

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

-----X
In re : Chapter 11
AEROCENTURY CORP., et al., : Case No. 21-10636 (JTD)
Debtors.¹ : (Jointly Administered)
-----X Re: Docket Nos. 12, 87, 165 & 166

**CERTIFICATION OF COUNSEL SUBMITTING PROPOSED ORDER
(I) APPROVING AND AUTHORIZING THE SALE OF CERTAIN OF THE DEBTORS'
ASSETS FREE AND CLEAR OF ALL LIENS, CLAIMS, AND ENCUMBRANCES, (II)
AUTHORIZING THE ASSUMPTION AND ASSIGNMENT OF CERTAIN
EXECUTORY CONTRACTS AND UNEXPIRED LEASES, AND (III) 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: (A) an Order (I) Approving Bidding Procedures in Connection With the Sale of Substantially All of the Debtors’ Assets, (II) Authorizing the Debtors to Enter Into the Stalking Horse Purchase Agreement, (III) Scheduling an Auction for and Hearing to Approve the Sale, (IV) Approving Notice of Respective Date, Time and Place for Auction and for Hearing on Approval of Sale, (V) Approving Procedures for the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases, (VI) Approving Form and Manner of Notice Thereof, and (VII) Granting Related Relief; and (B) An Order Authorizing and Approving (I) the Sale Free and Clear of Liens, Claims, Rights, Encumbrances, and Other Interests, and (II) the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases and (III) Related Relief* [Docket No. 12] (the “Motion”)² with the United States Bankruptcy Court for the District of Delaware (the “Court”). On April 22, 2021, the Court entered the *Order (I) Approving Bidding Procedures in Connection with the Sale of Substantially All of the Debtors’ Assets; (II) Authorizing the Debtors to Enter Into the Stalking Horse Purchase Agreement, (III) Scheduling an Auction for and Hearing to Approve the Sale; (IV) Approving Notice of Respective Date, Time and Place for Auction and for Hearing on Approval of Sale; (V) Approving Procedures for the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases; (VI) Approving Form and Manner of Notice Thereof; and (VII) Granting Related Relief; and (V) Granting Related Relief* [Docket No. 87] (the “Bidding Procedures Order”).

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 not defined herein shall have the meanings ascribed in the Motion



On May 11, 2021, in accordance with the Bidding Procedures Order, the Debtors file the *Notice of Filing of Proposed Order Approving the Sale of the Debtors' Assets* [Docket No. 134], which attached a form of proposed sale order as Exhibit A (the "Proposed Order").

On May 27, 2021, the Debtors filed the *Declaration of Adam M. Rosen in Support of Sale to the Stalking Horse Bidder* [Docket No. 165] (the "Rosen Declaration") and the *Declaration of Christopher Tigno in Support of Sale to the Stalking Horse Bidder* [Docket No. 166] (together with the Rosen Declaration, the "Declarations").

As set forth in the Declarations, no other Qualified Bids were received for the assets to be sold to Drake Asset Management Jersey Limited ("Drake").

In accordance with the Motion, the Bidding Procedures Order, and the Declarations, the Debtors hereby submit a proposed form of order (the "Proposed Drake Sale Order"), a copy of which is attached hereto as **Exhibit A**, authorizing and approving the sale pursuant to the Stalking Horse Purchase Agreement, dated as of March 26, 2021, to Drake pursuant to the Proposed Drake Sale Order, free and clear of all liens claims, interests, and encumbrances, and (b) granting related relief. Attached hereto as **Exhibit B** is a blackline of the Proposed Drake Sale Order, showing changes from the Proposed Order.

Accordingly, the Debtors respectfully request that the Court enter the Proposed Drake Sale Order without further notice or hearing at the Court's earliest convenience.

