

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:)	
	)	Chapter 11
TECT Aerospace Group Holdings, Inc., <i>et</i>)	
<i>al.</i>,	)	Case No. 21-10670 (KBO)
)	
Debtors.	)	Jointly Administrated
)	
	)	Hearing Date & Time:
	)	October 28, 2021 at 1:00 p.m.
)	
	)	Response Deadline:
	)	October 21, 2021 at 4:00 p.m.
)	
	)	Related to Docket No. 548 and 566

**OBJECTION OF UTICA REALTY PARK CITY, LLC AND UTICA REALTY
WELLINGTON, LLC TO MOTION OF DEBTORS FOR ENTRY OF AN ORDER (I)
EXTENDING TIME TO ASSUME OR REJECT UNEXPIRED LEASES OF
NONRESIDENTIAL REAL PROPERTY AND (II) GRANTING RELATED RELIEF**

Utica Realty Park City LLC (“**Utica Realty Park City**”) and Utica Realty Wellington LLC (“**Utica Realty Wellington**” together with Utica Realty Park City, the “**Utica Real Estate Lessors**”), creditors, parties in interest and real estate lessors of TECT Aerospace Holdings Group, Inc., *et al.*¹ (the “**Debtors**”), hereby respectfully files this objection (the “**Objection**”) to the Debtors’ motion for entry of an order (I) extending time to assume or reject unexpired leases of nonresidential real property and (II) granting related relief (the “**Motion**”²), and in support of thereof and represent the following:

¹ The Debtors are TECT Aerospace Group Holdings, Inc., TECT Aerospace Kansas Holdings, LLC, TECT Aerospace Holdings, LLC, TECT Aerospace Wellington Inc., TECT Aerospace, LLC, TECT Hypervelocity, Inc. and Sun Country Holdings, LLC.

² The Motion was filed at Doc. No. 548.

PRELIMINARY STATEMENT

1. The Utica Real Estate Lessors file this Objection, respectfully requesting that this Court deny any extension of time for the Debtors to assume, assume and assign or reject the Unexpired Leases³ or, alternatively, limit any such extension for the Debtors to assume, assume and assign or reject the Unexpired Leases to a timeframe tailored to match the facts and circumstances of the Debtors' cases.

2. As noted in the Motion, this Court entered the Kansas Sale Order on July 13, 2021, approving the form of the Kansas APA and the Kansas Sale, which provided the Buyer (Boeing's affiliate, Central Kansas Aerospace Manufacturing, LLC, or "**CKAM**") with certain Designation Rights vis-à-vis the Unexpired Leases, including designation of the Debtors' decision to assume, assume and assign or reject the Unexpired Leases. The Buyer submitted its "credit bid" for the purchase of the Debtors' Kansas assets on or about June 25, 2021.

3. The Buyer has been able to assess two (2) unexpired leases of real property starting as early as June 25, 2021 (presumably, the Buyer commenced its analysis prior to lodging a bid for the purchase of the assets) and with Court-approved Designation Rights starting on July 13, 2021.

4. The Debtors' business operations, pre-bankruptcy, were heavily tied to the Boeing 737 MAX program. In October, 2018, and March, 2019, two Boeing 737 MAX planes crashed in Indonesia and Ethiopia, respectively, resulting in 346 fatalities. As a direct result of these crashes, Boeing resolved criminal charges with a \$2.5 billion settlement with the United States Department of Justice. See <https://www.justice.gov/opa/pr/boeing-charged-737-max-fraud-conspiracy-and->

³ Any capitalized terms not otherwise defined herein shall have the meaning set forth in the Motion.

[agrees-pay-over-25-billion](#). As a direct result of the issues related to the Boeing 737 MAX program, the Debtors' production rates dropped from 53 737 MAX program planes per month to 0, causing massive financial constraints for the Debtors due to the Debtors' agreement to design its operations based on assumptions (provided by Boeing) of approximately 60 737 MAX program planes per month. Beginning in January 2020, prior to its ultimate bankruptcy filing, the Debtors actively engaged with Boeing to discuss their financial position and urgent need for restructuring in the wake of the 737 MAX crisis. From January of 2020 through June 25, 2021, the Debtors provided Boeing with an enormous amount of information on the Debtors' Kansas operations, including any and all financial information Boeing requested from the Debtors.

5. Furthermore, upon information and belief, prior to the devastation caused by the 737 MAX crisis and in preparation of Boeing efforts to prepare the supply chain for production of 60 airplanes per month, Boeing negotiated indefinite term contracts with the Debtors that had pricing in place through at least 2024 with potential new pricing to be added in the future. To issue these contracts, Boeing and the Debtors engaged in extensive due diligence on all aspects of the Debtors' capital structure including, but not limited to, the two leases now in question. Upon information and belief, the aforementioned review also covered the equipment leases, subordinated debt repayment, management fees and other arrangements that Boeing currently criticizes in connection with the Debtors' bankruptcy cases. Following this extensive due diligence, Boeing approved all of these arrangements that it now criticizes, and Boeing, with full knowledge and understanding of these arrangements, agreed to extend its contract with the Debtors through at least 2024.

6. Based on the amount of information available to Boeing over the course of years with regard to the Debtors capital structure, real estate leases and operations in its capacity as a major customer consulted for years, the Court-approved debtor-in-possession lender to the Debtors

and the Court-approved purchaser of the Debtors' Kansas assets, it is shocking that Boeing, the party in control of the "designation rights" related the Unexpired Leases, now alleges⁴ after all these years of extensive review of all aspects of the Debtors' financial condition that Boeing/CKAM requires 90 additional days to decide what to do with 2 simple and straightforward real estate leases.

7. The Debtors' current Assumption/Rejection Deadline is November 1, 2021⁵. The Buyer, as of the date of its credit bid, will have had the benefit of 129 days to analyze the Unexpired Leases and, as of the date of the Sale Order, will have had the benefit of 111 days to analyze the Unexpired Leases under the current Assumption/Rejection Deadline. The instant request in the Motion will provide the Buyer 219 days and 201 days, respectfully, from the credit bid date and Sale Order date to analyze the Unexpired Leases. The Utica Real Estate Lessors submit this is an unnecessary period of time to provide the Buyer time to analyze two (2) leases for purposes of assumption or rejection without providing any details as to what efforts, if any, the Buyer has conducted during a lengthy period of time for only two (2) leases.

8. As discussed in prior filings in these cases and at hearings, the Buyer is the only party at this point occupying the Unexpired Leases, and determined what, if any, remaining customer production is conducted at the properties and has deployed a team of professionals to operate the facilities on a very limited basis – upon information and belief, at a relatively small fraction of the production levels prior to the Kansas Sale and almost exclusively for the benefit of

⁴ Boeing and CKAM filed a Joinder to the Motion at Doc. No. 566.

⁵ By virtue of COVID-19 legislation, 11 U.S.C. 365(d)(4) was amended to extend a debtor's period for assumption, assumption and assignment or rejection from 120 days to 210 days.

the Buyer's affiliate, Boeing, with modest wind-down production for a handful of customers anticipated to be completed at or prior to the end of 2021.

9. The Utica Real Estate Lessors submit the Debtors have not articulated "cause" existing to extend the Assumption/Rejection Deadline with any specificity on value or funds that flow to the Debtors' estates for the benefit of its creditors by virtue of the requested extension. Further, the Debtors fail to provide what efforts have been undertaken during the existing period and why an additional 90 days will provide the Buyer with additional information or details to determine whether to designate the Unexpired Leases for assumption or rejection.

10. To the extent the Debtors' request (to extend the Assumption/Rejection Deadline) is substantially being requested to provide the Buyer with sufficient time to complete production for its affiliate, Boeing, and the few remaining customers, the Utica Real Estate Lessors submit a short-term lease amendment, sublease or license (for the period of time necessary to complete such production) is an appropriate resolution to fulfill the Debtors' and Buyer's needs, while balancing the interests of the Utica Real Estate Lessors to repurpose the properties in a timely fashion. The Utica Real Estate Lessors are ready and willing to provide commercially reasonable terms to the Debtors and the Buyer post-rejection of the Unexpired Leases for a term completing on or about the end of January, 2021.

11. As such, there is no cause to extend the Debtors' and/or Buyer's decision to assume, assume and assign or reject the Unexpired Leases beyond November 1, 2021.

12. The Kansas Facilities are large scale manufacturing facilities and the Utica Real Estate Lessors require time and clarity on the availability date of the facilities to the marketplace to secure new tenants in the event of a lease rejection.

13. Accordingly, the Utica Real Estate Lessors respectfully request entry of an Order of this Court denying the Motion.

JURISDICTION AND VENUE

14. The Court has jurisdiction over this Motion pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2). Venue is proper in the United States District of Delaware pursuant to 28 U.S.C. §§ 1408 and 1409. The statutory predicate for the relief requested herein are 11 U.S.C. § 365 and Fed. R. Bankr. P. 6006 and 9014.

BACKGROUND

15. On April 5, 2021 (“**Petition Date**”), the Debtors filed voluntary chapter 11 petitions for bankruptcy protection with the United States Bankruptcy Court for the District of Delaware (the “**Bankruptcy Court**”). (Doc. No. 1).

16. On April 20, 2021, the Office of the United States Trustee appointed the Official Committee of Unsecured Creditors of the Debtors (the “**Creditors’ Committee**”).

DIP Financing

17. On May 13, 2021, this 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 Prepetition Secured Parties, and (III) Granting Related Relief* (the “**Final DIP Order**”) (Doc. No. 174).

18. Pursuant to the Final DIP Order, the Bankruptcy Court approved debtor-in-possession financing for the Debtors provided by Boeing in the form of the DIP Facility (as defined in the Final DIP Order). The Bankruptcy Court has entered three (3) orders amending the Final DIP Order at Doc. Nos. 413, 455 and 512, which extended the maturity of the DIP Agreement (as defined in the Final DIP Order) to August 27, 2021, September 24, 2021 and, most recently, December 31, 2021.

Debtors' Sales of Substantially All of Their Assets

Washington Sale

19. On May 7, 2021, Debtors filed the *Motion for Entry of Orders (I) (A) Establishing Bidding Procedures for the Sale of the Debtors' Everett, WA Assets, (B) Authorizing Entry Into the Stalking Horse Agreement and Granting Bid Protections, (C) Scheduling an Auction and Sale Hearing, (D) Approving the Form and Manner of Notice Thereof, (E) Approving Assumption and Assignment Procedures, and (F) Granting Related Relief, and (II) (A) Approving Sale of the Debtors' Everett, WA Assets Free and Clear of All Liens, Claims, Interests, and Encumbrances, (B) Approving Assumption and Assignment of Executory Contracts and Unexpired Leases, and (C) Granting Related Relief* (the “**Washington Sale Motion**”) (Doc. No. 152).

20. Pursuant to the Washington Sale Motion, the Debtors sought to sell substantially all of their assets associated with their Everett, Washington operations (“**Washington Operations**”).

21. On June 24, 2021, this Court entered the *Order (I) Approving the Sale of the Debtors' Everett, WA Assets Free and Clear of Liens, Claims, Interests, and Encumbrances, (II) Approving the Assumption and Assignment of Executory Contracts and Unexpired Leases, and (III) Granting Related Relief* (the “**Washington Sale Order**”) (Doc. No. 313).

22. On July 21, 2021, Debtors filed the *Notice of (I) Closing of Sale of Everett, WA Assets, and (II) Schedule of Executory Contracts and Unexpired Leases Assumed and Assigned in Connection with Everett Sale* (“**Washington Sale Closing Notice**”) (Doc. No. 387).

23. Pursuant to the Washington Sale Order and Washington Sale Closing Notice, the Debtors sold substantially all of their assets associated with their Washington Operations to Wipro Givon USA, Inc.

Kansas Sale

24. On May 21, 2021, Debtors filed the *Motion for Entry of Orders (I) (A) Establishing Bidding Procedures for the Sale of the Debtors' Kansas Assets, (B) Scheduling an Auction and Sale Hearing, (C) Approving the Form and Manner of Notice Thereof, (D) Approving Assumption and Assignment Procedures, and (E) Granting Related Relief, and (II) (A) Approving Sale of the Debtors' Kansas Assets Free and Clear of All Liens, Claims, Interests, and Encumbrances, (B) Approving Assumption and Assignment of Executory Contracts and Unexpired Leases, and (C) Granting Related Relief* (the “**Kansas Sale Motion**”) (Doc. No. 192).

25. Pursuant to the Kansas Sale Motion, the Debtors sought to sell substantially all of their assets associated with their Kansas operations (“**Kansas Operations**”).

26. On June 9, 2021, the Debtors filed the *Notice of Cure Costs and Potential Assumption and Assignment of Executory Contracts and Unexpired Leases in Connection with Sale of Debtors' Kansas Assets* (“**Notice of Cure Costs**”) (Doc. No. 262).

27. The Utica Real Estate Lessors are the landlords to the Debtors for the Kansas Operations. Accordingly, in the Notice of Cure Costs, the Debtors identified the Real Estate Lessors as non-residential real property lessors with associated cure costs arising from their respective leases as follows:

<u>Real Estate Lessor</u>	<u>Debtor Entity</u>	<u>Cure Amount</u>
Utica Realty Park City (Real Estate)	TECT Hypervelocity, Inc.	\$482,045.35 ⁶
Utica Realty Wellington (Real Estate)	TECT Aerospace Wellington, Inc.	\$869,801.04 ⁷

⁶ Utica Realty Park City filed a general unsecured claim in the same amount of \$482,045.35 against TECT Hypervelocity, Inc.

⁷ Utica Realty Wellington filed a general unsecured claim in the same amount of \$869,801.04 against TECT Aerospace Wellington, Inc.

28. True and correct copies of the Utica Realty Park City's and Utica Realty Wellington's leases with the Debtors, as amended, are attached hereto and marked as Exhibit "A" and "B", respectively (defined in the Motion as, the Unexpired Leases).

29. To date, no party has filed an objection to Notice of Cure Costs with respect to either of the Utica Real Estate Lessors.

30. On or about June 25, 2021, Boeing together with CKAM, a party noted as a wholly owned subsidiary of Boeing, (the Buyer, as defined in the Motion) submitted a bid for the purchase of the Assets (the "**Boeing Bid**").

31. On June 30, 2021, the Boeing Buyers revised the Boeing Bid (the "**Revised Boeing Bid**").

32. On June 30, 2021, the Debtors filed the *Notice of Selection of Successful Bidder and Back-Up Bidder* ("**Notice of Auction Results**") (Doc. No. 329).

33. In the Notice of Auction Results, the Debtors provide notice of the Debtors' designation, in consultation with the Consultation Party, of the Boeing Revised Bid as the Successful Bid. *See* Notice of Auction Results at p. 1.

34. On July 13, 2021, the Court entered the *Order (I) Approving the Sale of the Debtors' Kansas Assets Free and Clear of Liens, Claims, Interests, and Encumbrances, (II) Approving the Assumption and Assignment of Executory Contracts and Unexpired Leases, and (III) Granted Related Relief* (the "**Kansas Sale Order**") (Doc. No. 372). Pursuant to the Kansas Sale Order, the Court approved the Boeing Revised Bid together with the asset purchase agreement attached to the Kansas Sale Order as Exhibit "1" (the "**Asset Purchase Agreement**"). *See* Kansas Sale Order at p. 2 and Exhibit "1".

35. On August 13, 2021, the Debtors filed the *Notice of (I) Closing of Sale of Kansas Assets, and (II) Schedule of Executory Contracts and Unexpired Leases Initially Assumed and Assigned with Kansas Sale* (“**Notice of Closing**”) (Doc. No. 418). Pursuant to the Notice of Closing, the Debtors provided notice that the Debtors and the Boeing Buyers closed in accordance with the Kansas Sale Order on August 6, 2021 (“**Kansas Closing Date**”). See Notice of Closing at p. 2.

36. Pursuant to the Kansas Sale Order and Kansas Sale Closing Notice, the Debtors sold substantially all of their assets associated with their Kansas Operations to the Buyer.

37. Subsequent to the Kansas Closing Date, the Debtors have filed three (3) omnibus motions to reject executory contracts (“**Kansas Rejection Motions**”). See Doc. Nos. 406, 458 and 472. This Court granted all of the Kansas Rejection Motions (“**Kansas Rejection Orders**”). See Doc. Nos. 424, 499 and 500. Pursuant to the Kansas Rejection Orders, the Debtors have rejected all of the primary equipment leases and numerous customer agreements associated with the Kansas Operations.

38. The Debtor filed one motion to assume certain executory contracts related to the Kansas Operations (“**Kansas Assumption Motion**”). See Doc. No. 471. The Court granted the Kansas Assumption Motion (“**Kansas Assumption Order**”). See Doc. No. 496. The Kansas Assumption Order relates to a limited number of customer agreements that, upon information and belief, the Buyer will (or already has) amend with the customers for production with a November 30, 2021 end date.

