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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re	:	Chapter 11
	:	
WAYPOINT LEASING	:	Case No. 18-13648 (SMB)
HOLDINGS LTD., <i>et al.</i> ,	:	
	:	(Jointly Administered)
Debtors. ¹	:	
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**DECLARATION OF IAN GUREKIAN
IN SUPPORT OF DEBTORS' MOTION FOR ENTRY OF
AN ORDER AUTHORIZING PRIVATE SALE OF HELICOPTER
WITH MANUFACTURER'S SERIAL NUMBER 2905 FREE OF ALL LIENS, CLAIMS,
ENCUMBRANCES, AND OTHER INTERESTS, AND GRANTING RELATED RELIEF**

I, Ian Gurekian, pursuant to section 1746 of title 28 of the United States Code, hereby declare that the following is true to the best of my knowledge, information, and belief:

1. I am the Chief Risk Officer at Macquarie Rotorcraft Leasing ("Macquarie"). Prior to joining Macquarie, I was the Chief Risk Officer for Waypoint Leasing Services LLC for five (5) years where I was responsible for credit, pricing, and risk functions at Waypoint. In my role as Chief Risk Officer at Macquarie, I continue to provide aircraft advisory

¹ A list of the Debtors in these Chapter 11 Cases, along with the last four digits of each Debtor's federal tax identification number, is attached to the Motion as Exhibit A.



services to the Debtors pursuant to a transition services agreement between the Debtors and Macquarie.

2. I have over twenty (20) years of experience in the financial services and aviation sectors. Prior to joining Waypoint, I was Head of Aviation and a Senior Analyst at Brigade Capital Management, where I specialized in aircraft and aviation-related investment vehicles, underwriting and managing the acquisition and disposition of over 90 commercial aircraft and over 260 commercial engines. My experience also includes working at GE Capital Aviation Services (GECAS) for over seven years, where I held the position of Vice President, Product Evaluation & Strategy, and Simat, Helliesen & Eichner as a privatization consultant. I am a graduate of Queen's University and Concordia University (M.B.A.).

3. I submit this declaration (the “**Declaration**”) in support of *Motion of Debtors for Entry of an Order Authorizing Private Sale of Helicopter With Manufacturer's Serial Number 2905 Free of All Liens, Claims, Encumbrances, and Other Interests, and Granting Related Relief*, dated July 1, 2019 (the “**Motion**”).² I am authorized by the Debtors to submit this Declaration and, unless otherwise indicated, all facts set forth in this Declaration are based upon my personal knowledge, my experience, my review of relevant documents, information provided to me by the Debtors' employees or former employees working under my supervision. If called upon to testify, I could and would testify to the facts and opinions set forth herein.

I. The Debtors' Marketing Efforts and Proposed Sale to the Purchaser

4. MSN 2905 is an H225 helicopter manufactured by Airbus Helicopters and owned beneficially by Debtor Waypoint Asset Co 11 (“**WAC11**”). The Debtors own four H225s. Three of the H225s are beneficially owned by Waypoint Asset Co 10 Limited

² Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to such terms in the Motion.

(“**WAC10**” and the H225s beneficially owned by WAC10, the “**WAC10 H225s**”) and the remaining H225 is MSN 2905. The Debtors currently lease MSN 2905 to Omni T  xi A  reo S.A. (“**Omni**”) pursuant to the Helicopter Lease.

5. The market for H225 helicopters has been depressed following a fatal crash of a H225 helicopter not affiliated with the Debtors on April 29, 2016. As a result, various governmental agencies across the world grounded or placed severe restrictions on H225 helicopters. Despite such restrictions now being lifted, the market for H225s remains severely depressed, and H225s have been difficult to sell or lease to operators. In my role as Chief Risk Officer, I led the Debtors’ marketing efforts for MSN 2905 through and after the close of the Macquarie Sale Transaction.