Dated: May 27, 2021
Wilmington, Delaware

/s/ Joseph M. Mulvihill

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EXHIBIT A

Proposed Drake Sale Order

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

-----X
In re : Chapter 11
AEROCENTURY CORP., *et al.*, : Case No. 21-10636 (JTD)
Debtors.¹ : (Jointly Administered)
: Re: Docket Nos. 12, 87
-----X

**ORDER (I) APPROVING AND AUTHORIZING THE SALE OF
CERTAIN OF THE DEBTORS' ASSETS FREE AND CLEAR OF
ALL LIENS, CLAIMS, AND ENCUMBRANCES, (II) AUTHORIZING THE
ASSUMPTION AND ASSIGNMENT OF CERTAIN EXECUTORY CONTRACTS AND
UNEXPIRED LEASES, AND (III) GRANTING RELATED RELIEF**

Upon consideration of the motion (the "Motion")² of the above-captioned debtors and debtors in possession (the "Debtors"), pursuant to sections 105(a), 363, 365, and 503 of title 11 of the United States Code, 11 U.S.C. §§ 101 *et seq.* (the "Bankruptcy Code"), Rules 2002, 6004, 6006, 9006 and 9014 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), and Rules 2002-1 and 6004-1 of the Local Rules of Bankruptcy Practice and Procedure for the United States Bankruptcy Court for the District of Delaware (the "Local Rules"), for the entry of an order (this "Sale Order") authorizing and approving (a) the sale (the "Sale") pursuant to that certain Asset Purchase Agreement, dated as of March 26, 2021, attached hereto as **Exhibit 1** (the "APA"), between the Debtors and Drake Asset Management Jersey Limited ("Buyer") free and clear of all liens claims, interests, and Encumbrances³, (b) approving the assumption and

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 not otherwise defined herein shall have the meanings ascribed to such terms in the APA (as defined below), or to the extent not defined therein, the Bidding Procedures Order (as defined below).

³ The defined term "Encumbrances" as used herein shall have the meaning ascribed in paragraph 7 of this Order.

assignment of certain executory contracts and unexpired leases pursuant to section 365 of the Bankruptcy Code in connection with the Sale, and (c) granting related relief; and the Court having entered on April 22, 2021, that certain *Order (I) Approving Bidding Procedures in Connection with the Sale of Substantially All of the Debtors' Assets; (II) Authorizing the Debtors to Enter Into the Stalking Horse Purchase Agreement, (III) Scheduling an Auction for and Hearing to Approve the Sale; (IV) Approving Notice of Respective Date, Time and Place for Auction and for Hearing on Approval of Sale; (V) Approving Procedures for the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases; (VI) Approving Form and Manner of Notice Thereof; and (VII) Granting Related Relief; and (V) Granting Related Relief* [Docket No. 87] (the “Bidding Procedures Order”); and the Debtors, after an extensive marketing and sale process, and acting in accordance with the bidding procedures approved pursuant to the Bidding Procedures Order, having determined that the highest or otherwise best offer for those certain assets to be purchased in the APA (the “Purchased Assets”) was made by the Buyer pursuant to the APA; and the Court having scheduled a hearing for May 25, 2021 (the “Sale Hearing”); and all parties in interest were offered an opportunity to object and be heard with respect to the Sale, to consider the approval of the Sale pursuant to the terms and conditions of the APA, and the Court having considered (i) the Motion and any objections thereto, (ii) the Sale, (iii) the arguments of counsel made in the Motion, and evidence adduced through supporting declarations, related thereto, and (iv) the full record in the chapter 11 cases, including the record related to the entry of the Bidding Procedures Order and the evidence adduced through declarations; and all parties in interest having been heard, or having had the opportunity to be heard, regarding the approval of the APA, the Sale and the transactions contemplated by the APA; and it appearing that the relief requested in the Motion is

in the best interests of the Debtors, their bankruptcy estates, creditors, and other parties in interest in the chapter 11 cases; it is hereby **FOUND, CONCLUDED, AND DETERMINED THAT**:⁴

A. The findings and conclusions set forth herein constitute this Court's findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052, made applicable to the chapter 11 cases pursuant to Bankruptcy Rule 9014. The Court's findings also shall include any oral findings of fact and conclusions of law made by the Court during or at the conclusion of the Sale Hearing, if such hearing was held.

B. To the extent that any of the following findings of fact constitute conclusions of law, they are adopted as such. To the extent any of the following conclusions of law constitute findings of fact, they are adopted as such.

C. This Court has jurisdiction over the Motion and over the property of the Debtor, including the Purchased Assets to be sold, transferred, and conveyed pursuant to the APA, pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2). Venue of the chapter 11 cases and the Motion in this District and Court is proper under 28 U.S.C. §§ 1408 and 1409.