39. It is our understanding as of the date of this filing that the Kansas Operations have the following production (or lack thereof): i) Boeing-related production anticipated to be complete on or before December 31, 2021; ii) select few customers with a production agreement through November 30, 2021; iii) customers without any production ongoing in negotiations with the Buyer

to purchase the associated tooling and fixtures; and iv) customer agreement rejected and no further production.

Conversion Motion

40. On September 10, 2021, the Creditors' Committee filed the Motion for Entry of an Order Converting the Debtors' Chapter 11 Cases to Cases Under Chapter 7 of the Bankruptcy Code Pursuant to 11 U.S.C. § 1112(b) ("**Conversion Motion**")⁸ (Doc. No. 476).

41. As noted in the Conversion Motion, "[U]pon information and belief, it is projected that the Kansas facilities will finish producing the remainder of Boeing's airplane parts in October or November 2021, and the Kansas facilities will be shut down at or around year end". Conversion Motion at ¶ 17 (emphasis added). This allegation is supported by the Kansas Rejection Orders and the Kansas Assumption Order.

42. As further noted in the Conversion Motion, "[A]fter the closing of the Everett, WA Sale and the Kansas Sale, the Debtors' remaining assets consist of accounts receivable, certain raw material inventory, and causes of actions and claims against the Debtors' insiders and affiliates". Conversion Motion at ¶ 13.

OBJECTION

43. Upon information and belief, upon closing of the sales associated with the Kansas Sale Motion, the Debtors have no right, title or interest related to the former Kansas Operations, except the Debtors maintain certain executory contracts and unexpired real estate leases during the

⁸ The Creditors' Committee has since withdrawn the Conversion Motion; however, the Utica Real Estate Lessors include certain allegations in the Conversion Motion that are relevant to the analysis of the existence, or lack thereof, of cause to extend the Assumption/Rejection Deadline.

Contract Designation Right Period (as defined in the Asset Purchase Agreement)⁹ to provide CKAM with an opportunity to “designate” executory contracts and/or unexpired real estate leases (defined as “Designated Agreement” in the Asset Purchase Agreement) for assumption and assignment by the Debtors to CKAM or rejection.

44. Pursuant to the Kansas Sale Order,

23. Any executory contracts and unexpired leases designated as “Designated Agreements” in the Asset Purchase Agreement shall remain in the Debtors’ estates and shall not be assumed or rejected pending further Order of this Court. In accordance with the Asset Purchase Agreement, the Buyer [CKAM] shall continue to perform the Debtors’ postpetition obligations under each such Designated Agreement until it is either assumed or rejected in accordance with the provisions of Section 365 of the Bankruptcy Code.

Kansas Sale Order at ¶ 23.

45. With regard to the assumption, rejection or assumption and assignment of unexpired leases of nonresidential real property, the Asset Purchase Agreement provides,

(d) All Contracts other than Assumed Contracts shall be held by the Sellers and not rejected pursuant to Section 365 of the Bankruptcy Code (any such Contract, a "Designated Agreement") for the duration of the Contract Designation Right Period. As to Designated Agreements, the Sellers shall not seek to reject such contracts for a period of one hundred twenty (120) days following the Closing Date (the "Contract Designation Right Period"); **provided that, with respect to any Designated Agreement that is a commercial real estate lease, the Contract Designation Right Period with respect to such Designated Agreement shall terminate on the date specified as the deadline for assumption or rejection of such Designated Agreement pursuant to Section 365(d)(4) of the Bankruptcy Code.** As soon as practicable after receiving further written notice(s) (each, an "Assumption Notice") from the Buyer during the Contract Designation Right Period requesting assumption and assignment of any Designated Agreement, the Sellers shall (i) provide written notice to the counterparty to such Designated Agreement (such

⁹ Capitalized terms not otherwise defined herein shall have the meaning ascribed to such term in the Conversion Motion, Kansas Sale Motion, Kansas Sale Order or Kansas Asset Purchase Agreement.

counterparty, the "Designation Counterparty") of the Sellers' intent to assume and assign or reject such Designated Agreement, which notice shall, with respect to any Designated Agreement to be assumed and assigned, include (A) the proposed cure cost associated with such Designated Agreement, (B) information supplied by the Buyer intended to provide such Designation Counterparty with adequate assurance of future performance, and (C) the deadline to object to the assumption and assignment of such Designated Agreement, which deadline shall be no less than seven (7) days from service of such notice. Subject to (x) the Buyer demonstrating adequate assurance of future performance thereunder, which may be demonstrated by consent of the affected contractual party, and (y) unless the Designation Counterparty timely serves an objection upon the Buyer and the Sellers that relates to adequate assurance of future performance or a cure issue that could not have been raised in an objection to any Cure Notice prior to the Sale Hearing and pertains to matters arising after the Closing, the Seller shall take all actions reasonably necessary to seek to assume and assign to the Buyer pursuant to Section 365 of the Bankruptcy Code any Contract(s) set forth in an Assumption Notice, and any applicable cure cost shall be satisfied: (i) first, out of any remaining funds in the Cure Cost Fund; and (ii) if the applicable cure cost cannot be satisfied in full pursuant to the foregoing clause (i), any remaining amounts shall be paid by the Buyer. With respect to any Designated Agreement to be rejected following the applicable Contract Designation Right Period, the Sellers shall provide the Buyer prior written notice of such rejection at least three (3) Business Days prior to such rejection. The Sellers agree and acknowledge that the covenant set forth in this Section 7.1(d) shall survive the Closing. **With respect to any Designated Agreement, the Buyer shall pay and be solely responsible for all costs arising from, relating to, or in connection with, the continuation by Sellers of such Designated Agreements for the period during the Contract Designation Right Period from the Closing Date up to and including the date on which such Designated Agreement is rejected pursuant to an order of the Bankruptcy Court.** Notwithstanding anything in this Agreement to the contrary, on the date any Contract is assumed and assigned to the Buyer pursuant to this Section 7.1(d), such Contract shall be deemed an Assumed Contract for all purposes under this Agreement.

See Asset Purchase Agreement at ¶ 7.1(d).

46. The deadline for CKAM to “designate” executory contracts related to the Kansas Operations for assumption and assignment or rejection by the Debtors is December 4, 2021, as December 4, 2021 is 120 days from the Kansas Closing Date.

47. Section 365(d)(4) provides,

(A) Subject to subparagraph (B), an unexpired lease of nonresidential real property under which the debtor is the lessee shall be deemed rejected, and the trustee shall immediately surrender that nonresidential real property to the lessor, if the trustee does not assume or reject the unexpired lease by the earlier of--

(i) the date that is 210 days after the date of the order for relief; or

(ii) the date of the entry of an order confirming a plan.

(B)

(i) The court may extend the period determined under subparagraph (A), prior to the expiration of the 210-day period, for 90 days on the motion of the trustee or lessor for cause.

(ii) If the court grants an extension under clause (i), the court may grant a subsequent extension only upon prior written consent of the lessor in each instance.

11 U.S.C. § 365(d)(4).

48. Additionally, any extensions beyond a “for cause” 90-day extension of the Contract Designation Right Period can only be extended upon written consent of the affected lessor (i.e. Utica Realty Park City and/or Utica Realty Wellington). *Id.* Utica Realty Park City and Utica Realty Wellington will not consent to any such additional extension request.

49. The deadline for CKAM to “designate” unexpired real property leases related to the Kansas Operations (the Utica Realty Leases) for assumption and assignment or rejection by the Debtors is November 1, 2021, or 210 days from the Petition Date. 11 U.S.C. § 365(d)(4)(A). As the Debtors have no pending plan of reorganization or liquidation, the Utica Real Estate Lessors

submit the 210-day time frame measured from the Petition Date will occur prior to any plan confirmation.

50. Pursuant to the Bankruptcy Code, the Debtors are permitted to obtain, prior to November 1, 2021, a 90-day extension of the Contract Designation Right Period with respect to unexpired real estate leases to January 30, 2022 “for cause”. *Id.*

51. In the Motion, the Debtors submit the standard for “cause” in this context is as follow:

15. Courts consider the following nonexclusive factors to determine whether “cause” exists for purposes of a section 365(d)(4) extension:

- (a) whether the debtor is paying for the use of the property;
- (b) whether the debtor’s continued occupation could damage the lessor beyond the compensation available under the Bankruptcy Code;
- (c) whether the lease is the debtor’s primary asset;
- (d) whether the debtor has had sufficient time to formulate a plan of reorganization;
- (e) the complexity of the case facing the debtor; and
- (f) the number of leases the debtor must evaluate.

Motion at ¶ 15 (citations omitted).

52. As to whether the Debtors fulfilled the aforementioned standard for “cause”, the Debtors allege the follow:

16. Here, the Debtors respectfully submit that application of these factors demonstrates that cause exists to extend the Assumption/Rejection Deadline. First, the Sale Order obligates the Buyer to pay continued rent and other obligations under the Unexpired Leases pursuant to section 365(d)(3), and the Buyer has done so to date. Second, maintenance of the Unexpired Leases will not harm the Lessors, as the premises will continue to be used for the intended purposes under the Unexpired Leases and the Buyer will continue to pay rent therefor until the earliest of the Designation Rights Period’s termination (i.e., the proposed extended Assumption/Rejection Deadline), the confirmation of any chapter 11 plan, and the Buyer’s election to designate the Unexpired Leases for rejection. Third, the Debtors, the Committee, and the Secured

Lender are in the process of negotiations regarding a chapter 11 plan, and these chapter 11 cases are large and complex. The Unexpired Leases interrelate with the Debtors' other contractual agreements and legal obligations, and the Buyer's ongoing operations, which operations benefit the Debtors' estates through ongoing receipts and monetization of retained inventory pursuant to the Kansas Sale. Additionally, extending the Assumption/Rejection Deadline will afford the Debtors opportunities to create value for the Debtors' estates, including, (i) value that may arise through the marketing of the Unexpired Leases, in the event the leases are designated for rejection, and (ii) value that may arise through potential transactions related to the Kansas business, including the possibility of continued operations at the Kansas locations and retention of employees and supplier relationships in Kansas. It is therefore imperative that the Debtors and Buyer be afforded sufficient time to fully evaluate the Unexpired Leases. Accordingly, the relief requested in the Motion should be granted.

Id. at ¶ 16.

53. Utilizing the standard for "cause" articulated by the Debtors, the Utica Real Estate

Lessors submit the following for the Court's consideration:

<u>Factor</u>	<u>Status</u>
Whether the debtor is paying for the use of the property.	Pursuant to the Kansas APA, the Buyer has taken on the Debtors' responsibility to pay the monthly lease obligations. As of the date of this filing, the obligations have been paid, albeit in many instances after the due date.
Whether the debtor's continued occupation could damage the lessor beyond the compensation available under the Bankruptcy Code.	Given the rejection of almost all customer contracts, anticipated cessation of all non-Boeing customer production by the end of November, 2021 and Boeing production by the end of 2021, it appears likely that the Buyer will designate the Unexpired Leases for rejection at the conclusion of the Designation Period. The Utica Real Estate Lessors will, then, be faced with repurposing the properties and much of that process requires the fixation of the date the property will become available. It would be economically advantageous for the Utica Real Estate Lessors to know what date will be the deadline for assumption/rejection and each

	<p>month provides clarity for a potential tenant to move forward.</p> <p>The Utica Real Estate Lessors understand that the Debtors (and the Buyer) may need to occupy the real estate through January of 2022 and there may be cause for the Debtor to have continued access to the property through that date. The Utica Real Estate Lessors have no objection to providing the Debtors and/or the Buyer access to the facilities and are willing to negotiate with Debtors and Buyer sufficient access on terms no less favorable than what they would enjoy if the instant extension is granted.</p> <p>The objection of the Utica Real Estate Lessors is with the delay in knowing what Debtors intend to do after January 2022, i.e. an assumption and assignment or reject as an unknown until the end of January, 2022.</p> <p>Based on the activity of the case to date and, it is the Utica Real Estate Lessors' understanding, that CKAM has already provided WARN notices to a supermajority of the employees in Kansas, it is abundantly clear that CKAM has no intention of operating in the facilities beyond January 2022 and there is absolutely no reasonable restructuring objective that would require CKAM to occupy the facilities beyond January 2022.</p> <p>Nonetheless, the real estate lessors acknowledge that the Debtors and CKAM still have the option to assume and assign the real estate leases. If Debtors and CKAM intend to exercise that right they can and should do so immediately. There is simply no cause as to why they need another 90 days to elect that option.</p>
Whether the lease is the debtor's primary asset.	It is unclear what, if any, value the Debtors' estates would reap by virtue of an assumption and assignment of the Unexpired Leases to the Buyer.

Whether the debtor has had sufficient time to formulate a plan of reorganization.	The Debtors have sold substantially all of its assets and will, presumably, file a liquidating plan to administer the remaining assets in accordance with the Bankruptcy Code and Rules. As discussed above, the Kansas Sale Order, the final sale of the Debtors' assets, was entered in July, 2021. The Utica Real Estate Lessors submit the Debtors have had sufficient time to formulate a plan, especially with regard to potential outcomes that relate to the Unexpired Leases.
The complexity of the case facing the debtor.	At this stage with all operations ceases and assets sold, the Utica Real Estate Lessors submit the Debtors' cases are not complex and ripe for a plan of liquidation or conversion to a chapter 7.
The number of leases the debtor must evaluate.	2. The Buyer has two (2) leases to analyze as above, below or at market rates for viability of assumption or rejection.

54. The Debtors, alternatively, submit the above factors are present in the instant cases; however, the Utica Real Estate Lessors submit these are generally conclusory statements without any specifics that provide any guidance to the Court or the creditors, including the Utica Real Estate Lessors, as to whether there is a sufficient basis for "cause" to extend the Assumption/Rejection Deadline.

55. The Utica Real Estate Lessors submit the Debtors and Buyer have failed to substantiate a basis for "cause" to extend the Assumption/Rejection Deadline.

56. For example, after reviewing the Motion, the Utica Real Estate Lessors submit the following information is lacking and diminishes the likelihood that the Debtors have established "cause" to extend the Assumption/Rejection Deadline:

<u>Issue</u>	<u>Comments</u>
What efforts have been undertaken, to date, by the Debtors and/or Buyer to determine if it will or will not designate the Unexpired Leases for assumption or rejection?	The Utica Real Estate Lessors submit the Debtors and the Buyer have had years to analyze these two (2) leases, the economics associated with the leases and whether there is a viable use for the Buyer or a subsequent assignee of the leases.
What efforts have been undertaken, to date, by the Debtors and/or Buyer to market the Unexpired Leases to third parties?	As the Debtors and Buyer is aware, the Unexpired Leases require landlord consent to subleasing and/or assignment, which any party other than the Buyer would require going forward. Further, neither of the Utica Real Estate Lessors have received any inquiries from prospective tenants, separate and apart from the Buyer, to investigate the facilities as a prospective tenant. The Utica Real Estate Lessors question that any meaningful marketing has occurred over the past several months and that additional time will not, in any likelihood, provide any potential value to the Debtors' estates.
What is the status of plan negotiations and what items remain before a plan is anticipated to be filed by the Debtors and any co-proponents?	The Unexpired Leases are two (2) leases with limited options for assumption or rejection. The Utica Real Estate Lessors submit there are fairly simple plan provisions that can take into account the limited number of outcomes available vis-à-vis the Unexpired Leases.
Does the Buyer actually require options related to assumption or rejection of the Unexpired Leases or has the Buyer determined that it only requires access to the facilities for a finite period of time?	As discussed above, the Utica Real Estate Lessors are ready and willing to provide the Buyer with access to the facilities up to and through January, 2022 on commercially reasonable terms. If the Buyer only requires facilities access, then the Assumption/Rejection Deadline should not be extended and the Debtors should reject the Unexpired Leases with the targeted issue of Buyer access resolved directly with the Utica Real Estate Lessors.
The complexity of the case facing the debtor.	At this stage with all operations ceases and assets sold, the Utica Real Estate Lessors

	submit the Debtors' cases are not complex and ripe for a plan of liquidation or conversion to a chapter 7.
The number of leases the debtor must evaluate.	2. The Buyer has two (2) leases to analyze as above, below or at market rates for viability of assumption or rejection.

57. Absent more clarity on the items raised above, the Utica Real Estate Lessors submit the Debtors have failed to establish "cause" to extend the Assumption/Rejection Deadline.

58. To the extent the Buyer requires access to the facilities, the Utica Real Estate Lessors are ready, willing and able to provide CKAM with a short-term lease for either or both of the facilities on terms at least as favorable as the Debtors' leases for the facilities on a month-to-month basis through January 31, 2022.

59. The month-to-month leases removes any need to extend the Assumption/Rejection Deadline.

60. For the reasons set forth above, the Utica Real Estate Lessors submit this Court should require the Debtors to assume, reject or assume and assign the Unexpired Leases on or before November 1, 2021.

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WHEREFORE, the Utica Real Estate Lessors respectfully requests that this Court deny the Motion and grant any other relief as is just and proper.

