challenge Period under the DIP Order, subject to the right of the Debtors, the Committee, and the

Agent to further extend the Extended Challenge Period or seek a further extension for good cause shown.

4. Approval of this Stipulation shall be sought through the filing of a certification of counsel.

5. This Stipulation constitutes the entire agreement between the Parties with respect to the subject matter covered by the Stipulation. No provisions of the DIP Order are intended to be modified in any manner other than as specifically set forth herein and, other than the changes effectuated pursuant to this Stipulation, the DIP Order shall remain in full force and effect.

6. There are no other covenants, promises, agreements, conditions or understandings, oral or written, expressed or implied, between the Parties, except for this Stipulation. This Stipulation may be amended or otherwise modified only by a signed writing executed by the Parties.

7. Each Party to this Stipulation has read and understands the terms of the Stipulation and has jointly negotiated and prepared this Stipulation.

8. This Stipulation may be executed in any number of counterparts and by different Parties hereto in separate counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same agreement. Delivery of an executed counterpart of this Stipulation by facsimile or electronic mail shall be equally as effective as delivery of an original executed counterpart of this Stipulation.

9. The Court shall retain jurisdiction to resolve any disputes or controversies arising from or related to this Stipulation.

Executed on June 17, 2021

STIPULATED AND AGREED TO:

RICHARDS, LAYTON & FINGER, P.A.

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