D. This Sale Order constitutes a final order within the meaning of 28 U.S.C. § 158(a). Notwithstanding Bankruptcy Rules 6004(h) and 6006(d), and to any extent necessary under Bankruptcy Rule 9014 and Rule 54(b) of the Federal Rules of Civil Procedure, as made applicable by Bankruptcy Rule 7054, this Court finds that there is no just reason for delay in the implementation of this Sale Order, and directs entry of judgment as set forth herein. No appeal, motion to reconsider, or similar pleading has been filed with respect to the Bidding Procedures

⁴ All findings of fact and conclusions of law announced by the Court at the Sale Hearing, if such hearing was held, in relation to the Motion, if any, are hereby incorporated herein.

Order, and the Bidding Procedures Order is a final order of the Court, has not been vacated, withdrawn, rescinded, or amended and remains in full force and effect.

E. The Purchased Assets constitute property of the Debtors' bankruptcy estates and title thereto is vested in the Debtors' bankruptcy estate within the meaning of section 541(a) of the Bankruptcy Code.

F. The statutory bases for the relief requested in the Motion and provided for herein are sections 105, 363, 365, and 503 of the Bankruptcy Code, Bankruptcy Rules 2002, 6004, 6006, 9006 and 9014, and Local Rules 2002-1 and 6004-1.

G. On March 29, 2021 (the "Petition Date"), each of the Debtors filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code. Since the Petition Date, the Debtors have continued to maintain their business and manage their property as debtors in possession pursuant to sections 1107 and 1108 of the Bankruptcy Code.

H. This Court previously entered the Bidding Procedures Order, among other things: (i) establishing certain bidding and auction procedures; (ii) scheduling the Auction (if necessary) and the Sale Hearing to consider the sale of the Purchased Assets; (iii) establishing certain procedures for noticing and determining cure amounts related to the Debtors' executory contracts and unexpired leases; (iv) approving the form and manner of notice of certain procedures, dates and deadlines in connection with the Bidding Procedures and the Sale; and (v) granting certain related relief.

I. A fair and reasonable opportunity to object or be heard with respect to the Motion and the relief requested therein has been afforded to all interested persons and entities. As evidenced by the affidavits of service and publication previously filed with the Court [Docket Nos. 50, 101, 110, 135, & 137], due, proper, timely, adequate, and sufficient notice of the Motion, the

Sale Hearing, the Auction, the Sale, and the assumption and assignment of the executory contracts and unexpired leases to be assumed and assigned to the Buyer at closing pursuant to this Sale Order and the APA (collectively, the “Assumed Contracts”) has been provided in accordance with sections 102(1), 363, and 365 of the Bankruptcy Code and Bankruptcy Rules 2002, 6004, 9007, and 9014, and in compliance with the Bidding Procedures Order, to each party entitled to such notice, including, as applicable: (a) the Office of the United States Trustee for the District of Delaware; (b) counsel to the Prepetition Lender; (c) all persons known or reasonably believed to have asserted an interest in the Purchased Assets; (d) the Attorneys General in the State(s) where the Purchased Assets are located; (e) all state and local taxing authorities in the State(s) where the Purchased Assets are located; (f) the Internal Revenue Service; (g) all parties that have asserted liens against the Purchased Assets; (h) all of the Debtors’ known creditors and known equity holders, and (i) all parties that have filed a notice of appearance and request for service of papers pursuant to Bankruptcy Rule 2002. With respect to entities whose identities are not reasonably ascertained by the Debtors, publication of the Sale Notice once in the national edition of *The New York Times* on April 27, 2021, as evidenced by the affidavit of service filed by the Debtors at Docket No. 101 in the chapter 11 cases, was, and is deemed, sufficient, and reasonably calculated under the circumstances to reach such entities. The notices described above were good, sufficient, and appropriate under the circumstances, and no other or further notice of the Motion, the Auction, the Sale, and the Sale Hearing is, or shall be, required.

J. The Debtors have articulated good and sufficient reasons for this Court to grant the relief requested in the Motion as it pertains to the Sale and provided for herein.

K. The Sale Notice provided all interested parties with timely and proper notice of the Sale, the Sale Hearing, and the Auction.

L. The disclosures made by the Debtors in the Motion, the Sale Notice, and related documents filed with the Court concerning the APA, the Auction, the Sale and the Sale Hearing were good, complete and adequate.

M. The Bidding Procedures were substantively and procedurally fair to all parties. The Bidding Procedures set forth in the Bidding Procedures Order are non-collusive, proposed and executed in good faith as a result of arms'-length negotiations, designed to maximize the value of the Purchased Assets, and substantively and procedurally fair to all parties.