Dated: October 21, 2021

CLARK HILL, PLC

/s/ Margaret M. DiBianca

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*Attorneys for Utica Realty Park City LLC and Utica
Realty Wellington LLC*

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:)	
	)	Chapter 11
TECT Aerospace Group Holdings, Inc., <i>et</i>)	
<i>al.</i>,	)	Case No. 21-10670 (KBO)
)	
Debtors.	)	Jointly Administrated
)	
	)	Hearing Date & Time:
	)	October 28, 2021 at 1:00 p.m.
)	
	)	Response Deadline:
	)	October 21, 2021 at 4:00 p.m.
)	
_____	)	Related to Docket No. 548 and 566

EXHIBIT “A”

FIRST AMENDED AND RESTATED LEASE

THIS FIRST AMENDED AND RESTATED LEASE (the "Lease"), is made as of May 9, 2018, by and between Utica Realty Park City, LLC, a North Carolina limited liability company ("Landlord"), and TECT Hypervelocity, Inc., a Delaware corporation ("Tenant").

Witnesseth:

WHEREAS, Landlord and Tenant entered into that certain Sublease, dated August 15, 2013 (the "Original Sublease"), with Landlord as sublandlord and Tenant as subtenant, with respect to a portion of the Premises (as hereinafter defined) herein described;

WHEREAS, subsequent to the Original Sublease, the Landlord acquired fee simple title to the entirety of the Premises; and

WHEREAS, Landlord and Tenant now wish to amend and restate the Original Sublease to, among other things: (i) reflect the Landlord's fee simple ownership of the entirety of the Premises; (ii) increase the property being leased by the Tenant to the entirety of the Premises; and (iii) amend certain other provisions (including, without limitation, the term of the Lease and the amount of Rent (as hereinafter defined)).

NOW THEREFORE, in consideration of the mutual covenants provided herein and for other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, Landlord and Tenant, intending to be legally bound, hereby agree as follows:

Notwithstanding any provision or possible implication of this Lease to the contrary herein, this Lease shall be an absolute net lease, so that this Lease shall yield all Rent payable hereunder as an absolutely net return to Landlord. Accordingly, with the sole exception of Landlord's income taxes, Tenant shall pay all taxes, insurance, assessments, and other costs, expenses and obligations of every kind and nature whatsoever relating to the ownership and operation of the Premises, such as taxes, assessments, insurance premiums and maintenance, repair and compliance costs, which accrue with respect to the Premises on and after the Commencement Date (as defined and set forth in Exhibit B attached hereto and incorporated by reference herein) and prior to the expiration of the term of the Lease. Tenant's obligation to pay all amounts described in this section shall survive the expiration or earlier termination of this Lease.

Tenant's obligations under this Lease are guaranteed by TECT Aerospace Kansas Holdings, LLC, a Delaware limited liability company ("**Guarantor**"), under the terms and provisions of that certain First Amended and Restated Guaranty of Lease, dated of even date herewith, made by the Guarantor for the benefit of the Landlord (the "**Guaranty**"). The Guaranty shall be executed by the Guarantor and delivered to Landlord by Tenant simultaneously with the execution and delivery of this Lease.

1. Premises. For the term, at the rent and upon the provisions and conditions hereinafter contained, Landlord does hereby let and lease to Tenant, and Tenant does lease from Landlord, the real property described on Exhibit A, attached hereto and incorporated by reference herein, and all buildings and improvements presently located thereon, and all

appurtenances and rights thereunto belonging (collectively, the "Premises"), subject to conditions, restrictions, easements, reservations, and all other matters of record, zoning ordinances and use restrictions, and the terms and conditions hereinafter set forth.

2. Term. To have and to hold the Premises unto Tenant for the term commencing on the Commencement Date, and expiring on the Termination Date (as defined and set forth in Exhibit B attached hereto and incorporated by reference herein), unless sooner terminated as herein provided.

3. Rent. As rent for the use of the Premises ("Rent"), Tenant agrees to pay an amount equal to the amount set forth on Exhibit C, attached hereto and incorporated by reference herein, per month for each calendar month during which Tenant occupies or otherwise makes use of the Premises. Rent for any partial month shall be prorated accordingly. Rent shall be paid in advance on or before the first day of each and every calendar month of the term of this Lease.

4. Use. The Premises shall be used and occupied as permitted by, and at all times in accordance with, all Applicable Law (as hereinafter defined).

5. Taxes.

(a) Tenant shall pay, before delinquency, all real estate taxes and assessments (both general and special) and impositions that may be levied against the Premises and that are applicable to the term of this Lease, all taxes, assessments, impositions, license fees, rent taxes, and other charges that may be levied or assessed against Tenant's personal property installed or located in, on, or upon the Premises, as well as any sales tax imposed upon the rents and/or other sums payable by Tenant to Landlord hereunder. If any tax bill or invoice for the term of this Lease shall include any period of time prior to or following the term of this Lease, Tenant shall pay the entire amount due and payable and Landlord shall, within five (5) days of written notice thereof, reimburse Tenant for the pro rata portion of the tax bill which does not relate to the term of this Lease.

(b) Landlord shall cause all bills and invoices for the taxes to be mailed by the applicable taxing authorities directly to Tenant at the Premises.

(c) If Tenant shall not promptly pay, prior to delinquency thereof, any taxes for which Tenant is responsible hereunder, Landlord may, but shall not be required to, pay the same without waiving or affecting any right herein, and Tenant shall pay to Landlord the amount, if any, so paid by Landlord by reason of Tenant's non-payment thereof, within ten (10) days of written demand.

(d) Notwithstanding the foregoing, Tenant shall have the right to contest all real estate taxes and assessments, provided that Tenant shall pay all costs associated therewith and shall diligently pursue all such contests without delay. Landlord agrees to cooperate with Tenant in connection with any contest by Tenant relating to real estate taxes and assessments relating to the Premises, provided, however, that Landlord shall not be required to expend any funds in connection therewith.

6. Utilities. Tenant shall pay for all water, sewage' charges, heating, air conditioning, electricity, gas, telephone and all other utilities and utility services consumed in, furnished to, or charged against the Premises, or any part thereof, during the term of this Lease. Tenant shall furnish and pay for all services furnished to, required or used by, it in connection with its occupancy of the Premises, including without limitation, the replacing of all light bulbs, fluorescent tubes, starters and ballasts as needed, all janitorial and cleaning services, removal or debris, rubbish and waste, cleaning of all windows and glass in or on the Premises, keeping clean and free from debris and cleaning the sidewalks, driveways, alleyways and accessways within the Premises and all parts thereof, as well as all of the vacant or unimproved land on or comprising part of the Premises, and all other services required by Tenant in connection with its occupancy of the Premises. Landlord shall not be liable for any delays, breakdowns, stoppage or deficiencies in furnishing any such utilities or services unless such delay, breakdown, stoppage or deficiency is due to the negligence or intentional misconduct of Landlord.

7. Hazard Insurance. At all times during the term of this Lease, the Premises, together with all improvements thereon, shall be insured at Tenant's cost and expense as follows: (i) against loss or damage by fire, including extended coverage, in an amount not less than the full insurable replacement cost value thereof; (ii) against such other hazards, of a similar or dissimilar nature, as are or shall be customarily covered with respect to properties similar in construction, general location, use and occupancy to the Premises or as may be required by the holder of any first mortgage against the Premises; (iii) against liability by a commercial general liability policy for accidents, personal injury or death in an amount not less than \$1,000,000 for each claim and property damage of not less than \$1,000,000; and (iv) against loss by flood if flood insurance is available and reasonably required by either Landlord or the holder of any mortgage against the Premises. Such insurance shall be procured and maintained by Tenant at Tenant's sole cost and expense and shall insure Landlord, Tenant and Landlord's mortgagee(s), and assignees of Landlord's mortgagee(s), if any, as their interests may appear. Each such policy shall (i) contain a standard mortgagee endorsement, if required by Landlord, providing, in the event of loss under such policy, for the payment of the insurance proceeds to be paid to the holders of the mortgages upon the Premises, as their interest may appear and (ii) provide for twenty (20) days' written notice to Landlord and Landlord's mortgagee, if any, prior to cancellation or reduction in amount thereof. Landlord shall be furnished with an insurance certificate evidencing such insurance. Not less than twenty (20) days prior to the expiration of such policy, a renewal certificate and copy of the renewal policy shall be delivered to Landlord. Tenant shall have the right to provide the coverages required herein under blanket policies provided that the coverage afforded shall not be diminished by reason thereof.

8. Waiver of Subrogation. Landlord and Tenant do hereby waive, to the extent of the insurance proceeds actually received and to the extent no insurance coverage is invalidated thereby, any and all right of recovery, claim, action or cause of action against the other, their respective agents and employees, for any loss or damage that may occur to the Premises, including the Premises or any additions or improvements thereto, or any contents therein, by reason of fire, the elements or any other cause which could be insured against under the terms of a standard fire, vandalism, malicious mischief, and extended coverage insurance policy or policies, building contents and business interruption insurance policies, or for which Landlord or Tenant may be reimbursed as a result of insurance coverage affecting any loss suffered by either party hereto, regardless of cause or origin, including the negligence of

Landlord or Tenant, or their respective agents and employees. All insurance policies carried by either party covering the Premises, including, without limitation, contents, fire and other casualty insurance, shall expressly waive any right on the part of the insurer against the other party for damage to or destruction of the Premises resulting from the acts or omissions of the other party.

9. Repairs and Maintenance.

(a) Tenant, at its sole cost and expense, will keep and maintain the Premises, including all heating, ventilating and air conditioning equipment, all plumbing, mechanical and electrical systems and all other structures located on the Premises, in substantially such condition and repair as existed on the Commencement Date and will make promptly all necessary repairs, at its sole cost and expense, to so maintain the Premises in equal quality and class with the condition and functionality of the Premises on the date of this Lease.

(b) Tenant shall not (except when replaced with replacement property of equal or greater value), remove any fixture included in the Premises, nor remove or demolish any building or improvement located on the Premises.

(c) If the improvements located on the Premises are totally or partially damaged or destroyed, then promptly after such damage or destruction, Tenant shall repair, rebuild or restore all damaged improvements on or about the Premises so as to make the Premises at least equal in value to the Premises existing immediately prior to such damage or destruction. All such repair, rebuilding or restoration shall be at Tenant's expense; provided, however, that to the extent necessary to effect such repair, rebuilding or restoration, Landlord will, subject to the reasonable conditions imposed by Lender (as hereinafter defined) for the release of such proceeds, make available to Tenant (a) the net proceeds of any fire or other casualty insurance paid either to Landlord or to Lender as loss payees under the insurance required to be maintained by Tenant or (b) the net proceeds of any award from a partial taking (as described in Section 17 below) paid either to Landlord or to Lender pursuant to this Lease, in either case after deduction of any actual costs incurred in connection with the collection thereof, including reasonable attorneys' fees. Payment to Tenant of such net proceeds shall be made in accordance with reasonable draw and disbursement procedures customarily required in connection with construction loans. Tenant shall deliver to Landlord for Landlord's approval the plans and specifications, as well as a schedule setting forth the estimated periodic draws for such work. Upon Landlord's approval thereof, Tenant will begin such repairs, rebuilding or restoration and will prosecute the same to completion with diligence and in accordance with the applicable terms and conditions contained in this Lease. Landlord and its architects and engineers shall have the right, at Tenant's expense, to conduct reasonable inspections of the Premises from time to time during such repair, rebuilding and restoration. In no event, however, shall Landlord have any liability whatsoever for any defects in the design or construction, or the compliance of the plans and specifications with Applicable Law. In no event shall any damage or destruction allow Tenant to abate the payment of any Rent or terminate this Lease, except as provided in Section 17(b) of this Lease. Notwithstanding the foregoing, if the Premises are damaged or destroyed by fire or other casualty within the final twenty-four (24) months of the term of this Lease or any renewal Term, and the Premises cannot be restored within twelve (12) months after the date of such damage or destruction, then Tenant may terminate this Lease by written notice to Landlord within thirty (30) days after the date of such damage or destruction. If

this Lease is terminated under the preceding sentence, all insurance proceeds in consideration of the Premises shall be paid to Landlord, and Tenant shall execute and deliver all documents necessary to cause such payment to be made (which obligation of Tenant shall survive termination of this Lease).

10. No Waste. Tenant will not commit, or suffer to be committed, any waste upon the Premises.

11. Alterations, Installations, Improvements, and Removals by Tenant.

(a) Except as provided herein, Tenant shall not alter, add to, or change the Premises without Landlord's consent first had and obtained in writing, which consent shall not be unreasonably withheld, conditioned or delayed. Tenant shall have the right, without the consent of, but with prior notice to, Landlord, to make minor alterations to non-structural elements of the Premises, so long as such alterations do not detract from the utility or value of the Premises. In the event Landlord consents to any additions, alterations, improvements, and changes or in the event Tenant shall have the right to alter, add to or change the Premises without the consent of Landlord, as provided in the preceding sentence (hereinafter sometimes collectively referred to as "Alterations"), Tenant, in connection therewith, shall comply with each of the following:

(i) Tenant shall pay all costs and expenses thereof;

(ii) all Alterations shall be made in a good and workmanlike manner in accordance with all Applicable Law and shall not cause a reduction in value of the Premises or adversely affect the structural soundness of the building or improvements comprising a part thereof;

(iii) Tenant shall have procured all required permits and authorizations of governmental authorities having jurisdiction;

(iv) all Alterations shall be made free and clear of mechanic's liens or other liens or claims in connection therewith;

(v) such Alterations shall not impair the manufacturing operation of the business conducted on the Premises; and

(vi) any consents or approvals required from the holder of any financing documents affecting the Premises have been obtained prior to the commencement of making such Alterations.

(b) Except as elsewhere specifically provided to the contrary, Tenant may remove any or all interior and non-structural Alterations from the Premises at any time prior to the expiration of the term of this Lease, provided that any damage caused by such removal shall be repaired by Tenant. Tenant may not remove any exterior or structural Alterations (except signage as hereinafter provided) without Landlord's consent. Alterations not so removed shall become the property of Landlord and shall remain upon and be surrendered with the

Premises at the termination of this Lease. Tenant agrees that construction of any Alterations by it as aforesaid will be performed by Tenant on its own behalf and not as Landlord's agent.

12. Liens. Tenant will keep the Premises free of liens of any sort arising due to any act or omission of Tenant, and will indemnify and hold Landlord harmless from any such liens which hereafter may be placed upon the Premises; provided that, Tenant shall be permitted, at Tenant's sole cost and expense, to diligently contest any such lien affecting the Premises.

13. Indemnification.

(a) Tenant hereby agrees to indemnify Landlord and its officers, directors, employees, stockholders, agents and representatives against, and agrees to hold them harmless from, any Loss (as hereinafter defined) suffered or incurred by any such indemnified party based upon, arising out of or resulting from Tenant's use of the Premises after the Commencement Date, including, without limitation, (i) any and all Loss (including, without limitation, any and all sums paid for settlement of claims, attorneys' fees, consultant and expert fees) arising during or after the term hereof from or in connection with the use, storage, generation or disposal of Hazardous Substances (as hereinafter defined) in, on or about the Property, Building or Premises by Tenant or Tenant's agents, employees or contractors, and (ii) any and all Loss incurred in connection with loss or damage to property or injury or death to persons occurring in, on or about, arising out of or relating to the Premises, and occasioned wholly or in part by any act or omission of Tenant or Tenant's agents, contractors, customers or employees, except to the extent such Loss arises as a result of the negligence or willful misconduct of Landlord or its employees, agents or contractors.

(b) Landlord, its affiliates, partners, officers, directors, members, trustees, employees and agents (collectively, the "Landlord Parties") and Lender shall have no liability for, and shall not assume any liability or responsibility with respect, to the conduct or operation of the business to be conducted on the Premises and shall have no liability for any claim of loss of business or interruption of operations, or any consequential damages or indirect losses whatsoever. Any motor vehicles, parts, goods, furnishings, fixtures, property or personal effects placed or stored in or about the Premises shall be at the sole risk of Tenant, and Landlord and any Lender shall not be responsible or liable for such property. Neither Landlord nor any successor Landlord shall be liable for any obligation or liability based on or arising out of any event or condition occurring during the period that such Landlord was not the owner of the Premises. Within five (5) business days after request, Tenant shall attorn to any new Landlord and execute, acknowledge and deliver any document submitted to Tenant confirming such attornment contemporaneously with the execution and delivery by the new Landlord of a standard form of non-disturbance agreement. Tenant shall not have the right to set off, recoup, abate or deduct any amount allegedly owed to Tenant pursuant to any claim against Landlord from any Rent or other sum payable to Landlord. Tenant's sole remedy for recovering upon such claim shall be to institute an independent action against Landlord. If Tenant or any invitee are awarded a money judgment against Landlord, then recourse for satisfaction of such judgment shall be limited to execution against Landlord's estate and interest in the Premises. No other asset of Landlord, any partner, director, member, officer or trustee of Landlord or any other person or entity shall be available to satisfy or be subject to such judgment, nor shall any such

individual or other person or entity be held to have personal liability for satisfaction of any claim or judgment against Landlord or any such individual.

