

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

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In re : Chapter 11

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AEROCENTURY CORP., *et al.*, : Case No. 21-10636 (JTD)

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Debtors.¹ : (Jointly Administered)

:

-----X Re: Docket Nos. 8 & 35

**CERTIFICATION OF COUNSEL SUBMITTING PROPOSED
FINAL ORDER (I) AUTHORIZING (A) CONTINUED USE OF CASH MANAGEMENT
SYSTEM; (B) MAINTENANCE OF EXISTING BANK ACCOUNTS; AND (C)
CONTINUED USE OF EXISTING BUSINESS FORMS; AND
(II) GRANTING RELATED RELIEF**

On March 29, 2021, the above-captioned debtors and debtors in possession (collectively, the “Debtors”) filed the *Debtors’ Motion for Entry of an Order (I) Authorizing (A) Continued Use of Cash Management System; (B) Maintenance of Existing Bank Accounts; and (C) Continued Use of Existing Business Forms; and (II) Granting Related Relief* [Docket No. 8] (the “Motion”) with the United States Bankruptcy Court for the District of Delaware (the “Court”). On March 31, 2021, the Court entered an interim order approving the Motion [D.I. 35] (the “Interim Order”).

Pursuant to the Interim Order, the deadline to file objections or respond to final approval of the Motion was established as April 16, 2021 at 4:00 p.m. (ET) (the “Objection Deadline”). The undersigned hereby certifies that, as of the date hereof, he has received no answer, objection, or other responsive pleading to the Motion. The undersigned further certifies that he has

¹ The Debtors in these chapter 11 cases, along with the last four digits of their federal employer identification number, are: AeroCentury Corp. (3974); JetFleet Holding Corp. (5342); and JetFleet Management Corp. (0929). The Debtors’ mailing address is 1440 Chapin Avenue, Suite 310, Burlingame, CA 94010.



reviewed the Court's docket in these cases and no answer, objection, or other responsive pleading to the Motion appears thereon.

Attached hereto as **Exhibit A** is a proposed final order (the "**Proposed Final Order**"). The Proposed Final Order is consistent with the changes made to the Interim Order to resolve the comments of the Office of the United States Trustee. For the convenience of the Court and other parties in interest, a blackline comparison of the Proposed Final Order against the Interim Order is attached hereto as **Exhibit B**.

Accordingly, the Debtors respectfully request that the Proposed Final Order attached hereto as **Exhibit A** be entered at the earliest convenience of the Court and without further notice or hearing.

Dated: April 19, 2021
Wilmington, Delaware

/s/ S. Alexander Faris

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Proposed Counsel to the Debtors and Debtors in Possession

EXHIBIT A

Proposed Final Order

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

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	:	
In re	:	Chapter 11
	:	
AEROCENTURY CORP., <i>et al.</i> ,	:	Case No. 21-10636 (JTD)
	:	
Debtors. ¹	:	(Jointly Administered)
	:	
	:	Re: Docket Nos. 8 & 35
	-	

**FINAL ORDER (I) AUTHORIZING (A) CONTINUED USE OF CASH
MANAGEMENT SYSTEM; (B) MAINTENANCE OF EXISTING BANK
ACCOUNTS; AND (C) CONTINUED USE OF EXISTING
BUSINESS FORMS; AND (II) GRANTING RELATED RELIEF**

Upon the motion (the “Motion”)² of the Debtors for entry of interim and final orders, pursuant to sections 105, 345, and 363 of the Bankruptcy Code, Bankruptcy Rules 6003 and 6004, and Local Rule 2015-2, (i) authorizing the Debtors’ continued use of the Cash Management System and the Business Forms; (ii) authorizing the Debtors to maintain the Bank Accounts; and (iii) granting related relief; and upon consideration of the First Day Declaration; and this Court having jurisdiction to consider the Motion pursuant to 28 U.S.C. §§ 1334 and 157, and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware dated February 29, 2012; and it appearing that this is a core matter pursuant to 28 U.S.C. § 157(b)(2) and this Court having determined that it may enter a final order consistent with Article III of the United States Constitution; and it appearing that venue of the Chapter 11 Case and of the Motion is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and it appearing that due and adequate

¹ The Debtors in these chapter 11 cases, along with the last four digits of their federal employer identification number, are: AeroCentury Corp. (3974); JetFleet Holding Corp. (5342); and JetFleet Management Corp. (0929). The Debtors’ mailing address is 1440 Chapin Avenue, Suite 310, Burlingame, CA 94010.

² Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Motion.

notice of the Motion has been given under the circumstances, and that no other or further notice need be given; and it appearing that the relief requested in the Motion is in the best interests of the Debtors, their estates, their creditors, and other parties in interest; and after due deliberation and sufficient cause appearing therefor;

IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED on a final basis, as set forth herein.
2. The Debtors are authorized, in their sole discretion, to: (i) continue operating the Cash Management System and honor any prepetition obligations related thereto; (ii) maintain existing Bank Accounts and Business Forms; (iii) maintain the ability to use debit, wire and ACH payments; and (iv) continue to deposit and invest funds in accordance with their current practices to the extent set forth herein.
3. The Debtors are further authorized, in their sole discretion, to: (i) continue to use, with the same account numbers, all of the Bank Accounts in existence as of the Petition Date, including those accounts identified on **Exhibit B** to the Motion; (ii) use, in their present form, all Business Forms, without reference to the Debtors' status as debtors in possession; (iii) treat the Bank Accounts for all purposes as accounts of the Debtors as debtors in possession; (iv) deposit funds in and withdraw funds from the Bank Accounts by all usual means, including checks, wire transfers, ACH payments, and other debits; and (v) pay any ordinary course prepetition or postpetition fees incurred in connection with the Bank Accounts and to otherwise perform their obligations under the documents governing the Bank Accounts.
4. The Banks are authorized, but not directed, to continue to maintain, service, and administer the Bank Accounts in accordance with prepetition practices as accounts of a debtor in possession, without interruption and in the ordinary course of business. In this regard, the Banks

are authorized, but not directed, to receive, process, honor and pay any and all checks, ACH payments and other instructions, and drafts payable through, drawn or directed on the Bank Accounts by holders, makers or other parties entitled to issue instructions with respect thereto on account of any claim arising (i) on or after the Petition Date or (ii) prior to the Petition Date and otherwise authorized by this Court.

5. In the course of providing cash management services to the Debtors, the Banks, without further order of this Court, are authorized, but not directed, to (i) charge, and the Debtors are authorized to pay or honor, both prepetition and postpetition service and other fees, costs, charges and expenses to which the Banks are entitled under the terms and in accordance with their contractual arrangements with the Debtors, and (ii) charge-back returned items to the Bank Accounts, whether such items are dated before, on or subsequent to the Petition Date, in the ordinary course.

6. The Debtors and the Banks are hereby authorized, but not directed, to continue to perform pursuant to the terms of any unexpired prepetition cash management agreements that may exist between them, except and to the extent otherwise directed by the terms of this Order and except as amended, modified, or supplemented by agreement between the Debtors and such Bank in the ordinary course of business.

7. Notwithstanding any other provision of this Order, the Banks are authorized, but not directed, to rely on the representations of the Debtors with respect to whether any check, draft, wire, or other transfer drawn or issued by the Debtors prior to the Petition Date should be honored pursuant to any order of this Court, and any Bank that honors a prepetition check or other item drawn on any account that is the subject of this Order (i) at the direction of the Debtors, (ii) in a good-faith belief that this Court has authorized such prepetition check or item to be honored, or

(iii) as a result of an innocent mistake made despite the above-described protective measures, shall neither be deemed to be in violation of this Order nor be liable to the Debtors, their estates, or any other party on account of such prepetition check or other item being honored postpetition, or otherwise deemed to be in violation of this Order.

8. The Banks are further authorized, but not directed, to accept and hold, the Debtors' funds in accordance with the Debtors' instructions; *provided*, in each case, that the Banks shall not have any liability to any party for relying on such representations.

9. Within fifteen (15) days of the date of entry of this Order, the Debtors shall (i) contact each Bank; (ii) provide such Bank with the Debtors' employer identification number; and (iii) identify each of the Bank Accounts held at such Bank as being held by debtors in possession in a bankruptcy case and provide the bankruptcy case number, and request that each Bank internally code each of the Bank Accounts as "debtors in possession" accounts..

10. The Debtors are authorized to use their existing Business Forms; *provided*, *however*, that once the Debtors' existing Business Forms have been used, the Debtors shall, when reordering or reprinting Business Forms, require the designation "Debtors in Possession" or "DIP" and the corresponding bankruptcy case number on all Business Forms; *provided, further*, within fifteen (15) days of entry of this Order, any electronically produced Business Forms and checks shall reflect the designation "Debtors in Possession" or "DIP" and the bankruptcy case number.