N. The Debtors conducted the process with respect to the Sale in accordance with, and has otherwise complied in all respects with, the Bidding Procedures Order. The sale process set forth in the Bidding Procedures Order afforded a full, fair, and reasonable opportunity for any entity to make a higher or otherwise better offer to purchase the Purchased Assets. The Auction was duly noticed and conducted in a non-collusive, fair and good faith manner. A reasonable opportunity has been given to any interested party to make a higher or otherwise better offer for the Purchased Assets.

O. The terms contained in the APA constitute the highest or otherwise best offer for the Purchased Assets, and will provide a greater recovery for the Debtors' bankruptcy estates for the Purchased Assets than would be provided by any other available alternative. The Debtors' determination that the APA constitutes the highest or otherwise best offer for the Purchased Assets constitutes a valid and sound exercise of the Debtors' business judgment.

P. The APA and the Sale contemplated thereby represent a fair and reasonable offer to purchase the Purchased Assets. No other entity or group of entities has presented a higher or otherwise better offer to the Debtors to purchase the Purchased Assets for greater economic value to the Debtors' bankruptcy estates than the Buyer.

Q. Approval of the Motion and the APA and the consummation of the Sale contemplated thereby is in the best interests of the Debtors, their bankruptcy estates, their creditors and other parties in interest in the chapter 11 cases.

R. The Debtors have demonstrated compelling circumstances and a good, sufficient, and sound business purpose and justification for the Sale of the Purchased Assets because, among other reasons, (i) the APA constitutes the highest or otherwise best offer for the Purchased Assets, (ii) the APA and the closing thereon will present the best opportunity to realize the value of the Purchased Assets, and (iii) any other available transaction would not have yielded as favorable an economic result.

S. The Buyer is purchasing the Purchased Assets in good faith, is a good-faith buyer within the meaning of section 363(m) of the Bankruptcy Code, and is not an “insider” (as defined under section 101(31) of the Bankruptcy Code) of the Debtors and no common identity of incorporators, directors or stockholders exists between the Buyer and the Debtors, and therefore is entitled to the full benefits and protections of section 363(m) of the Bankruptcy Code, and otherwise has proceeded in good faith in all respects in connection with the Sale in that: (i) the Buyer recognized that the Debtors were free to deal with any other party interested in acquiring the Assets; (ii) the Buyer complied with the Bidding Procedures Order; (iii) the Buyer agreed to subject its bid to the competitive bidding procedures set forth in the Bidding Procedures Order; (iv) all payments to be made by the Buyer and other agreements or arrangements entered into by the Buyer in connection with the Sale, including that Regional One, Inc. may be the nominee for one or more of the Purchased Assets in accordance with Section 2.1 of the APA and shall pay such nominee fee directly to the Buyer, have been disclosed; (v) the Buyer has not violated section 363(n) of the Bankruptcy Code by any action or inaction; and (vi) the negotiation and execution

of the APA, including the Sale contemplated thereby, were negotiated, proposed and entered into by the Debtors and the Buyer at arms'-length without collusion and in good faith.

T. The APA and the transactions contemplated thereby cannot be avoided under section 363(n) of the Bankruptcy Code. The Debtors, the Buyer and their respective agents, representatives and affiliates have not engaged in any conduct that would cause or permit the APA or the consummation of the transactions contemplated thereby to be avoided, or costs or damages to be imposed, under section 363(n) of the Bankruptcy Code.

U. The consideration provided by the Buyer pursuant to the APA: (i) is fair and adequate, and constitutes reasonably equivalent value and fair consideration and value, under the Bankruptcy Code and under the laws of the United States, any state, territory, possession, or the District of Columbia (including the Uniform Fraudulent Transfer Act); and (ii) will provide a greater recovery for the Debtors' bankruptcy estates and creditors than would be provided by any other reasonably practicable available alternative.