14. Compliance with Laws. Tenant shall use and occupy the Premises in a careful, safe and proper manner. Tenant will not allow the Premises to be used for any purposes other than those hereinbefore specified, nor to be occupied in whole or in part by any other person, except as permitted hereunder. Tenant shall cause the Premises to be in compliance with all Applicable Law during the term of this Lease.

15. Fixtures and Equipment.

(a) All fixtures and mechanical or maintenance related equipment (other than Tenant's trade fixtures and equipment or Alterations removed by Tenant as provided in Section 11 hereof), which are required for the proper use and operation of the Premises, shall be and remain the property of Landlord and shall be surrendered by Tenant upon the expiration or termination of this Lease.

(b) All furnishings, equipment, and fixtures other than those specified in Section 15(a) above, which are either paid for by Tenant or placed upon the Premises by Tenant from time to time, shall remain the property of Tenant and may be removed by Tenant, from time to time, or upon expiration or termination of this Lease, provided that Tenant shall be obligated to repair any material damage caused by such removal.

16. Damage or Destruction. If, during the tenancy period of this Lease, the Premises are totally or partially destroyed rendering the Premises totally or partially inaccessible or unusable, Landlord may elect either of the following: (i) terminate this Lease as of such date by giving written notice to Tenant within thirty (30) days following said damage or destruction, or (ii) use the insurance proceeds from such damage or destruction to restore the Premises to substantially the same condition as they were in immediately before such damage or destruction. Landlord and Tenant acknowledge that the terms of this Section shall be subordinate to and subject to the terms and provisions of any mortgage encumbering the Premises.

17. Eminent Domain.

(a) **Complete Taking.** If the whole or any substantial part of the Premises should be taken for any public or quasi-public use under governmental law, ordinance or regulation, or by right of eminent domain, or by private purchase in lieu thereof and the taking would prevent or materially interfere with the use of the Premises for the purpose for which it is being used, this Lease shall terminate, and the Rent payable hereunder shall be abated during the unexpired portion of the term of this Lease, effective when the physical taking of the Premises shall occur.

(b) **Partial Taking.** If part of the Premises shall be taken for any public or quasi-public use under any governmental law, ordinance or regulation, or by right of eminent domain, or by private purchase in lieu thereof, and this Lease is not terminated as provided in Section 17(a) above, this Lease shall not terminate, but the Rent payable hereunder during the unexpired portion of the term of this Lease shall be reduced to such extent as may be fair and reasonable under all of the circumstances. Until the new rental amount shall be

determined and agreed upon in writing, Tenant shall continue to pay Rent in accordance with the original terms of this Lease and upon such final determination, an appropriate adjustment shall be made and Tenant shall receive credit for any overpayment (or pay any underpayment).

(c) **Proceeds.** In the event of any such taking or private purchase in lieu thereof, Landlord shall be entitled to the proceeds arising out of any such acquisition of the Premises, or portion thereof, under the power of eminent domain; provided, however, that nothing herein contained shall be construed so as to prevent Tenant from making a claim for a separate award for any relocation expense, or for such losses as it may sustain in connection with any items belonging to Tenant and not a part of the Premises, but Tenant shall in no event be entitled to compensation for the loss of its leasehold interest in the Premises and no such award shall reduce the amount of the award to the Landlord. The provisions of this Section 17(c) shall survive any termination of this Lease.

18. Subordination; Attornment and Non-Disturbance. Landlord shall have the right to grant a mortgage or mortgages with respect to its interest in the Premises and to subordinate this Lease to any mortgage encumbering the Premises, any advances made on the security thereof and any renewals, modifications, consolidations, replacements or extensions thereof, whenever made or recorded. Tenant shall cooperate with Landlord and any lender which is acquiring a security interest in the Premises or Landlord's interest in the Lease (a "Lender"). Tenant shall execute such further documents and assurances as such Lender may require, provided that Tenant's obligations under this Lease shall not be increased in any material way (the performance of ministerial acts shall not be deemed material), and Tenant shall not be deprived of its respective rights under this Lease. Tenant's right to quiet possession of the Premises during the term of this Lease shall not be disturbed if Tenant pays the rent and performs all of Tenant's obligations under this Lease and is not otherwise in default. Landlord shall use good faith, commercially reasonable efforts to obtain, at Tenant's request, a customary non-disturbance agreement from any current or future Lender which has or obtains a security interest in Landlord's interest in the Premises. If any mortgagee elects to have this Lease prior to the lien of its mortgage and gives written notice thereof to Tenant, this Lease shall be deemed prior to such mortgage whether this Lease is dated prior or subsequent to the date of said mortgage or the date of recording thereof.

19. Tenant's Default; Landlord's Remedies.

(a) In the event that:

(i) any amount of money herein agreed to be paid by Tenant shall not be paid within five (5) days after the same becomes due and such default continues for a period of three (3) Business Days (as hereinafter defined) following Tenant's receipt of written notice from Landlord, or

(ii) Tenant shall at any time be in default in the observance or performance of any of the covenants, agreements, terms, provisions and conditions assumed by or imposed upon it hereunder and such default continues for a period of thirty (30) days after Tenant's receipt of written notice from Landlord to Tenant of such default (provided that if such default is not readily susceptible of being cured within thirty (30) days, the cure period shall be

extended so long as Tenant is diligently pursuing the cure, or if any waste be committed or unnecessary damage done upon or to the Premises), or

(iii) an Event of Insolvency (as hereinafter defined) has occurred; or

(iv) any Environmental Default occurs which is not cured in accordance with the terms set forth herein; or

(v) any default (that is not waived, cured or addressed via amendment or formal forbearance within 90 days) by Tenant or the Guarantor under any third party credit obligation which results in either (i) any refusal to fund a loan advance requested by Tenant or Guarantor or (ii) any acceleration of any of Tenant's or Guarantor's senior or subordinated debt obligations; then:

Landlord shall be entitled, at its election, to exercise, concurrently or successively, any one or more or all of the following rights and remedies:

(i) to pay any sum lawfully and legally required to be paid by Tenant to others than the Landlord that Tenant has failed to pay, and to perform any obligation required to be performed by Tenant, for the account of the Tenant, and any amount so paid by Landlord, and all expenses connected therewith, shall be repaid by Tenant to Landlord within ten (10) days of demand;

(ii) to enjoin any breach by the Tenant of any covenant, agreement, term, provision, or condition hereof;

(iii) to bring suit for the collection of any such amounts for which Tenant may be in default, or for the specific performance of another covenant devolving upon Tenant for performance, and for damages for the non-performance thereof, all without entering into possession or terminating this Lease.

(iv) to terminate this Lease, re-enter upon the Premises and take possession thereof unencumbered by this Lease. In the event Landlord shall elect to terminate this Lease as aforesaid, all rights of Tenant, and of any permitted successors and assigns, shall cease and terminate and Landlord shall have and retain full right to sue for and collect all amounts for the payment of which Tenant shall then be in default, and Landlord shall have full right to sue for and collect damages by reason of such breach, and Tenant shall surrender and deliver up the entire Premises to Landlord, together with all improvements and additions thereto, and upon any default by Tenant in so doing Landlord shall have the right to recover possession by summary proceedings or otherwise, and to obtain a receiver and other ancillary relief in such action, and again to have and enjoy the Premises, fully and completely, as if this Lease had never been made.

(v) Without terminating the Lease or releasing Tenant in whole or in part, from any obligation, including without limitation, Tenant's obligation to pay Rent and any additional Rent, Landlord may terminate Tenant's right to possession by entering upon and taking possession of the Premises and expelling or removing Tenant and any other

person(s) who may be occupying such Premises or any part thereof, without being liable for prosecution or any claim for damages therefor. Landlord may, but is not required or obligated to, relet the Premises and receive the rent therefor; and Tenant agrees to pay to Landlord on demand any deficiency that may arise by any reason of such reletting, together with all costs incurred by Landlord to upfit, modify or repair the Premises for reletting. In the event Landlord is successful in reletting the Premises at a rent in excess of that agreed to be paid by Tenant pursuant to the terms of this Lease, Landlord and Tenant each mutually agree that Tenant shall not be entitled, under any circumstances, to such excess rent, and Tenant does hereby specifically waive any claim to such excess rent.

(b) All rights and remedies granted herein and any other rights or remedies which Landlord may have at law or in equity are hereby declared to be cumulative and not exclusive, and the fact that Landlord may have exercised any remedy without terminating this Lease shall not impair Landlord's rights thereafter to terminate or to exercise any other remedy herein granted or to which Landlord may otherwise be entitled. "Business Day" means any day other than a Saturday, Sunday or a day on which banks in the state where the Premises are located are authorized or obligated by law or executive order to close.

20. Notice Requirements. Tenant hereby covenants to Landlord that Tenant shall provide Landlord and any Lender, at the times set forth below (or more often as may be reasonably requested by Landlord), the following information during the Lease Term: (i) within forty-five (45) days after the end of each fiscal quarter: Tenant and Guarantor prepared consolidated and consolidating fiscal year-to-date and prior fiscal year-to-date financial statements of Tenant and Guarantor, respectively, prepared in accordance with accounting standards consistent with statements for prior periods of Tenant and Guarantor (the "**Internal Statements**"); (ii) within one hundred twenty (120) days after the end of each fiscal year: Tenant and Guarantor consolidated and consolidating annual financial statements prepared in accordance with GAAP, consistently applied, audited by an independent certified public accountant; (iii) a copy of each certification made to Tenant's (or Guarantor's) senior lender regarding Tenant's (or Guarantor's) compliance with its financial covenants to such lender (such certification being referred to hereinafter as a "**Covenant Compliance Certificate**") at the same time each Covenant Compliance Certificate is provided to Tenant's (or Guarantor's) senior lender; and (iv) such additional financial information as Landlord shall reasonably request (including any financial information required by any governmental agency, including the Securities and Exchange Commission).

21. Signs. Tenant may not place any signs on the Premises absent prior written consent from Landlord, which consent shall not be unreasonably withheld, conditioned or delayed. At the termination of this Lease, Tenant shall remove any such signs as Tenant's sole cost and expense and shall be liable for the repair of any damage to the Premises caused by such removal. Notwithstanding the foregoing, any signs currently located on the Premises as of the date hereof are hereby approved by Landlord.

22. Subletting and Assignment. Tenant shall not voluntarily assign or encumber its interest in this Lease or in the Premises, or Lease all or any part of the Premises, or allow any other person or entity to occupy or use all or any part of the Premises, without first obtaining Landlord's written consent, which consent shall not be unreasonably withheld,

conditioned or delayed. Notwithstanding the foregoing, Tenant shall be permitted to assign its interest in this Lease or in the Premises without the prior written consent of Landlord to any subsidiary of Tenant or any purchaser of substantially all the assets of Tenant. Any assignment, encumbrance, or sublease that requires Landlord's approval that is made without Landlord's consent shall be voidable. No consent to any assignment, encumbrance, or sublease shall constitute a further waiver of the provisions of this paragraph.

23. Surrender. Whenever this Lease is terminated, whether by lapse of time, forfeiture, or in any other way, Tenant will yield and deliver up the Premises, including any improvements included therein, peaceably to Landlord in as substantially good repair as when taken, except for the following:

- (a) ordinary wear and tear;
- (b) Alterations not removed as permitted hereunder;
- (c) any appropriation or taking under power of eminent domain or by paramount authority;
- (d) damage by fire or other casualty; and
- (e) condition by reason of Landlord's failure to repair as required of it hereunder.

24. Sale by Landlord. In the event of a sale or conveyance by Landlord of its interest in the Premises, the same shall operate to release Landlord from any liability arising with respect to any period of time subsequent to the date of such sale or conveyance upon any of the covenants or conditions, express or implied, herein contained in favor of Tenant provided that such transferee expressly assumes all of Landlord's obligations under this Lease, and in such event Tenant agrees to look solely to the successor in interest of Landlord in and to this Lease for performance and fulfillment of the obligations imposed upon Landlord hereunder and arising with respect to any period of time subsequent to the date of such sale or conveyance. This Lease shall not be affected by any such sale or conveyance, and Tenant agrees to attorn to the purchaser or assignee (including the holder of any first mortgage upon default or purchaser upon foreclosure), such attornment to be effective and self-operative without the execution of any further instruments on the part of any of the parties to this Lease.

25. Waiver of Trial by Jury. It is mutually agreed by and between Landlord and Tenant that the respective parties hereto shall and they hereby do waive trial by jury in any action, proceeding or counterclaim brought by either of the parties hereto against the other on any matters whatsoever arising out of or in any way connected with this Lease, the relationship of Landlord and Tenant, Tenant's use or occupancy of the Premises, and/or any claim of injury or damage, or for the enforcement of any remedy under any statute, emergency or otherwise.

26. Reservation of Landlord. Landlord reserves the right to enter the Premises at all reasonable times and after reasonable notice to inspect the same, to perform any acts with respect thereto as it is obligated or entitled to perform. Notwithstanding anything to the contrary contained herein, Landlord shall have the right, but not the obligation, to perform Tenant's

obligations hereunder, which have not been performed by Tenant as required hereunder, and to charge Tenant as additional Rent for all reasonable costs and expenses incurred in connection therewith.

27. Notices. Except as otherwise provided herein, whenever it is provided herein that any notice, demand, request, consent, approval, declaration or other communication shall or may be given to or served upon either of the parties by the other, or whenever either of the parties desires to give or serve upon the other communication with respect to this Lease, each such notice, demand, request, consent, approval, declaration or other communication shall be in writing and either shall be delivered in person with receipt acknowledged, recognized overnight courier such as Federal Express, or registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

If to Landlord, at: Two Town Square Blvd., Suite 310
Asheville, North Carolina 28803

If to Tenant, at: The Premises

or at such other address as may be substituted by notice given as herein provided. The giving of any notice required hereunder may be waived in writing by the party entitled to receive such notice. Every notice, demand, request, consent, approval, declaration or other communication hereunder shall be deemed to have been duly given or served on the date on which personally delivered, with receipt acknowledged, the next business day after delivery to a recognized overnight courier such as Federal Express, or three business days after the same shall have been deposited in the United States mail. Failure or delay in delivering copies of any notice, demand, request, consent, approval, declaration or other communication to the persons designated above to receive copies shall in no way adversely affect the effectiveness of such notice, demand, request, consent, approval, declaration or other communication.

28. Estoppel Certificates. Tenant agrees that at any time and from time to time upon not less than ten (10) Business Days' prior request by Landlord, Tenant will execute, acknowledge and deliver to Landlord a statement in writing certifying

(i) that this Lease is unmodified and in full force and effect (or if there have been modifications that the same is in full force and effect as modified and identifying the modifications);

(ii) the dates to which the Rent, any additional Rent and other charges have been paid, and;

(iii) that, to the best of the knowledge of Tenant, Landlord is not in default under any provisions of this Lease or, if there has been a default, the nature of said default. It is intended that any such statement may be relied upon by any person proposing to acquire Landlord's interest in this Lease or any prospective mortgagee of, or assignee of any mortgage upon, such interest.

29. No Waiver. No waiver of any condition or legal right of remedy by either party shall be implied by the failure of such party to declare a forfeiture, or for any other reason, and no waiver of any condition or covenant by a party shall be valid unless it be in writing signed by such party. No waiver by a party of a breach of any condition by the other party may be claimed or pleaded to excuse a future breach of the same condition or covenant. The mention in this Lease of any specific right or remedy shall not preclude a party from exercising any other right or from having any other remedy or from maintaining any action to which it may be otherwise entitled either at law or in equity; and for the purpose of any suit by a party brought or based on this Lease, this Lease shall be construed to be a divisible contract, to the end that successive actions may be maintained as successive periodic sums shall mature under this Lease and it is further agreed that failure to include in any suit or action any sum or sums then matured shall not be a bar to the maintenance of any suit or action for the recovering of said sum or sums so omitted.

30. Quiet Enjoyment. Subject to the terms of this Lease, Landlord hereby covenants and agrees that if Tenant shall perform all the covenants and agreements herein stipulated to be performed on Tenant's part, Tenant shall at all times during the continuance hereof have the peaceable and quiet enjoyment and possession of the Premises without any manner of let or hindrance from Landlord.

31. Entire Agreement.

(a) This Lease and the exhibits attached hereto set forth all the covenants, promises, agreements, conditions and the understanding of the parties hereto. Except as herein otherwise provided, no subsequent alterations, amendment, change or addition to this Lease shall be binding upon Landlord or Tenant unless reduced to writing and signed by them.

(b) Upon the request of either party, the parties covenant and agree that a Memorandum of Lease, prepared by such party and satisfactory to the other party, describing the property herein demised, giving the term of this Lease and the name and address of Landlord and Tenant, and referring to this Lease shall be promptly executed, acknowledged, delivered and recorded by both parties. The cost of recording such Memorandum of Lease shall be paid by the requesting party.

32. Lease Inures to Benefit of Assignees. This Lease and all the covenants, provisions and conditions herein contained shall inure to the benefit of and be binding upon the parties and their respective successors and assigns; provided, however, that no assignment by, from, through or under Tenant in violation of the provisions hereof shall vest in the assigns any right, title or interest whatever.