11. The Banks are authorized, but not directed, to debit the Debtors' accounts in the ordinary course of business without need for further order of this Court for: (i) all checks, items, and other payment orders drawn on the Debtors' accounts which are cashed at such Bank's counters or exchanged for cashier's checks by the payees thereof prior to the Banks' receipt of notice of filing of the Chapter 11 Case, *provided, however*, that nothing herein shall be construed

as creating a right for the payee to receive any such payment, or in any way preventing disgorgement of such payments; (ii) all checks, automated clearing house entries, and other items deposited or credited to one of Debtors' accounts with such Bank prior to filing of the Chapter 11 Case which have been dishonored, reversed, or returned unpaid for any reason, together with any fees and costs in connection therewith, to the same extent the Debtors were responsible for such items prior to filing of the Chapter 11 Cases; and (iii) all undisputed prepetition amounts outstanding as of the date hereof, if any, owed to any Bank as service charges for the maintenance of the Cash Management System.

12. Nothing contained herein shall prevent the Debtors from closing any Bank Account(s) or opening any additional bank accounts, as it may deem necessary and appropriate, and the Banks are authorized, but not directed, to honor the Debtors' requests and to close or open such Bank Accounts or additional bank accounts, as the case may be; *provided* that notice of the opening or closure of any account shall be given to the U.S. Trustee and counsel to any statutory committee within fifteen (15) days; *provided, further*, that any new bank accounts shall be opened at a bank that is party to a Uniform Depository Agreement with the U.S. Trustee, or at a bank that is willing to immediately execute a Uniform Depository Agreement.

13. Notwithstanding the relief granted herein and any actions taken hereunder, nothing contained in the Motion or this Order (i) is intended or shall be deemed to constitute an assumption of any agreement pursuant to section 365 of the Bankruptcy Code or an admission as to the validity of any claim against the Debtors and their estates; (ii) shall impair, prejudice, waive, or otherwise affect the rights of the Debtors and their estates with respect to the validity, priority, or amount of any claim against the Debtors and their estates; (iii) shall impair, prejudice, waive, or otherwise

affect the rights of the Debtors and their estates with respect to any and all claims or causes of action against any party in interest; or (iv) shall be construed as a promise to pay a claim.

14. The Debtors are authorized to continue engaging in Intercompany Transactions in the ordinary course of business; *provided, however*, that there shall be no intercompany loans from or to the Debtors absent further order of the Court.

15. The Debtors shall maintain accurate and detailed records of all transfers, including intercompany transfers, so that all transactions may be readily ascertained, traced, recorded properly and distinguished between prepetition and postpetition transactions.

16. Notwithstanding any provision in the Bankruptcy Rules to the contrary, this Order shall be effective immediately and enforceable upon its entry.

17. The Debtors are authorized to take all actions necessary to effectuate the relief granted in this Order.

18. This Court retains jurisdiction with respect to all matters arising from or related to the implementation or interpretation of this Order.

EXHIBIT B

Blackline

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

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In re : Chapter 11

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AEROCENTURY CORP., *et al.*, : Case No. 21-10636 (JTD)

:

Debtors.¹ : (Jointly Administered)

:

: **Re: Docket ~~No~~Nos. 8 & 35**

-----X

INTERIM-FINAL ORDER (I) AUTHORIZING (A) CONTINUED USE OF CASH MANAGEMENT SYSTEM; (B) MAINTENANCE OF EXISTING BANK ACCOUNTS; AND (C) CONTINUED USE OF EXISTING BUSINESS FORMS; AND (II) GRANTING RELATED RELIEF

Upon the motion (the “Motion”)² of the Debtors for entry of ~~an~~-interim ~~order~~and final orders, pursuant to sections 105, 345, and 363 of the Bankruptcy Code, Bankruptcy Rules 6003 and 6004, and Local Rule 2015-2, (i) authorizing the Debtors’ continued use of the Cash Management System and the Business Forms; (ii) authorizing the Debtors to maintain the Bank Accounts; and (iii) granting related relief; and upon consideration of the First Day Declaration; and this Court having jurisdiction to consider the Motion pursuant to 28 U.S.C. §§ 1334 and 157, and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware dated February 29, 2012; and it appearing that this is a core matter pursuant to 28 U.S.C. § 157(b)(2) and this Court having determined that it may enter a final order consistent with Article III of the United States Constitution; and it appearing that venue of the Chapter 11 Case and of the Motion is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and it appearing that due and

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² Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Motion.

adequate notice of the Motion has been given under the circumstances, and that no other or further notice need be given; and it appearing that the relief requested in the Motion is in the best interests of the Debtors, their estates, their creditors, and other parties in interest; and after due deliberation and sufficient cause appearing therefor;

IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED on ~~an interim~~ a final basis, as set forth herein.