V. By consummating the Sale, the Buyer is not a mere continuation of the Debtors or their bankruptcy estates, and there is no continuity, no common identity, and no continuity of enterprise between the Debtors and the Buyer. Pursuant to the APA, the Buyer is not purchasing all of the Debtors' assets because the Buyer is not purchasing any of the Excluded Equipment, and the Buyer is not holding itself out to the public as a continuation of the Debtors. The Buyer is not a successor to the Debtors or their bankruptcy estates by reason of any theory of law or equity, and the Sale does not amount to a consolidation, merger, or de facto merger of the Buyer and the Debtors. Neither the Buyer nor any of its agents, representatives or affiliates shall assume or in any way be responsible for any obligation or liability of the Debtors and their bankruptcy estates except as expressly provided in this Sale Order or the APA. By consummating

the Sale and the transactions contemplated by the APA, neither the Buyer nor any of the Purchased Assets will be subject to any claim, liability or obligation arising out of, or relating to, any Excluded Equipment or any Excluded Liabilities, including, without limitation, under the Bankruptcy Code, any environmental law, or any other laws of the United States, any state, territory, possession or the District of Columbia. None of the transactions contemplated by the APA, including, without limitation, the Sale or the assumption and assignment of any Assumed Contracts, is being undertaken for the purpose of hindering, delaying, or defrauding any creditors under the Bankruptcy Code, under the laws of the United States, or under the laws of any state, territory, possession, or the District of Columbia.

W. The Sale neither impermissibly restructures the rights of the Debtors' creditors, nor impermissibly dictates the terms of a plan of reorganization of the Debtors. The Sale does not constitute a *sub rosa* plan.

X. The Debtors, acting by and through their agents, representatives, and officers, (i) have full corporate power and authority to execute the APA and all other documents contemplated thereby, and the Sale of the Purchased Assets by the Debtors has been duly and validly authorized by all necessary corporate action of the Debtors, (ii) have all of the corporate power and authority necessary to consummate the transactions contemplated by the APA, (iii) have taken all corporate action necessary to authorize and approve the APA and the consummation by the Debtors of the transactions contemplated thereby, and (iv) no consents or approvals, other than those expressly provided for in the APA or this Sale Order, are required for the Debtors to consummate such transactions.

Y. The transfer of each of the Purchased Assets to the Buyer will, as of the Closing Date (or applicable Delivery Date as set forth in the APA), be a legal, valid, and effective

transfer of such assets, and vests or will vest the Buyer with all right, title, and interest to the Purchased Assets free and clear of all Encumbrances, unless otherwise assumed in, or permitted by, the APA.

Z. The Debtors may sell the Purchased Assets free and clear of all Encumbrances against the Debtors, their bankruptcy estates, or any of the Purchased Assets (unless otherwise assumed in, or permitted by, the APA) because, in each case, one or more of the standards set forth in section 363(f)(1)-(5) of the Bankruptcy Code has been satisfied. Those holders of Encumbrances against the Debtors, their bankruptcy estates, or any of the Purchased Assets who did not object, or who withdrew their objections, to the Sale or the Motion are deemed to have consented thereto pursuant to section 363(f)(2) of the Bankruptcy Code. Those holders of such Encumbrances who did object fall within one or more of the other subsections of section 363(f) and are adequately protected by having their Encumbrances, if any, in each instance against the Debtors, their bankruptcy estates, or any of the Purchased Assets, attach to the cash proceeds of the Sale ultimately attributable to the Purchased Assets in which such creditor alleges an Encumbrance, in the same order of priority, with the same validity, force, and effect that such creditor had prior to the Sale, subject to any claims and defenses that the Debtors and their bankruptcy estates may possess with respect thereto. All other holders of Encumbrances could be compelled in a legal or equitable proceeding to accept money satisfaction of such claim or interest, or otherwise fall within section 363(f) of the Bankruptcy Code.

AA. The Buyer is an acquisition vehicle formed by the Prepetition Lender, holding valid claims against the Debtors, the estates and property of the estates. The Prepetition Lender holds an allowed secured claim, as of the Petition Date, in the principal amount of not less than \$83,164,109, plus additional interest, fees and costs (the “Allowed Claim”), and pursuant to

the Bidding Procedures Order was authorized to credit bid any or all of such Allowed Claim. The Buyer credit bid \$83,164,109, which credit bid was a valid and proper offer pursuant to the Bidding Procedures Order and Bankruptcy Code sections 363(b) and 363(k) (the “Credit Bid”). The terms contained in the APA constitute the highest and best offer for the Purchased Assets, and will provide a greater recovery for the Debtors’ bankruptcy estates for the Purchased Assets than would be provided by any other available alternative. The Debtors’ determination that the APA constitutes the highest and best offer for the Purchased Assets constitutes a valid and sound exercise of the Debtors’ business judgment.