33. Environmental. Tenant shall comply with all applicable Environmental Laws (as hereinafter defined) and shall not place or store, handle or dispose of any Hazardous Substances on or under the Premises except as permitted by Applicable Law and appropriate Governmental Authorities. If requested by Landlord, Tenant shall furnish Landlord with copies of all environmental permits, if any, required by governmental authorities with competent jurisdiction with respect to the Premises or Tenant's operations at the Premises. Tenant shall promptly notify Landlord in the event of Tenant's discovery of, or Tenant's receipt of notice

concerning, any Hazardous Substances which are located on or under or adjacent to, or are being or have been released from, the Premises. Landlord shall promptly notify Tenant in the event of Landlord's discovery of or Landlord's receipt of notice concerning any Hazardous Substances which are located on or under or adjacent to, or are being or have been released from the Premises. The term "Hazardous Substances" is defined for purposes of this Lease as that term is defined under the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. Sections 9601 et seq.) ("CERCLA"), and any implementing regulations, and, in addition, as including any petroleum, crude oil or any fractions thereof or any other substance or material classified as toxic, hazardous or extremely hazardous under any Applicable Law or requirement of any Governmental Authority with competent jurisdiction.

If required by any governmental agency or authority or by any Lender at any time or from time to time during the term of this Lease, or if Landlord has a reasonable basis to believe a violation of Environmental Laws, release of Hazardous Materials or condition on or from the Premises requiring responsive action under Environmental Laws has occurred (an "Environmental Default") with respect to Tenant's use or operation of the Premises, Landlord shall have the right, but not the obligation upon each such request, to conduct an audit of the Premises (including, without limitation, the air, soil, surface water and/or groundwater at or near the Premises) and Tenant's compliance with Environmental Laws with respect thereto. If such audit reveals that an Environmental Default arising from Tenant's use or operation of the Premises has occurred, Landlord shall have the right, but not the obligation, (i) to require Tenant, at Tenant's expense, to cure the same or (ii) to cure the same, at Tenant's sole cost and expense, in which event Tenant shall pay the costs thereof to Landlord as additional Rent. Landlord shall use commercially reasonable efforts to ensure that any audit conducted pursuant to this section does not unreasonably interfere with Tenant's operations at the Premises. If any Lender or governmental agency or authority shall require testing at or near the Premises and Landlord incurs expenses in complying with such requirement, then Tenant shall pay to Landlord the reasonable costs therefor as additional Rent regardless of whether such testing reveals an Environmental Default, but only to the extent that Tenant's use or operation of the Premises serves as the reasonable basis for such audit. As a material consideration for Landlord's entering into this Lease, Tenant hereby waives, and releases Landlord and its Affiliates, partners, officers, directors, members, trustees, employees, agents and Lenders from any and all claims for damage, injury or loss (including without limitation, claims for the interruption of or loss to business) which relate to any Environmental Default, whether occurring prior or subsequent to the Commencement Date.

34. Definitions. The following terms used herein shall have the meanings ascribed to them below.

"Applicable Law" means, with respect to any Person, any domestic or foreign, federal, state or local statute, law, ordinance, rule, administrative action, regulation, order, writ, injunction, judgment, decree or other legally enforceable requirement or guideline of any Governmental Authority, and any requirements imposed by common law, applicable to such Person or any of its properties, assets, officers, directors, employees, consultants or agents (in connection with their activities on behalf of such Person).

"Event of Insolvency" is the occurrence with respect to either Tenant or Guarantor of any of the following: (a) becoming insolvent, as that term is defined in Title 11 of the United

States Code (the "Bankruptcy Code") or under the insolvency laws of any state (the "Insolvency Laws"); (b) the earlier to occur of either (i) the filing of a petition for the appointment of a receiver or custodian or (ii) the institution of a foreclosure, replevin or attachment action upon any material property of such entity or person; (c) filing of a voluntary petition under the provisions of the Bankruptcy Code or Insolvency Laws or the admission in writing of its inability to pay debts generally as they become due; (d) filing of an involuntary petition against such entity or person as the alleged debtor under the Bankruptcy Code or Insolvency Laws which either (i) is not dismissed within sixty (60) days after filing, or (ii) results in the issuance of an order for relief against the alleged debtor; or (e) making or consenting to an assignment for the benefit of creditors or a composition of creditors.

"Governmental Authority" means any domestic or foreign, federal, territorial, state or local governmental authority, quasi-governmental authority, instrumentality, court, commission or tribunal or any regulatory, administrative or other agency, or any political or other subdivision, department or branch of any of the foregoing.

"Loss" means any loss, cost, liability, claim, damage or expense, including any related penalties or interest and costs of litigation and reasonable fees and expenses of attorneys, accountants and other experts.

"Person" means any natural person, general partnership, limited partnership, corporation, joint venture, trust, business trust, limited liability company, cooperative, association or other form of organization.

35. Governing Law. This Lease shall be construed and enforced in accordance with and governed by the internal substantive laws of the State in which the Premises are located without giving effect to the conflicts of law principles thereof.

36. Costs. In the event that either party hereunder brings suit to enforce any provisions of this Lease, the non-prevailing party in such unit shall pay the prevailing party's costs, including reasonable attorneys' fees, paid in connection with such suit.

37. Amendment and Restatement. This Lease amends and restates the Original Sublease and is issued in substitution for and replacement of (and is not a novation or satisfaction of) the Original Sublease.

[SIGNATURE PAGE FOLLOWS THIS PAGE]

IN WITNESS WHEREOF, Tenant and Landlord have caused this First Amended and Restated Lease to be duly executed on the day and year first above written.

Witnessed in the presence of:

LANDLORD:

UTICA REALTY PARK CITY, LLC


Print Name:

By: 

Name: Horace S. Jennings

Title: Vice President, Secretary and Treasurer


Print Name:

Witnessed in the presence of:

TENANT:

TECT HYPERVELOCITY, INC.


Print Name:

By: 

Name: Horace S. Jennings

Title: Assistant Secretary and Assistant Treasurer


Print Name:

STATE OF NORTH CAROLINA)
) SS.
COUNTY OF BUNCOMBE)

I HEREBY CERTIFY that on this day before me, an officer duly authorized in the state aforesaid and in the county aforesaid to take acknowledgments, personally appeared Horace S. Jennings, the Vice President, Secretary and Treasurer of Utica Realty Park City, LLC, to me known and known to be the person described in and who executed the foregoing instrument, and acknowledged before me that he executed the same as such officer in the name of and on behalf of said company.

8th WITNESS my hand and official seal in the county and state last aforesaid this
day of May, 2018.

Connie S. Bolding
Notary Public



STATE OF NORTH CAROLINA)
) SS.
COUNTY OF BUNCOMBE)

I HEREBY CERTIFY that on this day before me, an officer duly authorized in the state aforesaid and in the county aforesaid to take acknowledgments, personally appeared Horace S. Jennings the Assistant Secretary and Assistant Treasurer of TECT Hypervelocity, Inc., to me known and known to be the person described in and who executed the foregoing instrument and acknowledged before me that he executed the same as such officer in the name and on behalf of said company.

8th WITNESS my hand and official seal in the county and state last aforesaid this
day of May, 2018.

Connie S. Bolding
Notary Public



EXHIBIT A

Legal Description

Lots 4, 5, 6 and 7, Block 1, Park City Industrial Park, and Lots 1 and 2, Block 1, Park City Industrial Park 2nd Addition, Park City, Sedgwick County, Kansas

EXHIBIT B

TERM

Commencement Date: May 9, 2018

Termination Date: April 30, 2025

EXHIBIT C

RENT

<u>Monthly Rent</u>	<u>Annual Rent</u>
For the period commencing June 1, 2018, through and including December 31, 2018	For the period commencing June 1, 2018, through and including December 31, 2018
\$39,534.67	\$276,742.69
For the period commencing January 1, 2019, through and including the Termination Date	For the period commencing January 1, 2019, through and including the Termination Date
\$79,069.34	\$948,832.08

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:)	
	)	Chapter 11
TECT Aerospace Group Holdings, Inc., <i>et</i>)	
<i>al.</i>,	)	Case No. 21-10670 (KBO)
)	
Debtors.	)	Jointly Administrated
)	
	)	Hearing Date & Time:
	)	October 28, 2021 at 1:00 p.m.
)	
	)	Response Deadline:
	)	October 21, 2021 at 4:00 p.m.
)	
_____	)	Related to Docket No. 548 and 566

EXHIBIT “B”

LEASE

THIS LEASE (the "Lease"), is made as of August 15, 2013 by and between Utica Realty Wellington, LLC, a North Carolina limited liability company ("Landlord"), and TECT Aerospace – Wellington, Inc., a Delaware corporation ("Tenant").

Notwithstanding any provision or possible implication of this Lease to the contrary herein, this Lease shall be an absolute net lease, so that this Lease shall yield all Rent payable hereunder as an absolutely net return to Landlord. Accordingly, with the sole exception of Landlord's income taxes, Tenant shall pay all taxes, insurance, assessments, and other costs, expenses and obligations of every kind and nature whatsoever relating to the ownership and operation of the Premises, such as taxes, assessments, insurance premiums and maintenance, repair and compliance costs, which accrue with respect to the Premises on and after the Commencement Date and prior to the expiration of the term of the Lease. Tenant's obligation to pay all amounts described in this section shall survive the expiration or earlier termination of this Lease.

Tenant's rights under this Lease are conditioned on the execution and delivery by UCA Holdings, Inc. ("**Guarantor**") to Landlord of a Guaranty Agreement (the "**Guaranty**") in the form attached hereto as Exhibit D. The Guaranty shall be executed and delivered simultaneously with the execution and delivery of this Lease by Tenant to Landlord.

1. Premises. For the term, at the rent and upon the provisions and conditions hereinafter contained, Landlord does hereby let and lease to Tenant, and Tenant does lease from Landlord, the real property described on Exhibit A, attached hereto and incorporated by reference herein, and all buildings and improvements presently located thereon, and all appurtenances and rights thereunto belonging (collectively, the "Premises"), subject to conditions, restrictions, easements, reservations, and all other matters of record, zoning ordinances and use restrictions, and the terms and conditions hereinafter set forth.

2. Term. To have and to hold the Premises unto Tenant for the term commencing on the Commencement Date (the "Commencement Date") as set forth on Exhibit B, attached hereto and incorporated by reference herein, and expiring on the Termination Date (the "Termination Date") as set forth on Exhibit B, unless sooner terminated as herein provided.

3. Rent. As rent for the use of the Premises ("Rent"), Tenant agrees to pay an amount equal to the amount set forth on Exhibit C, attached hereto and incorporated by reference herein, per month for each calendar month during which Tenant occupies or otherwise makes use of the Premises. Rent for any partial month shall be pro rated accordingly. Rent shall be paid in advance on or before the first day of each and every calendar month of the term of this Lease.

4. Use. The Premises shall be used and occupied as permitted by, and at all times in accordance with, all Applicable Laws.

5. Taxes.

(a) Tenant shall pay, before delinquency, all real estate taxes and assessments (both general and special) and impositions that may be levied against the Premises and that are applicable to the term of this Lease, all taxes, assessments, impositions, license fees, rent taxes, and other charges that may be levied or assessed against Tenant's personal property installed or located in, on, or upon the Premises, as well as any sales tax imposed upon the rents and/or other sums payable by Tenant to Landlord hereunder. If any tax bill or invoice for the term of this Lease shall include any period of time prior to or following the term of this Lease, Tenant shall pay the entire amount due and payable and Landlord shall, within five (5) days of written notice thereof, reimburse Tenant for the pro rata portion of the tax bill which does not relate to the term of this Lease.

(b) Landlord shall cause all bills and invoices for the taxes to be mailed by the applicable taxing authorities directly to Tenant at the Premises.

(c) If Tenant shall not promptly pay, prior to delinquency thereof, any taxes for which Tenant is responsible hereunder, Landlord may, but shall not be required to, pay the same without waiving or affecting any right herein, and Tenant shall pay to Landlord the amount, if any, so paid by Landlord by reason of Tenant's non-payment thereof, within ten (10) days of written demand.

(d) Notwithstanding the foregoing, Tenant shall have the right to contest all real estate taxes and assessments, provided that Tenant shall pay all costs associated therewith and shall diligently pursue all such contests without delay. Landlord agrees to cooperate with Tenant in connection with any contest by Tenant relating to real estate taxes and assessments relating to the Premises, provided, however, that Landlord shall not be required to expend any funds in connection therewith.

6. Utilities. Tenant shall pay for all water, sewage charges, heating, air conditioning, electricity, gas, telephone and all other utilities and utility services consumed in, furnished to, or charged against the Premises, or any part thereof, during the term of this Lease. Tenant shall furnish and pay for all services furnished to, required or used by, it in connection with its occupancy of the Premises, including without limitation, the replacing of all light bulbs, fluorescent tubes, starters and ballasts as needed, all janitorial and cleaning services, removal or debris, rubbish and waste, cleaning of all windows and glass in or on the Premises, keeping clean and free from debris and cleaning the sidewalks, driveways, alleyways and accessways within the Premises and all parts thereof, as well as all of the vacant or unimproved land on or comprising part of the Premises, and all other services required by Tenant in connection with its occupancy of the Premises. Landlord shall not be liable for any delays, breakdowns, stoppage or deficiencies in furnishing any such utilities or services unless such delay, breakdown, stoppage or deficiency is due to the negligence or intentional misconduct of Landlord.

7. Hazard Insurance. At all times during the term of this Lease, the Premises, together with all improvements thereon, shall be insured at Tenant's cost and expense as follows: (i) against loss or damage by fire, including extended coverage, in an amount not less than the full insurable replacement cost value thereof; (ii) against such other hazards, of a similar or dissimilar nature, as are or shall be customarily covered with respect to properties similar in construction, general location, use and occupancy to the Premises or as may be required by the holder of any first mortgage against the Premises; (iii) against liability by a commercial general liability policy for accidents, personal injury or death in an amount not less than \$1,000,000 for each claim and property damage of not less than \$1,000,000; and (iv) against loss by flood if flood insurance is available and reasonably required by either Landlord or the holder of any mortgage against the Premises. Such insurance shall be procured and maintained by Tenant at Tenant's sole cost and expense and shall insure Landlord, Tenant and Landlord's mortgagee(s), and assignees of Landlord's mortgagee(s), if any, as their interests may appear. Each such policy shall (i) contain a standard mortgagee endorsement, if required by Landlord, providing, in the event of loss under such policy, for the payment of the insurance proceeds to be paid to the holders of the mortgages upon the Premises, as their interest may appear and (ii) provide for twenty (20) days' written notice to Landlord and Landlord's mortgagee, if any, prior to cancellation or reduction in amount thereof. Landlord shall be furnished with an insurance certificate evidencing such insurance. Not less than twenty (20) days prior to the expiration of such policy, a renewal certificate and copy of the renewal policy shall be delivered to Landlord. Tenant shall have the right to provide the coverages required herein under blanket policies provided that the coverage afforded shall not be diminished by reason thereof.

8. Waiver of Subrogation. Landlord and Tenant do hereby waive, to the extent of the insurance proceeds actually received and to the extent no insurance coverage is invalidated thereby, any and all right of recovery, claim, action or cause of action against the other, their respective agents and employees, for any loss or damage that may occur to the Premises, including the Premises or any additions or improvements thereto, or any contents therein, by reason of fire, the elements or any other cause which could be insured against under the terms of a standard fire, vandalism, malicious mischief, and extended coverage insurance policy or policies, building contents and business interruption insurance policies, or for which Landlord or Tenant may be reimbursed as a result of insurance coverage affecting any loss suffered by either party hereto, regardless of cause or origin, including the negligence of Landlord or Tenant, or their respective agents and employees. All insurance policies carried by either party covering the Premises, including, without limitation, contents, fire and other casualty insurance, shall expressly waive any right on the part of the insurer against the other party for damage to or destruction of the Premises resulting from the acts or omissions of the other party.

9. Repairs and Maintenance.

(a) Tenant, at its sole cost and expense, will keep and maintain the Premises, including all heating, ventilating and air conditioning equipment, all plumbing, mechanical and electrical systems and all other structures located on the Premises, in substantially such condition and repair as existed on the Commencement Date and will make promptly all necessary repairs, at its sole cost and expense, to so maintain the Premises in equal quality and class with the condition and functionality of the Premises on the date of this Lease.

(b) Tenant shall not (except when replaced with replacement property of equal or greater value), remove any fixture included in the Premises, nor remove or demolish any building or improvement located on the Premises.