~~2. Objections to entry of an order granting the Motion on a final basis must be filed by April 16, 2021, at 4:00 p.m. (ET) and served on: (i) the Debtors at 1440 Chapin Avenue, Suite 310, Burlingame, CA 94010; (ii) proposed co-counsel to the Debtors, (a) Young Conaway Stargatt & Taylor, LLP, Rodney Square, 1000 North King Street, Wilmington, Delaware 19801, Attn: Joseph M. Barry, Esq. (jbarry@yest.com), Ryan M. Bartley, Esq. (rbartley@yest.com), and Joseph M. Mulvihill, Esq. (jmulvihill@yest.com), and (b) Morrison & Foerster LLP, 250 West 55th Street, New York, NY 10019-9601, Attn: Lorenzo Marinuzzi, Esq. (lmarinuzzi@mof.com) and Erica J. Richards, Esq. (erichards@mof.com); (iii) counsel to the prepetition lender, Vedder Price P.C., 222 North LaSalle Street, Chicago, Illinois 60601, Attn: Neil Poland (npoland@vedderprice.com) and David L. Kane, Esq. (dkane@vedderprice.com); the Office of the United States Trustee for the District of Delaware, 844 King Street, Suite 2207, Wilmington, Delaware, 19801, Attn: Linda Casey, Esq. (linda.casey@usdoj.gov); and (v) counsel to any statutory committee appointed in the Chapter 11 Case. A final hearing, if required, on the Motion will be held on April 26, 2021, at 2:00 p.m. (ET). If no objections are filed to the Motion, this Court may enter a final order without further notice or hearing.~~

0. ~~3.~~ The Debtors are authorized, in their sole discretion, to: (i) continue operating the Cash Management System and honor any prepetition obligations related thereto; (ii) maintain

existing Bank Accounts and Business Forms; (iii) maintain the ability to use debit, wire and ACH payments; and (iv) continue to deposit and invest funds in accordance with their current practices to the extent set forth herein.

1. ~~4.~~The Debtors are further authorized, in their sole discretion, to: (i) continue to use, with the same account numbers, all of the Bank Accounts in existence as of the Petition Date, including those accounts identified on **Exhibit B** to the Motion; (ii) use, in their present form, all Business Forms, without reference to the Debtors' status as debtors in possession; (iii) treat the Bank Accounts for all purposes as accounts of the Debtors as debtors in possession; (iv) deposit funds in and withdraw funds from the Bank Accounts by all usual means, including checks, wire transfers, ACH payments, and other debits; and (v) pay any ordinary course prepetition or postpetition fees incurred in connection with the Bank Accounts and to otherwise perform their obligations under the documents governing the Bank Accounts.

2. ~~5.~~The Banks are authorized, but not directed, to continue to maintain, service, and administer the Bank Accounts in accordance with prepetition practices as accounts of a debtor in possession, without interruption and in the ordinary course of business. In this regard, the Banks are authorized, but not directed, to receive, process, honor and pay any and all checks, ACH payments and other instructions, and drafts payable through, drawn or directed on the Bank Accounts by holders, makers or other parties entitled to issue instructions with respect thereto on account of any claim arising (i) on or after the Petition Date or (ii) prior to the Petition Date and otherwise authorized by this Court.

3. ~~6.~~In the course of providing cash management services to the Debtors, the Banks, without further order of this Court, are authorized, but not directed, to (i) charge, and the Debtors are authorized to pay or honor, both prepetition and postpetition service and other fees, costs,

charges and expenses to which the Banks are entitled under the terms and in accordance with their contractual arrangements with the Debtors, and (ii) charge-back returned items to the Bank Accounts, whether such items are dated before, on or subsequent to the Petition Date, in the ordinary course.

4. ~~7.~~The Debtors and the Banks are hereby authorized, but not directed, to continue to perform pursuant to the terms of any unexpired prepetition cash management agreements that may exist between them, except and to the extent otherwise directed by the terms of this Order and except as amended, modified, or supplemented by agreement between the Debtors and such Bank in the ordinary course of business.

5. ~~8.~~Notwithstanding any other provision of this Order, the Banks are authorized, but not directed, to rely on the representations of the Debtors with respect to whether any check, draft, wire, or other transfer drawn or issued by the Debtors prior to the Petition Date should be honored pursuant to any order of this Court, and any Bank that honors a prepetition check or other item drawn on any account that is the subject of this Order (i) at the direction of the Debtors, (ii) in a good-faith belief that this Court has authorized such prepetition check or item to be honored, or (iii) as a result of an innocent mistake made despite the above-described protective measures, shall neither be deemed to be in violation of this Order nor be liable to the Debtors, their estates, or any other party on account of such prepetition check or other item being honored postpetition, or otherwise deemed to be in violation of this Order.