6. The Debtors have extensively marketed the Helicopter along with the WAC10 H225s to various customers and aviation service providers since July 2018. As part of the Debtors’ prepetition global sale and marketing process, the Debtors marketed MSN 2905 along with their other aircraft to approximately 180 potential purchasers, including to Macquarie, the Debtors’ stalking horse bidder and ultimate purchaser of substantially all of the Debtors’ assets. Macquarie declined to acquire MSN 2905. In addition to the marketing efforts for the global sale process, the Debtors renewed marketing efforts for MSN 2905 specifically throughout 2018 and 2019, including contacting over ten potential purchasers for the Helicopter and placing the Helicopter with multiple brokers who further marketed the Helicopter to a broad range of potential purchasers across several sectors. Given the distressed nature of the helicopter leasing industry and the oil and gas market, in addition to the issues associated with this model helicopter, there was limited interest in the Helicopter.

7. In early 2019, the Debtors received two competing offers for the Helicopter. Of the potential purchasers, only the Purchaser, a German lessor of utility helicopters, and one other potential purchaser presented proposals that were economically feasible. The total consideration offered by the Purchaser is greater than the competing offer. In addition, the Debtors are familiar with the Purchaser, having previously consummated the private sale of a Bell 412SP helicopter to the Purchaser during the pendency of the Chapter 11 Cases. Given the Debtors' familiarity with the Purchaser (which provides a degree of certainty of execution) and the greater consideration offered, the Debtors determined in their business judgment to proceed with the sale of the Helicopter to the Purchaser.

8. In April 2019, the Debtors engaged in arms' length negotiations with the Purchaser that lasted several months and culminated in the parties agreeing to the SPA.

II. The Sale of MSN 2905 is an Exercise of the Debtors' Sound Business Judgment

9. The sale of MSN 2905 is a sound exercise of the Debtors' business judgment. The Debtors have sold substantially all of their assets and no longer are in the helicopter leasing business. They are moving forward with a proposed chapter 11 plan that contemplates final distributions to creditors and the ultimate winddown and liquidation of the Debtor entities. The Debtors have no further use for the Helicopter and are unable to continue servicing the Helicopter Lease. As such, the Debtors determined that the value of the Helicopter and Helicopter Lease are maximized through a going concern sale. Retaining the helicopter into the future would most likely result in a lesser recovery over time.

10. The Debtors extensively marketed the Helicopter to multiple potential purchasers, over the course of almost a year, including placing the Helicopter with several helicopter brokers. The Debtors received only two economically feasible offers for the

Helicopter, which I reviewed with their advisors and other former employees of Waypoint who are now employed by Macquarie. Ultimately, the Debtors selected the Purchaser's bid as the highest and best offer.

11. The boards of directors of WAC11 and WLIL, the Debtors' primary operating entity and parent of WAC11, have thoroughly reviewed and approved the proposed sale.

12. Specifically, (i) only two parties expressed an interest and/or the capability to acquire the Helicopter, despite the Debtors' extensive marketing efforts (as described herein); (ii) the Debtors' have already placed the aircraft with several brokers that conducted a broad solicitation of the market to no avail; (iii) the Purchaser has agreed to provide valuable consideration for the Helicopter, including the assumption of significant liabilities under the Helicopter Lease; and (iv) the Debtors have limited funds available to conduct a public auction for the Helicopter. The cost of doing so would be expensive, with likely no benefit in return. Moreover, as discussed, the Debtors have already rigorously marketed the Helicopter since July 2018 and would not expect any competitive bidders to surface now. The purchase price proposed by the Purchaser is the highest and best offer for the Helicopter that the Debtors have received. A private sale will ensure that the Debtors are able to consummate a value-maximizing transaction for the benefit of all parties in interest.

13. Furthermore, the transfer of the Helicopter Lease is necessary to obtain the highest value for the Helicopter. The Helicopter Lease does not expire until 2021; accordingly, there is significant lease rental value remaining under the Helicopter Lease, and this value was part of the consideration offered by the Debtors in connection with the sale of the Helicopter.

14. I declare under penalty of perjury that the foregoing is true and correct.

Executed on July 1, 2019 in New York, New York.

/s/ Ian Gurekian

Ian Gurekian