(c) If the improvements located on the Premises are totally or partially damaged or destroyed, then promptly after such damage or destruction, Tenant shall repair, rebuild or restore all damaged improvements on or about the Premises so as to make the Premises at least equal in value to the Premises existing immediately prior to such damage or destruction. All such repair, rebuilding or restoration shall be at Tenant's expense; provided, however, that to the extent necessary to effect such repair, rebuilding or restoration, Landlord will, subject to the reasonable conditions imposed by Lender for the release of such proceeds, make available to Tenant (a) the net proceeds of any fire or other casualty insurance paid either to Landlord or to Lender as loss payees under the insurance required to be maintained by Tenant or (b) the net proceeds of any award from a Partial Taking paid either to Landlord or to Lender pursuant to this Lease, in either case after deduction of any actual costs incurred in connection with the collection thereof, including reasonable attorneys' fees. Payment to Tenant of such net proceeds shall be made in accordance with reasonable draw and disbursement procedures customarily required in connection with construction loans. Tenant shall deliver to Landlord for Landlord's approval the plans and specifications, as well as a schedule setting forth the estimated periodic draws for such work. Upon Landlord's approval thereof, Tenant will begin such repairs, rebuilding or restoration and will prosecute the same to completion with diligence and in accordance with the applicable terms and conditions contained in this Lease. Landlord and its architects and engineers shall have the right, at Tenant's expense, to conduct reasonable inspections of the Premises from time to time during such repair, rebuilding and restoration. In no event, however, shall Landlord have any liability whatsoever for any defects in the design or construction, or the compliance of the plans and specifications with Laws. In no event shall any damage or destruction allow Tenant to abate the payment of any Rent or terminate this Lease, except as provided in Section 17(b) of this Lease. Notwithstanding the foregoing, if the Premises are damaged or destroyed by fire or other casualty within the final twenty-four (24) months of the term of this Lease or any renewal Term, and the Premises cannot be restored within twelve (12) months after the date of such damage or destruction, then Tenant may terminate this Lease by written notice to Landlord within thirty (30) days after the date of such damage or destruction. If this Lease is terminated under the preceding sentence, all insurance proceeds in consideration of the Premises shall be paid to Landlord, and Tenant shall execute and deliver all documents necessary to cause such payment to be made (which obligation of Tenant shall survive termination of this Lease).

10. No Waste. Tenant will not commit, or suffer to be committed, any waste upon the Premises.

11. Alterations, Installations, Improvements, and Removals by Tenant.

(a) Except as provided herein, Tenant shall not alter, add to, or change the Premises without Landlord's consent first had and obtained in writing, which consent shall not be unreasonably withheld, conditioned or delayed. Tenant shall have the right, without the consent of, but with prior notice to, Landlord, to make minor alterations to non-structural

elements of the Premises, so long as such alterations do not detract from the utility or value of the Premises. In the event Landlord consents to any additions, alterations, improvements, and changes or in the event Tenant shall have the right to alter, add to or change the Premises without the consent of Landlord, as provided in the preceding sentence (hereinafter sometimes collectively referred to as "Alterations"), Tenant, in connection therewith, shall comply with each of the following:

- (i) Tenant shall pay all costs and expenses thereof;
- (ii) all Alterations shall be made in a good and workmanlike manner in accordance with all Applicable Laws and shall not cause a reduction in value of the Premises or adversely affect the structural soundness of the building or improvements comprising a part thereof;
- (iii) Tenant shall have procured all required permits and authorizations of governmental authorities having jurisdiction;
- (iv) all Alterations shall be made free and clear of mechanic's liens or other liens or claims in connection therewith;
- (v) such Alterations shall not impair the manufacturing operation of the business conducted on the Premises; and
- (vi) any consents or approvals required from the holder of any financing documents affecting the Premises have been obtained prior to the commencement of making such Alterations.

(b) Except as elsewhere specifically provided to the contrary, Tenant may remove any or all interior and non-structural Alterations from the Premises at any time prior to the expiration of the term of this Lease, provided that any damage caused by such removal shall be repaired by Tenant. Tenant may not remove any exterior or structural Alterations (except signage as hereinafter provided) without Landlord's consent. Alterations not so removed shall become the property of Landlord and shall remain upon and be surrendered with the Premises at the termination of this Lease. Tenant agrees that construction of any Alterations by it as aforesaid will be performed by Tenant on its own behalf and not as Landlord's agent.

12. Liens. Tenant will keep the Premises free of liens of any sort arising due to any act or omission of Tenant, and will indemnify and hold Landlord harmless from any such liens which hereafter may be placed upon the Premises; provided that, Tenant shall be permitted, at Tenant's sole cost and expense, to diligently contest any such lien affecting the Premises.

13. Indemnification.

(a) Tenant hereby agrees to indemnify Landlord and its officers, directors, employees, stockholders, agents and representatives against, and agrees to hold them harmless from, any Loss (as hereinafter defined) suffered or incurred by any such indemnified party based upon, arising out of or resulting from Tenant's use of the Premises after the Commencement

Date, including, without limitation, (i) any and all Losses (including, without limitation, any and all sums paid for settlement of claims, attorneys' fees, consultant and expert fees) arising during or after the term hereof from or in connection with the use, storage, generation or disposal of Hazardous Substances (as hereinafter defined) in, on or about the Property, Building or Premises by Tenant or Tenant's agents, employees or contractors, and (ii) any and all Losses incurred in connection with loss or damage to property or injury or death to persons occurring in, on or about, arising out of or relating to the Premises, and occasioned wholly or in part by any act or omission of Tenant or Tenant's agents, contractors, customers or employees, except to the extent such Loss arises as a result of the negligence or willful misconduct of Landlord or its employees, agents or contractors.

(b) Landlord, its affiliates, partners, officers, directors, members, trustees, employees and agents (collectively, the "**Landlord Parties**") and Lender shall have no liability for, and shall not assume any liability or responsibility with respect, to the conduct or operation of the business to be conducted on the Premises and shall have no liability for any claim of loss of business or interruption of operations, or any consequential damages or indirect losses whatsoever. Any motor vehicles, parts, goods, furnishings, fixtures, property or personal effects placed or stored in or about the Premises shall be at the sole risk of Tenant, and Landlord and any Lender shall not be responsible or liable for such property. Neither Landlord nor any successor Landlord shall be liable for any obligation or liability based on or arising out of any event or condition occurring during the period that such Landlord was not the owner of the Premises. Within five (5) business days after request, Tenant shall attorn to any new Landlord and execute, acknowledge and deliver any document submitted to Tenant confirming such attornment contemporaneously with the execution and delivery by the new Landlord of a standard form of non-disturbance agreement. Tenant shall not have the right to set off, recoup, abate or deduct any amount allegedly owed to Tenant pursuant to any claim against Landlord from any Rent or other sum payable to Landlord. Tenant's sole remedy for recovering upon such claim shall be to institute an independent action against Landlord. If Tenant or any invitee are awarded a money judgment against Landlord, then recourse for satisfaction of such judgment shall be limited to execution against Landlord's estate and interest in the Premises. No other asset of Landlord, any partner, director, member, officer or trustee of Landlord or any other person or entity shall be available to satisfy or be subject to such judgment, nor shall any such individual or other person or entity be held to have personal liability for satisfaction of any claim or judgment against Landlord or any such individual.

14. Compliance with Laws. Tenant shall use and occupy the Premises in a careful, safe and proper manner. Tenant will not allow the Premises to be used for any purposes other than those hereinbefore specified, nor to be occupied in whole or in part by any other person, except as permitted hereunder. Tenant shall cause the Premises to be in compliance with all Applicable Laws during the term of this Lease.

15. Fixtures and Equipment.

(a) All fixtures and mechanical or maintenance related equipment (other than Tenant's trade fixtures and equipment or Alterations removed by Tenant as provided in Section 11 hereof), which are required for the proper use and operation of the Premises, shall be

and remain the property of Landlord and shall be surrendered by Tenant upon the expiration or termination of this Lease.

(b) All furnishings, equipment, and fixtures other than those specified in Section 15(a) above, which are either paid for by Tenant or placed upon the Premises by Tenant from time to time, shall remain the property of Tenant and may be removed by Tenant, from time to time, or upon expiration or termination of this Lease, provided that Tenant shall be obligated to repair any material damage caused by such removal.

16. Damage or Destruction. If, during the tenancy period of this Lease, the Premises are totally or partially destroyed rendering the Premises totally or partially inaccessible or unusable, Landlord may elect either of the following: (i) terminate this Lease as of such date by giving written notice to Tenant within thirty (30) days following said damage or destruction, or (ii) use the insurance proceeds from such damage or destruction to restore the Premises to substantially the same condition as they were in immediately before such damage or destruction. Landlord and Tenant acknowledge that the terms of this Section shall be subordinate to and subject to the terms and provisions of any mortgage encumbering the Premises.

17. Eminent Domain.

(a) **Complete Taking.** If the whole or any substantial part of the Premises should be taken for any public or quasi-public use under governmental law, ordinance or regulation, or by right of eminent domain, or by private purchase in lieu thereof and the taking would prevent or materially interfere with the use of the Premises for the purpose for which it is being used, this Lease shall terminate, and the Rent payable hereunder shall be abated during the unexpired portion of the term of this Lease, effective when the physical taking of the Premises shall occur.

(b) **Partial Taking.** If part of the Premises shall be taken for any public or quasi-public use under any governmental law, ordinance or regulation, or by right of eminent domain, or by private purchase in lieu thereof, and this Lease is not terminated as provided in Section 17.1 above, this Lease shall not terminate, but the Rent payable hereunder during the unexpired portion of the term of this Lease shall be reduced to such extent as may be fair and reasonable under all of the circumstances. Until the new rental amount shall be determined and agreed upon in writing, Tenant shall continue to pay Rent in accordance with the original terms of this Lease and upon such final determination, an appropriate adjustment shall be made and Tenant shall receive credit for any overpayment (or pay any underpayment).

(c) **Proceeds.** In the event of any such taking or private purchase in lieu thereof, Landlord shall be entitled to the proceeds arising out of any such acquisition of the Premises, or portion thereof, under the power of eminent domain; provided, however, that nothing herein contained shall be construed so as to prevent Tenant from making a claim for a separate award for any relocation expense, or for such losses as it may sustain in connection with any items belonging to Tenant and not a part of the Premises, but Tenant shall in no event be entitled to compensation for the loss of its leasehold interest in the Premises and no such award

shall reduce the amount of the award to the Landlord. The provisions of this Section 17(c) shall survive any termination of this Lease.

18. Subordination; Attornment and Non-Disturbance. Landlord shall have the right to grant a mortgage or mortgages with respect to its interest in the Premises and to subordinate this Lease to any mortgage encumbering the Premises, any advances made on the security thereof and any renewals, modifications, consolidations, replacements or extensions thereof, whenever made or recorded. Tenant shall cooperate with Landlord and any lender which is acquiring a security interest in the Premises or Landlord's interest in the Lease (a "Lender"). Tenant shall execute such further documents and assurances as such Lender may require, provided that Tenant's obligations under this Lease shall not be increased in any material way (the performance of ministerial acts shall not be deemed material), and Tenant shall not be deprived of its respective rights under this Lease. Tenant's right to quiet possession of the Premises during the term of this Lease shall not be disturbed if Tenant pays the rent and performs all of Tenant's obligations under this Lease and is not otherwise in default. Landlord shall use good faith, commercially reasonable efforts to obtain, at Tenant's request, a customary non-disturbance agreement from any current or future Lender which has or obtains a security interest in Landlord's interest in the Premises. If any mortgagee elects to have this Lease prior to the lien of its mortgage and gives written notice thereof to Tenant, this Lease shall be deemed prior to such mortgage whether this Lease is dated prior or subsequent to the date of said mortgage or the date of recording thereof.

19. Tenant's Default; Landlord's Remedies.

(a) In the event that:

(i) any amount of money herein agreed to be paid by Tenant shall not be paid within five (5) days after the same becomes due and such default continues for a period of three (3) Business Days (as hereinafter defined) following Tenant's receipt of written notice from Landlord, or

(ii) Tenant shall at any time be in default in the observance or performance of any of the covenants, agreements, terms, provisions and conditions assumed by or imposed upon it hereunder and such default continues for a period of thirty (30) days after Tenant's receipt of written notice from Landlord to Tenant of such default (provided that if such default is not readily susceptible of being cured within thirty (30) days, the cure period shall be extended so long as Tenant is diligently pursuing the cure, or if any waste be committed or unnecessary damage done upon or to the Premises), or

(iii) an Event of Bankruptcy has occurred; or

(iv) any Environmental Default occurs which is not cured in accordance with the terms set forth herein; or

(v) any default (that is not waived, cured or addressed via amendment or formal forbearance within 90 days) by Tenant or Guarantor under any third party credit obligation which results in either (i) any refusal to fund a loan advance requested by Tenant or Guarantor or (ii) any acceleration of any of Tenant's or Guarantor's senior or subordinated debt obligations; then:

Landlord shall be entitled, at its election, to exercise, concurrently or successively, any one or more or all of the following rights and remedies:

(i) to pay any sum lawfully and legally required to be paid by Tenant to others than the Landlord that Tenant has failed to pay, and to perform any obligation required to be performed by Tenant, for the account of the Tenant, and any amount so paid by Landlord, and all expenses connected therewith, shall be repaid by Tenant to Landlord within ten (10) days of demand;

(ii) to enjoin any breach by the Tenant of any covenant, agreement, term, provision, or condition hereof;

(iii) to bring suit for the collection of any such amounts for which Tenant may be in default, or for the specific performance of an other covenant devolving upon Tenant for performance, and for damages for the non-performance thereof, all without entering into possession or terminating this Lease.

(iv) to terminate this Lease, re-enter upon the Premises and take possession thereof unencumbered by this Lease. In the event Landlord shall elect

to terminate this Lease as aforesaid, all rights of Tenant, and of any permitted successors and assigns, shall cease and terminate and Landlord shall have and retain full right to sue for and collect all amounts for the payment of which Tenant shall then be in default, and Landlord shall have full right to sue for and collect damages by reason of such breach, and Tenant shall surrender and deliver up the entire Premises to Landlord, together with all improvements and additions thereto, and upon any default by Tenant in so doing Landlord shall have the right to recover possession by summary proceedings or otherwise, and to obtain a receiver and other ancillary relief in such action, and again to have and enjoy the Premises, fully and completely, as if this Lease had never been made.

(v) Without terminating the Lease or releasing Tenant in whole or in part, from any obligation, including without limitation, Tenant's obligation to pay Rent and any additional Rent, Landlord may terminate Tenant's right to possession by entering upon and taking possession of the Premises and expelling or removing Tenant and any other person(s) who may be occupying such Premises or any part thereof, without being liable for prosecution or any claim for damages therefor. Landlord may, but is not required or obligated to, relet the Premises and receive the rent therefor; and Tenant agrees to pay to Landlord on demand any deficiency that may arise by any reason of such reletting, together with all costs incurred by Landlord to upfit, modify or repair the Premises for reletting. In the event Landlord is successful in reletting the Premises at a rent in excess of that agreed to be paid by Tenant pursuant to the terms of this Lease, Landlord and Tenant each mutually agree that Tenant shall not be entitled, under any circumstances, to such excess rent, and Tenant does hereby specifically waive any claim to such excess rent.

(b) All rights and remedies granted herein and any other rights or remedies which Landlord may have at law or in equity are hereby declared to be cumulative and not exclusive, and the fact that Landlord may have exercised any remedy without terminating this Lease shall not impair Landlord's rights thereafter to terminate or to exercise any other remedy herein granted or to which Landlord may otherwise be entitled. "Business Day" means any day other than a Saturday, Sunday or a day on which banks in the state where the Premises are located are authorized or obligated by law or executive order to close.

20. Notice Requirements. Tenant hereby covenants to Landlord that Tenant shall provide Landlord and any Lender, at the times set forth below (or more often as may be reasonably requested by Landlord), the following information during the Lease Term: (i) within forty-five (45) days after the end of each fiscal quarter: Tenant and Guarantor prepared consolidated and consolidating fiscal year-to-date and prior fiscal year-to-date financial statements of Tenant and Guarantor, respectively, prepared in accordance with accounting standards consistent with statements for prior periods of Tenant and Guarantor (the "**Internal Statements**"); (ii) within one hundred twenty (120) days after the end of each fiscal year: Tenant and Guarantor consolidated and consolidating annual financial statements prepared in accordance with GAAP, consistently applied, audited by an independent certified public accountant; (iii) a

copy of each certification made to Tenant's (or Guarantor's) senior lender regarding Tenant's (or Guarantor's) compliance with its financial covenants to such lender (such certification being referred to hereinafter as a "**Covenant Compliance Certificate**") at the same time each Covenant Compliance Certificate is provided to Tenant's (or Guarantor's) senior lender; and (iv) such additional financial information as Landlord shall reasonably request (including any financial information required by any governmental agency, including the Securities and Exchange Commission).

21. Signs. Tenant may not place any signs on the Premises absent prior written consent from Landlord, which consent shall not be unreasonably withheld, conditioned or delayed. At the termination of this Lease, Tenant shall remove any such signs as Tenant's sole cost and expense and shall be liable for the repair of any damage to the Premises caused by such removal. Notwithstanding the foregoing, any signs currently located on the Premises as of the date hereof are hereby approved by Landlord.