6. ~~9.~~The Banks are further authorized, but not directed, to accept and hold ~~-,~~ the Debtors' funds in accordance with the Debtors' instructions; *provided*, in each case, that the Banks shall not have any liability to any party for relying on such representations.

7. ~~10.~~ Within fifteen (15) days of the date of entry of this Order, the Debtors shall (i) contact each Bank; (ii) provide such Bank with the Debtors' employer identification number; and (iii) identify each of the Bank Accounts held at such Bank as being held by debtors in possession in a bankruptcy case and provide the bankruptcy case number, and request that each Bank internally code each of the Bank Accounts as "debtors in possession" accounts..

8. ~~11.~~ The Debtors are authorized to use their existing Business Forms; *provided*, *however*, that once the Debtors' existing Business Forms have been used, the Debtors shall, when reordering or reprinting Business Forms, require the designation "Debtors in Possession" or "DIP" and the corresponding bankruptcy case number on all Business Forms; *provided, further*, within fifteen (15) days of entry of this Order, any electronically produced Business Forms and checks shall reflect the designation "Debtors in Possession" or "DIP" and the bankruptcy case number.

9. ~~12.~~ The Banks are authorized, but not directed, to debit the Debtors' accounts in the ordinary course of business without need for further order of this Court for: (i) all checks, items, and other payment orders drawn on the Debtors' accounts which are cashed at such Bank's counters or exchanged for cashier's checks by the payees thereof prior to the Banks' receipt of notice of filing of the Chapter 11 Case, *provided, however*, that nothing herein shall be construed as creating a right for the payee to receive any such payment, or in any way preventing disgorgement of such payments; (ii) all checks, automated clearing house entries, and other items deposited or credited to one of Debtors' accounts with such Bank prior to filing of the Chapter 11 Case which have been dishonored, reversed, or returned unpaid for any reason, together with any fees and costs in connection therewith, to the same extent the Debtors were responsible for such items prior to filing of the Chapter 11 Cases; and (iii) all undisputed prepetition amounts

outstanding as of the date hereof, if any, owed to any Bank as service charges for the maintenance of the Cash Management System.

10. ~~13.~~ Nothing contained herein shall prevent the Debtors from closing any Bank Account(s) or opening any additional bank accounts, as it may deem necessary and appropriate, and the Banks are authorized, but not directed, to honor the Debtors' requests and to close or open such Bank Accounts or additional bank accounts, as the case may be; *provided* that notice of the opening or closure of any account shall be given to the U.S. Trustee and counsel to any statutory committee within fifteen (15) days; *provided, further*, that any new bank accounts shall be opened at a bank that is party to a Uniform Depository Agreement with the U.S. Trustee, or at a bank that is willing to immediately execute a Uniform Depository Agreement.

11. ~~14.~~ Notwithstanding the relief granted herein and any actions taken hereunder, nothing contained in the Motion or this Order (i) is intended or shall be deemed to constitute an assumption of any agreement pursuant to section 365 of the Bankruptcy Code or an admission as to the validity of any claim against the Debtors and their estates; (ii) shall impair, prejudice, waive, or otherwise affect the rights of the Debtors and their estates with respect to the validity, priority, or amount of any claim against the Debtors and their estates; (iii) shall impair, prejudice, waive, or otherwise affect the rights of the Debtors and their estates with respect to any and all claims or causes of action against any party in interest; or (iv) shall be construed as a promise to pay a claim.

12. ~~15.~~ The Debtors are authorized to continue engaging in Intercompany Transactions in the ordinary course of business; *provided, however*, that there shall be no intercompany loans from or to the Debtors absent further order of the Court, ~~and provided further that Intercompany Transactions to non-Debtor affiliates shall not exceed \$30,000, absent further order of this Court.~~

13. ~~16.~~The Debtors shall maintain accurate and detailed records of all transfers, including intercompany transfers, so that all transactions may be readily ascertained, traced, recorded properly and distinguished between prepetition and postpetition transactions.

~~17.—Bankruptcy Rule 6003(b) has been satisfied because the relief requested in the Motion is necessary to avoid immediate and irreparable harm to the Debtors. The requirements of Bankruptcy Rule 6004(a) are waived under the circumstances.~~

14. ~~18.~~Notwithstanding any provision in the Bankruptcy Rules to the contrary, this Order shall be effective immediately and enforceable upon its entry.

15. ~~19.~~The Debtors are authorized to take all actions necessary to effectuate the relief granted in this Order.

16. ~~20.~~This Court retains jurisdiction with respect to all matters arising from or related to the implementation or interpretation of this Order.