22. Subletting and Assignment. Tenant shall not voluntarily assign or encumber its interest in this Lease or in the Premises, or sublease all or any part of the Premises, or allow any other person or entity to occupy or use all or any part of the Premises, without first obtaining Landlord's written consent, which consent shall not be unreasonably withheld, conditioned or delayed. Notwithstanding the foregoing, Tenant shall be permitted to assign its interest in this Lease or in the Premises without the prior written consent of Landlord to any subsidiary of Tenant or any purchaser of substantially all the assets of Tenant. Any assignment, encumbrance, or sublease that requires Landlord's approval that is made without Landlord's consent shall be voidable. No consent to any assignment, encumbrance, or sublease shall constitute a further waiver of the provisions of this paragraph.

23. Surrender. Whenever this Lease is terminated, whether by lapse of time, forfeiture, or in any other way, Tenant will yield and deliver up the Premises, including any improvements included therein, peaceably to Landlord in as substantially good repair as when taken, except for the following:

- (a) ordinary wear and tear;
- (b) Alterations not removed as permitted hereunder;
- (c) any appropriation or taking under power of eminent domain or by paramount authority;
- (d) damage by fire or other casualty; and
- (e) condition by reason of Landlord's failure to repair as required of it hereunder.

24. Sale by Landlord. In the event of a sale or conveyance by Landlord of its interest in the Premises, the same shall operate to release Landlord from any liability arising with respect to any period of time subsequent to the date of such sale or conveyance upon any of the covenants or conditions, express or implied, herein contained in favor of Tenant provided that

such transferee expressly assumes all of Landlord's obligations under this Lease, and in such event Tenant agrees to look solely to the successor in interest of Landlord in and to this Lease for performance and fulfillment of the obligations imposed upon Landlord hereunder and arising with respect to any period of time subsequent to the date of such sale or conveyance. This Lease shall not be affected by any such sale or conveyance, and Tenant agrees to attorn to the purchaser or assignee (including the holder of any first mortgage upon default or purchaser upon foreclosure), such attornment to be effective and self-operative without the execution of any further instruments on the part of any of the parties to this Lease.

25. Waiver of Trial by Jury. It is mutually agreed by and between Landlord and Tenant that the respective parties hereto shall and they hereby do waive trial by jury in any action, proceeding or counterclaim brought by either of the parties hereto against the other on any matters whatsoever arising out of or in any way connected with this Lease, the relationship of Landlord and Tenant, Tenant's use or occupancy of the Premises, and/or any claim of injury or damage, or for the enforcement of any remedy under any statute, emergency or otherwise.

26. Reservation of Landlord. Landlord reserves the right to enter the Premises at all reasonable times and after reasonable notice to inspect the same, to perform any acts with respect thereto as it is obligated or entitled to perform. Notwithstanding anything to the contrary contained herein, Landlord shall have the right, but not the obligation, to perform Tenant's obligations hereunder, which have not been performed by Tenant as required hereunder, and to charge Tenant as additional Rent for all reasonable costs and expenses incurred in connection therewith.

27. Notices. Except as otherwise provided herein, whenever it is provided herein that any notice, demand, request, consent, approval, declaration or other communication shall or may be given to or served upon either of the parties by the other, or whenever either of the parties desires to give or serve upon the other communication with respect to this Lease, each such notice, demand, request, consent, approval, declaration or other communication shall be in writing and either shall be delivered in person with receipt acknowledged, recognized overnight courier such as Federal Express, or registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

If to Landlord, at: One West Pack Square, Suite 305
Asheville, North Carolina 28801

If to Tenant, at: The Premises

or at such other address as may be substituted by notice given as herein provided. The giving of any notice required hereunder may be waived in writing by the party entitled to receive such notice. Every notice, demand, request, consent, approval, declaration or other communication hereunder shall be deemed to have been duly given or served on the date on which personally delivered, with receipt acknowledged, the next business day after delivery to a recognized overnight courier such as Federal Express, or three business days after the same shall have been deposited in the United States mail. Failure or delay in delivering copies of any notice, demand, request, consent, approval, declaration or other communication to the persons designated above

to receive copies shall in no way adversely affect the effectiveness of such notice, demand, request, consent, approval, declaration or other communication.

28. Estoppel Certificates. Tenant agrees that at any time and from time to time upon not less than ten (10) Business Days' prior request by Landlord, Tenant will execute, acknowledge and deliver to Landlord a statement in writing certifying

(i) that this Lease is unmodified and in full force and effect (or if there have been modifications that the same is in full force and effect as modified and identifying the modifications);

(ii) the dates to which the rent, any additional rent and other charges have been paid, and;

(iii) that, to the best of the knowledge of Tenant, Landlord is not in default under any provisions of this Lease or, if there has been a default, the nature of said default. It is intended that any such statement may be relied upon by any person proposing to acquire Landlord's interest in this Lease or any prospective mortgagee of, or assignee of any mortgage upon, such interest.

29. No Waiver. No waiver of any condition or legal right of remedy by either party shall be implied by the failure of such party to declare a forfeiture, or for any other reason, and no waiver of any condition or covenant by a party shall be valid unless it be in writing signed by such party. No waiver by a party of a breach of any condition by the other party may be claimed or pleaded to excuse a future breach of the same condition or covenant. The mention in this Lease of any specific right or remedy shall not preclude a party from exercising any other right or from having any other remedy or from maintaining any action to which it may be otherwise entitled either at law or in equity; and for the purpose of any suit by a party brought or based on this Lease, this Lease shall be construed to be a divisible contract, to the end that successive actions may be maintained as successive periodic sums shall mature under this Lease and it is further agreed that failure to include in any suit or action any sum or sums then matured shall not be a bar to the maintenance of any suit or action for the recovering of said sum or sums so omitted.

30. Quiet Enjoyment. Subject to the terms of this Lease, Landlord hereby covenants and agrees that if Tenant shall perform all the covenants and agreements herein stipulated to be performed on Tenant's part, Tenant shall at all times during the continuance hereof have the peaceable and quiet enjoyment and possession of the Premises without any manner of let or hindrance from Landlord.

31. Entire Agreement.

(a) This Lease and the exhibits attached hereto set forth all the covenants, promises, agreements, conditions and the understanding of the parties hereto. Except as herein otherwise provided, no subsequent alterations, amendment, change or addition to this Lease shall be binding upon Landlord or Tenant unless reduced to writing and signed by them.

(b) Upon the request of either party, the parties covenant and agree that a Memorandum of Lease, prepared by such party and satisfactory to the other party, describing the property herein demised, giving the term of this Lease and the name and address of Landlord and Tenant, and referring to this Lease shall be promptly executed, acknowledged, delivered and recorded by both parties. The cost of recording such Memorandum of Lease shall be paid by the requesting party.

32. Lease Inures to Benefit of Assignees. This Lease and all the covenants, provisions and conditions herein contained shall inure to the benefit of and be binding upon the parties and their respective successors and assigns; provided, however, that no assignment by, from, through or under Tenant in violation of the provisions hereof shall vest in the assigns any right, title or interest whatever.

33. Environmental. Tenant shall comply with all applicable Environmental Laws (as hereinafter defined) and shall not place or store, handle or dispose of any Hazardous Substances on or under the Premises except as permitted by Applicable Law and appropriate Governmental Authorities. If requested by Landlord, Tenant shall furnish Landlord with copies of all environmental permits, if any, required by governmental authorities with competent jurisdiction with respect to the Premises or Tenant's operations at the Premises. Tenant shall promptly notify Landlord in the event of Tenant's discovery of, or Tenant's receipt of notice concerning, any Hazardous Substances which are located on or under or adjacent to, or are being or have been released from, the Premises. Landlord shall promptly notify Tenant in the event of Landlord's discovery of or Landlord's receipt of notice concerning any Hazardous Substances which are located on or under or adjacent to, or are being or have been released from the Premises. The term "Hazardous Substances" is defined for purposes of this Lease as that term is defined under the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. Sections 9601 et seq.) ("CERCLA"), and any implementing regulations, and, in addition, as including any petroleum, crude oil or any fractions thereof or any other substance or material classified as toxic, hazardous or extremely hazardous under any Applicable Law or requirement of any Governmental Authority with competent jurisdiction.

If required by any governmental agency or authority or by any Lender at any time or from time to time during the term of this Lease, or if Landlord has a reasonable basis to believe a violation of Environmental Laws, release of Hazardous Materials or condition on or from the Premises requiring responsive action under Environmental Laws has occurred (an "Environmental Default") with respect to Tenant's use or operation of the Premises, Landlord shall have the right, but not the obligation upon each such request, to conduct an audit of the Premises (including, without limitation, the air, soil, surface water and/or groundwater at or near the Premises) and Tenant's compliance with Environmental Laws with respect thereto. If such audit reveals that an Environmental Default arising from Tenant's use or operation of the Premises has occurred, Landlord shall have the right, but not the obligation, (i) to require Tenant, at Tenant's expense, to cure the same or (ii) to cure the same, at Tenant's sole cost and expense, in which event Tenant shall pay the costs thereof to Landlord as additional Rent. Landlord shall use commercially reasonable efforts to ensure that any audit conducted pursuant to this section does not unreasonably interfere with Tenant's operations at the Premises. If any Lender or governmental agency or authority shall require testing at or near the Premises and Landlord incurs expenses in

complying with such requirement, then Tenant shall pay to Landlord the reasonable costs therefor as additional Rent regardless of whether such testing reveals an Environmental Default, but only to the extent that Tenant's use or operation of the Premises serves as the reasonable basis for such audit. As a material consideration for Landlord's entering into this Lease, Tenant hereby waives, and releases Landlord and its Affiliates, partners, officers, directors, members, trustees, employees, agents and Lenders from any and all claims for damage, injury or loss (including without limitation, claims for the interruption of or loss to business) which relate to any Environmental Default, whether occurring prior or subsequent to the Commencement Date.

34. Definitions. The following terms used herein shall have the meanings ascribed to them below.

"Applicable Law" means, with respect to any Person, any domestic or foreign, federal, state or local statute, law, ordinance, rule, administrative action, regulation, order, writ, injunction, judgment, decree or other legally enforceable requirement or guideline of any Governmental Authority, and any requirements imposed by common law, applicable to such Person or any of its properties, assets, officers, directors, employees, consultants or agents (in connection with their activities on behalf of such Person).

"Event of Insolvency" is the occurrence with respect to either Tenant or Guarantor of any of the following: (a) becoming insolvent, as that term is defined in Title 11 of the United States Code (the "Bankruptcy Code") or under the insolvency laws of any state (the "Insolvency Laws"); (b) the earlier to occur of either (i) the filing of a petition for the appointment of a receiver or custodian or (ii) the institution of a foreclosure, replevin or attachment action upon any material property of such entity or person; (c) filing of a voluntary petition under the provisions of the Bankruptcy Code or Insolvency Laws or the admission in writing of its inability to pay debts generally as they become due; (d) filing of an involuntary petition against such entity or person as the alleged debtor under the Bankruptcy Code or Insolvency Laws which either (i) is not dismissed within sixty (60) days after filing, or (ii) results in the issuance of an order for relief against the alleged debtor; or (e) making or consenting to an assignment for the benefit of creditors or a composition of creditors.

"Governmental Authority" means any domestic or foreign, federal, territorial, state or local governmental authority, quasi-governmental authority, instrumentality, court, commission or tribunal or any regulatory, administrative or other agency, or any political or other subdivision, department or branch of any of the foregoing.

"Loss" means any loss, cost, liability, claim, damage or expense, including any related penalties or interest and costs of litigation and reasonable fees and expenses of attorneys, accountants and other experts.

"Person" means any natural person, general partnership, limited partnership, corporation, joint venture, trust, business trust, limited liability company, cooperative, association or other form of organization.

35. Governing Law. This Lease shall be construed and enforced in accordance with and governed by the internal substantive laws of the State in which the Premises are located without giving effect to the conflicts of law principles thereof.

36. Costs. In the event that either party hereunder brings suit to enforce any provisions of this Lease, the non-prevailing party in such unit shall pay the prevailing party's costs, including reasonable attorneys' fees, paid in connection with such suit.


[SIGNATURE PAGE FOLLOWS THIS PAGE]

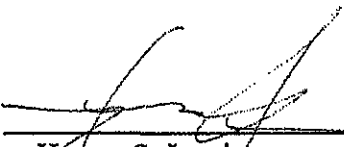
IN WITNESS WHEREOF, Tenant and Landlord have caused this Lease to be duly executed on the day and year first above written.


Witnessed in the presence of:

LANDLORD:

UTICA REALTY WELLINGTON, LLC


Print Name: Amy R. Wages


By: 
Name: Horace S. Jennings
Title: Vice President, Secretary and Treasurer

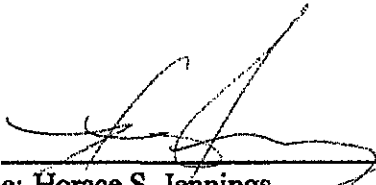

Print Name: Michael S. Bohan

Witnessed in the presence of:

TENANT:

TECT AEROSPACE-WELLINGTON, INC.


Print Name: Amy R. Wages

By: 
Name: Horace S. Jennings
Title: Assistant Secretary and Assistant Treasurer


Print Name: Michael S. Bohan

EXHIBIT A

LEGAL DESCRIPTION

Wellington, KS

EXHIBIT "A"

Tract 1: Tract 14, Wellington Industrial Park Subdivision, Sumner County, Kansas

Tract 2: Beginning at the Southwest corner of the Northeast Quarter of Section 11, Township 32 South, Range 1 West of the 6th P.M., Sumner County, Kansas; thence East on the South line of said Quarter Section 876.6 feet; thence Northwesterly 235 feet more or less to a point 198 feet North and 1907.4 feet West of the Southeast corner of said Quarter Section; thence West on a line parallel to the South line of said Quarter Section 749.4 feet more or less to the West line of said Quarter Section; thence South on the West line of said Quarter Section 198 feet to the Southwest corner of said Quarter Section, the same being the point of beginning

Tract 3: A tract beginning at a point where the North line of the Northwest Quarter of Section 11, Township 32 South, Range 1 West of the 6th P.M. intersects the East line of the Right of Way of the Chicago, Rock Island & Pacific Railway; thence East along the North line of said Northwest Quarter of Section 11, 600 feet; thence South at a right angle to the North line of said Quarter Section 347 feet to the Northwest line of the Drive, as shown on the Plat of Meridian Drive, recorded in Plat Book 5 at Page 21A in the office of the Register of Deeds, Sumner County, Kansas; thence Southwesterly along the Northwest line of said drive to a point directly 400 feet South of the North line of said Northwest Quarter of said Section 11; thence West and parallel to the North line of said Northwest Quarter of said Section 11 to a point on the East line of said Right of Way of said railroad; thence Northeasterly along said East line of said right of way to the point of beginning

Tract 4: Beginning at a point on the North line of the Northwest Quarter of Section 11, Township 32 South, Range 1 West of the 6th P.M. and the West line of the Chicago, Rock Island and the Pacific

Railroad Co.; thence Southwesterly 684.05 feet on the West line of said Railroad; thence West 544.30 feet on a line parallel to the North line of said Quarter; thence Northerly along a fence line 664.81 feet to a point on the North line of said Quarter; thence East 682.55 feet on said North line to the point of beginning

Tract 5: A tract of land in the Southwest Quarter of Section 11, Township 32 South, Range 1 West of the 6th P.M., Sumner County, Kansas, being more particularly described as follows: Beginning at a point 448.60 feet South and 31.30 feet West of the Northeast corner of the Southwest Quarter, said point being 63.00 feet South of the intersection of the South line of 21st Street and the West line of U.S. Highway 81; thence South 68.5 feet along the West line of U.S. Highway 81; thence West 107.60 feet to a point on the Southeasterly line of Lot 15, Woodlawn Addition to the City of Wellington, Kansas; thence Northeasterly along said Southeasterly line of Lot 15 a distance of 144.35 feet more or less to a point 8.35 feet South of the South line of 21st Street; thence South parallel to the West line of U.S. Highway 81 a distance of 54.65 feet; thence East parallel with the South line of 21st Street a distance of 32.00 feet to the point of beginning

Tract 6: Lots 4, 5 and 6, except the North 43 feet of the East 66 feet of Lot 4, Block 1, Belsleys Addition to the City of Wellington, Sumner County, Kansas

Tract 7: The North 43 feet of the East 66 feet of Lot 4, Block 1, Belsleys Addition to the City of Wellington, Sumner County, Kansas

Tract 8: All of Lots 2 and 3 and Lot 1, except a tract described as follows: Beginning at the Northeast corner of Lot 1, Belsleys Addition to the City of Wellington, Sumner County, Kansas; thence South 12.5 feet; thence West parallel with the North line of said lot 130 feet; thence South 25 feet; thence West parallel with the North line of said lot to the West line of said Lot 1; thence Northeasterly to the Northwest corner of said lot; thence East along the North line of said lot to place of beginning, all in Block 1, Belsleys Addition to the City of Wellington, Sumner County, Kansas

Tract 9: From a stone at a point 339.17 feet South and 30 feet West of the center of Section 11, Township 32 South, Range 1 West of the 6th P.M., Sumner County, Kansas, proceed South 327.5 feet to a point of beginning; thence South along the West line of U.S. Highway 81 a distance of 50 feet to a stone; thence West 230.0 feet to a stone in the Southeasterly boundary of Woodlawn Addition to the City of Wellington, said Southeasterly boundary being along the West right of way line of the former Cowley, Sumner and Fort Smith Railroad, which Right of Way reverted to Henry Bowers by decree of

the District Court of Sumner County, Kansas, on February 15, 1897; thence running Northeasterly along said boundary line to a point due West of point of beginning; thence East parallel with the South boundary line to point of beginning; AND Beginning at the Northeast corner of Lot 1, Belsleys Addition to the City of Wellington, Sumner County, Kansas; thence South 12 1/2 feet; thence West parallel with the North line of said lot 130 feet; thence South 25 feet; thence West parallel with the North line of said lot to the West line of Lot 1; thence Northeasterly to the Northwest corner of said Lot 1; thence East along the North line of said lot to the place of beginning

Tract 10: From a stone which is 516.07 feet South and 30 feet West of the center of Section 11, Township 32 South, Range 1 West of the 6th P.M., Sumner County, Kansas, for a point of beginning; thence South along the West line of U.S. Highway 81 a distance of 50.6 feet to a stone; thence West to a stone in the Southeasterly boundary of Woodlawn Addition to the City of Wellington, said Southeasterly boundary being along the West right of way line of the former Cowley, Sumner and Fort Smith Railroad, which Right of Way reverted to Henry Bowers by decree of the District Court of Sumner County, Kansas, on February 15, 1897; thence running Northeasterly along said boundary line to a point due West of the point of beginning; thence East parallel to the South boundary line to the point of beginning

Tract 11: Beginning at a point 233 feet East of the Northwest corner of the Southeast Quarter of Section 11, Township 32 South, Range 1 West of the 6th P.M.; thence East parallel with the North line of the Southeast Quarter of Section 11 a distance of 151 feet; thence South parallel with the West line of the Southeast Quarter of Section 11 a distance of 265.5 feet; thence West a distance of 151 feet; thence North 265.5 feet to the point of beginning

Tract 12: Beginning at a point 1514.5 feet North and 30 feet East of the Southwest corner of the Southeast Quarter of Section 11, Township 32 South, Range 1 West of the 6th P.M., Sumner County, Kansas, said point being on the Right of Way line of U.S. Highway 81; thence North along said Right of Way line 37.5 feet to a point; thence West 30 feet to a point on the West line of said Quarter Section; thence North along said West line 223 feet to a point, said West line being on an assumed bearing of N 0°00' E; thence N 88° E 179.5 feet to a point; thence North parallel with the West line of said Quarter Section 52 feet to a point; thence N 88° E 706.1 feet to a point; thence S 24°15'26" E 680.9 feet to a point; thence N 90° W 219.3 feet to a point; thence N 0°0' E and parallel with the West line of said Quarter Section 277.5 feet to a point; thence N 90° W 910 feet to the point of beginning, all in the City of Wellington, Sumner County, Kansas

EXHIBIT B

TERM

Commencement Date: The date on which Landlord acquires the Premises.

Termination Date: August 14, 2023

Provided that Tenant has complied with all the terms and conditions of this Lease and is not in default hereof, Tenant shall have two (2) options to extend the term of this Lease for periods of three (3) years each (each, a "Renewal Term") by delivering written notice of such election to Landlord at least six (6) months prior to the expiration of the then applicable term of the Lease. Each Renewal Term shall be on the same terms and conditions as contained in this Lease.

EXHIBIT C

RENT

Monthly Rent

\$82,077.00

Annual Rent

\$984,924.00

Beginning April 1, 2014 and each year thereafter (including during each Renewal Term, if exercised), the Rent shall be adjusted using the United States Bureau of Labor Statistics U.S. City Average, All Items Consumer Price Index for All Urban Consumers ("Index"). The monthly rent for the one year period in which any such adjustment shall apply shall be computed by multiplying the amount due in the month immediately preceding the first month of such one year period times the sum of one plus the percentage increase in the Index for the prior year (January 1 through December 31). Notwithstanding the procedure described above, no computation shall reduce the Rent below the amount for the first year of this Lease.

EXHIBIT D

FORM OF GUARANTY

Guaranty of Lease

This Guaranty is made as of this ____ day of August, 2013 by UCA Holdings, Inc. a Delaware corporation (hereafter whether one or more collectively, "Guarantor") with an address of One West Pack Square, Suite 305, Asheville, North Carolina 28801 to and in favor of Utica Realty Wellington, LLC, a North Carolina limited liability company (hereafter "Landlord") with an address of One West Pack Square, Suite 305, Asheville, North Carolina 28801.

W I T N E S S E T H:

WHEREAS, by Lease Agreement dated August __, 2013 (the "Lease" which term includes the same as it may hereafter be modified, amended, extended or renewed); Landlord has leased to TECT Aerospace – Wellington, Inc. ("Tenant") certain premises described in the Lease; and

WHEREAS, Landlord has required the Guarantor to execute this Guaranty of Lease ("Guaranty") as a condition to the Landlord entering into the Lease with the Tenant; and

WHEREAS, Guarantor will receive direct or indirect benefit from the Landlord entering into the Lease with the Tenant.

NOW, THEREFORE, in order to induce Landlord to enter into the Lease and for other good and valuable consideration, the undersigned Guarantor hereby agrees as follows:

1. Guarantor hereby absolutely, unconditionally, and irrevocably jointly and severally guarantees to Landlord the full and prompt payment of all base rent and additional rent and any and all other sums and charges payable by Tenant under the Lease (collectively, the "Payment Obligations") and hereby further guarantees the full and timely performance and observance of all of the covenants, terms conditions and agreements therein provided to be performed and observed by Tenant (the "Performance Obligations" and together with the Payment Obligations collectively, the "Obligations"). In the event of a default under the Lease, Guarantor hereby covenants and agrees with Landlord: (i) to make the due and full punctual payment of all Payment Obligations payable by Tenant under the Lease; (ii) to effect prompt and complete performance of all and each of the Performance Obligations, contained in the Lease on the part of Tenant to be kept, observed and performed; and (iii) to indemnify and save harmless Landlord from any loss, costs or damages arising out of any failure by Tenant to pay or perform any Obligation including, without limitation, attorneys' fees and costs of collection. This Guaranty is a continuing guaranty of payment and performance and is not conditional or contingent upon any attempt to collect from Tenant or upon any other condition or contingency.
2. In the event of a default under the Lease, Guarantor waives any right to require Landlord to first: (a) proceed against Tenant or pursue any rights or remedies with respect to the Lease; (ii) proceed against or exhaust any security that Landlord holds from Tenant; or (iii) pursue any other remedy whatsoever. Landlord shall have the right to enforce this Guaranty regardless of the acceptance of additional security from Tenant and

regardless of the release or discharge of Tenant or any guarantor by Landlord or by others, or by operation of law.

3. Guarantor hereby expressly waives: (a) any right of setoff, counterclaim or deduction against amounts due under this Guaranty; (b) notice of the acceptance of this Guaranty and notice of default of Tenant under the Lease; and (c) the right to interpose all substantive and procedural defenses of the law of guaranty, indemnification and suretyship, except the defenses of prior payment or prior performance.
4. Without limiting the generality of the foregoing, the liability of Guarantor under this Guaranty shall not be deemed to have been waived, released, discharged, impaired or affected by (a) reason of any waiver or failure to enforce or delay in enforcing any of the Obligations, or (b) the granting of any indulgence or extension of time to Tenant, or (c) the assignment of the Lease, or the subletting of the Premises by Tenant, with or without Landlord's consent, or (d) the expiration of the term, or (e) if Tenant holds over beyond the term of the Lease, or (f) any merger or reorganization or the release or discharge of Tenant or any other guarantor in any voluntary or involuntary receivership, bankruptcy, winding-up or other creditors' proceedings, or (g) the rejection, disaffirmance or disclaimer of the Lease by any party in any action or proceeding, or (h) the release of any collateral held for the Obligations or release of any Guarantor or any other guarantor, or (i) any defect or invalidity of the Lease and shall continue with respect to the periods prior thereto and thereafter. The liability of the Guarantor shall not be affected by any repossession, re-entry or re-letting of the Premises by Landlord.
5. The liability of Guarantor under this Guaranty shall not be released by any modification or amendment to the Lease (including any extension or renewal of the term of the Lease), and in the case of any such modification, the liability of Guarantor shall be modified in accordance with the term of any such modification of the Lease. Guarantor waives any notice of the modification or amendment of the Lease.
6. Guarantor shall pay Landlord's reasonable attorneys' fees and all costs and other expenses incurred in any collection or attempted collection of this Guaranty or in any negotiations relative to the Obligations guaranteed under this Guaranty whether or not a lawsuit is commenced. All rights and remedies of Landlord under this Guaranty shall be cumulative and may be exercised singly or concurrently.
7. This Guaranty shall remain in full force and effect until the payment or performance of all Obligations and the other amounts payable under this Guaranty (whether or not the Lease shall have been terminated). Until the payment and performance of all Obligations and the amounts payable under this Guaranty, Guarantor:
 - (a) Shall have no right of subrogation against Tenant by reason of any payments or acts of performance by the Guarantor in compliance with the obligations of the Guarantor under this Guaranty;
 - (b) Waives any right to enforce any remedy which Guarantor now or hereafter shall have against Tenant by reason of any one or more payments or acts of

performance in compliance with the obligations of Guarantor under this Guaranty;
and

- (c) Subordinates any liability or indebtedness of Tenant now or hereafter held by Guarantor to the obligations of Tenant to the Landlord under the Lease.
8. This instrument may not be changed, modified, discharged or terminated orally or in any manner other than by an agreement in writing signed by Guarantor and the Landlord.
9. All of the terms, agreements and conditions of this Guaranty shall extend to and be binding upon Guarantor, and the heirs, executors, personal administrators, and/or successors and assigns of Guarantor and shall inure to the benefit of and may be enforced by Landlord, its successors and assigns, and the holder of any mortgage to which the Premises may be subject at any time or from time to time.
10. The use of the singular herein shall include the plural and the use of any gender shall include all genders or neuter as the case may be. This Guaranty is entered into in the State of North Carolina and shall be governed by and construed in accordance with the laws of the State of North Carolina. Guarantor agrees that the Buncombe County Court of the State of North Carolina and/or the Federal District Court for the Western District of North Carolina shall have jurisdiction over any dispute arising out of this Guaranty. Guarantor consents to any such forum Landlord may choose.
11. If Guarantor consists of more than one person or entity, the liability of each such person or entity under this Guaranty shall be joint and several.
12. The undersigned individual acknowledges that he/she is a duly authorized agent of the Guarantor with full power and authority to execute and deliver this Guaranty. This Guaranty has been executed and delivered by Guarantor and constitutes the valid, binding and legal obligation of the Guarantor. Guarantor agrees that it will, from time to time, within ten (10) days of Landlord's request, execute and deliver a statement certifying that this Guaranty is unmodified and in full force and effect.
13. All notices under this Guaranty shall be delivered by certified mail, return receipt requested, to the address of the parties first set forth above. All notices shall be effective as of depositing the same in mail.
14. If any provision of this Guaranty or the application thereof to any person or circumstances shall, for any reason and to any extent, be invalid or unenforceable, the remainder of this Guaranty and the application of that provision to other persons or circumstances shall not be affected but rather shall be enforced to the extent permitted by law. This Guaranty shall be construed without regard to any presumption or other rule requiring construction against the party causing this Guaranty to be drafted.
15. Upon written request of Landlord or any lender of Landlord that has a mortgage/deed of trust interest in the property which is the subject of the Lease, Guarantor shall submit audited financial statements to Landlord or such lender no later

than one hundred twenty (120) days of the expiration of its last fiscal year, as well as financial statements and credit facility covenant compliance certificates not more frequently than once every calendar quarter.

16. As a further inducement to Landlord to enter into the Lease and to accept this Guaranty, Guarantor hereby intentionally, knowingly and voluntarily waives any right to a trial by jury in any lawsuit, proceeding, counterclaim, or any other litigation procedure based upon, or arising out of this Guaranty. In extension of the foregoing, the Guarantor specifically consents to trial before a court respecting any such matter. Guarantor will not seek to consolidate any such action in which a jury trial has been waived with any other action in which a jury trial cannot be or has not been waived.

UCA Holdings, Inc.

By: _____

Name: _____

Its: _____

AMENDMENT TO LEASE

THIS AMENDMENT TO LEASE (this "**Amendment**"), is made and entered into as of September /3, 2019 (the "**Effective Date**"), by and between Utica Realty Wellington, LLC, a North Carolina limited liability company (the "**Landlord**"), and TECT Aerospace Wellington Inc., a Kansas corporation (the "**Tenant**").

WITNESSETH:

WHEREAS, Landlord and Tenant entered into that certain Lease, dated August 15, 2013 (the "**Lease**"), for that certain premises as more particularly described in the Lease located in Sumner County, Kansas; and

WHEREAS, the Lease is guaranteed by TECT Aerospace Kansas Holdings, LLC, a Delaware limited liability company; and

WHEREAS, Landlord and Tenant desire to increase the Rent (as defined in the Lease) payable under the Lease in consideration for certain improvements made to the Premises (as defined in the Lease) by Landlord.

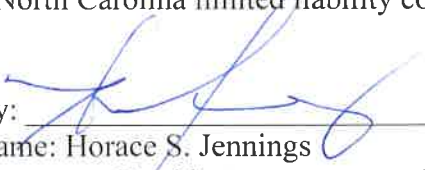
NOW, THEREFORE, for good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, Landlord and Tenant, intending to be legally bound, agree that the Lease be modified and amended as follows:

1. **Preambles.** The foregoing preambles are incorporated herein by reference.
2. **Defined Terms.** All capitalized terms used in this Amendment shall have the same meanings as are ascribed to such terms in the Lease, unless otherwise modified herein.
3. **Rent.** Exhibit C of the Lease is hereby amended to increase the Monthly Rent by \$28,000.00 such that the Monthly Rent is \$110,077.00 and the Annual Rent \$1,320,924.00 commencing as of the installment of Rent due July 1, 2020 and thereafter.
4. **No Waiver.** Landlord's and Tenant's execution of this Amendment shall not be deemed or construed to be a waiver of any of their respective rights or remedies under the Lease.
5. **Full Force and Effect.** Except as specifically modified and amended hereby, all terms of the Lease shall remain in full force and effect.
6. **Effect; Complete Agreement.** This Amendment and all of its terms and conditions shall inure to the benefit of, and be binding upon, the parties hereto and their respective successors and assigns. No modifications or amendments of the Lease, or this Amendment, shall be binding unless such modification shall be in writing and signed by the parties thereto.

IN WITNESS WHEREOF, Landlord and Tenant have executed this Amendment as of the dates and year below written.


LANDLORD:

UTICA REALTY WELLINGTON, LLC,
a North Carolina limited liability company

By: 
Name: Horace S. Jennings
Title: Vice President, Secretary and Treasurer

TENANT:

TECT AEROSPACE WELLINGTON INC.,
a Kansas corporation

By: 
Name: Horace S. Jennings
Title: Secretary and Treasurer

CONSENTED TO AND AGREED:

GUARANTOR:

TECT AEROSPACE KANSAS HOLDINGS, LLC,
a Delaware limited liability company

By: 
Name: Horace S. Jennings
Title: Treasurer

[SIGNATURE PAGE TO AMENDMENT TO LEASE]

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:)	
	)	Chapter 11
TECT Aerospace Group Holdings, Inc., <i>et</i>)	
<i>al.</i>,	)	Case No. 21-10670 (KBO)
)	
Debtors.	)	Jointly Administrated
)	
	)	Hearing Date & Time:
	)	October 28, 2021 at 1:00 p.m.
)	
	)	Response Deadline:
	)	October 21, 2021 at 4:00 p.m.
)	
	)	Related to Docket No. 548 and 566

**CERTIFICATE OF SERVICE OF OBJECTION OF UTICA REALTY PARK CITY, LLC
AND UTICA REALTY WELLINGTON, LLC TO MOTION OF DEBTORS FOR ENTRY
OF AN ORDER (I) EXTENDING TIME TO ASSUME OR REJECT UNEXPIRED
LEASES OF NONRESIDENTIAL REAL PROPERTY AND (II) GRANTING RELATED
RELIEF**

I, Margaret M. DiBianca, certify under penalty of perjury that I am, and at all times hereinafter mentioned was, more than 18 years of age and that I served a copy of the *Objection of Utica Realty Park City, LLC and Utica Realty Wellington, LLC to Motion of Debtors for Entry of an Order (i) Extending Time to Assume or Reject Unexpired Leases of Nonresidential Real Property and (ii) Granting Related Relief* in the above-captioned proceeding on the parties listed below on October 21, 2021.

In addition, I caused a copy of the above-captioned pleadings to be served on all parties who have electronically entered a notice of appearance through the notice of filing generated by the Court's Case Management/Electronic Case File CM/ECF System.

The type of service made on the parties is specified below.

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Dated: October 21, 2021

CLARK HILL, PLC

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*Attorneys for Utica Realty Park City LLC and Utica
Realty Wellington LLC*