BB. As set forth more fully in the Final Cash Collateral Order and the Bidding Procedures Order, and subject to any applicable Challenge (as defined in the Final Cash Collateral Order), the Prepetition Obligations: (i) constitute legal, valid, binding, enforceable, unavoidable obligations of the Debtors; (ii) are secured by valid, binding, enforceable, unavoidable and properly perfected first priority Prepetition Liens (as defined in the Final Cash Collateral Order) on the Purchased Assets; (iii) constitute allowed secured claims under section 502(a) of the Bankruptcy Code; and (iv) are authorized to be credit bid on the Purchased Assets pursuant to section 363(k) of the Bankruptcy Code. The Prepetition Lender having delegated the authority to credit bid the Prepetition Obligations to the Buyer, the Buyer is authorized to assert the Credit Bid in connection with the Sale transaction contemplated under the APA. Pursuant to applicable law, including section 363(k) of the Bankruptcy Code and in accordance with the Final Cash Collateral Order, the Buyer is authorized to credit bid for the Purchased Assets the amount of the Prepetition Obligations as contemplated under the APA, and the Credit Bid is valid and proper consideration pursuant to sections 363(b) and 363(k) of the Bankruptcy Code, the Final Cash Collateral Order, and the Bidding Procedures Order.

CC. If the Sale were not free and clear of all Encumbrances (except as otherwise assumed in, or permitted by, the APA), or if the Buyer would, or in the future could, be liable for any Encumbrances (except as otherwise assumed in, or permitted by, the APA), the Buyer would not have entered into the APA and would not consummate the Sale, thus adversely affecting the Debtors, their bankruptcy estates and their creditors.

DD. The Debtors have demonstrated that it is an exercise of their sound business judgment to assume and assign the Assumed Contracts to the Buyer pursuant to the terms of this Sale Order and the APA, in each case in connection with the consummation of the Sale, and the assumption and assignment of the Assumed Contracts is in the best interests of the Debtors, their bankruptcy estates and creditors and other parties in interest. The Assumed Contracts being assigned to the Buyer under the APA are an integral part of the APA and the Sale, and accordingly such assumptions and assignments are reasonable and enhance the value of the Debtors' bankruptcy estates. Any non-Debtor counterparty to any Assumed Contract that has not actually filed with the Court an objection to such assumption as of the date hereof is deemed to have consented to such assumption and assignment.

EE. The Debtors and the Buyer have, to the extent necessary, satisfied the requirements of section 365 of the Bankruptcy Code, including sections 365(b)(1)(A), 365(b)(1)(B), and 365(f) of the Bankruptcy Code, in connection with the sale and assumption and assignment of the Assumed Contracts to the extent provided under this Sale Order and the APA and have: (i) cured any default existing prior to the date hereof under any of the Assumed Contracts, within the meaning of section 365(b)(1)(A) of the Bankruptcy Code; and (ii) provided compensation or adequate assurance of compensation to any party for any actual pecuniary loss to such party resulting from a default prior to the date hereof under any of the Assumed Contracts,

within the meaning of section 365(b)(1)(B) of the Bankruptcy Code, and the Buyer has provided adequate assurance of future performance with respect to the Assumed Contracts, within the meaning of sections 365(b)(1) and 365(f)(2) of the Bankruptcy Code. The Assumed Contracts are assignable notwithstanding any provisions contained therein to the contrary.

FF. Subject to footnote 5, the terms of the APA, including any amendments, supplements, and modifications thereto, are fair and reasonable in all respects, and the terms of this Sale Order shall not modify the terms of the APA.⁵

GG. The APA and Sale must be approved and the closing must occur promptly to preserve the value of the Purchased Assets and the Debtors' bankruptcy estates.

HH. Given the adequacy and fair value of the consideration provided by the Buyer under the APA, the Sale constitutes a reasonable and sound exercise of the Debtors' business judgment, is in the best interests of the Debtors, their bankruptcy estates and their creditors and other parties in interest in the chapter 11 cases, and should be approved.

II. The consummation of the Sale is legal, valid, and properly authorized under all applicable provisions of the Bankruptcy Code, including, without limitation, sections 105(a), 363(b), 363(f), 363(m), 365(b), and 365(f), and all of the applicable requirements of such sections have been complied with in respect of the Sale.

JJ. Time is of the essence in effectuating the APA and proceeding with the transactions contemplated therein without interruption. Accordingly, cause exists to waive the stay to the extent necessary, as contemplated by Bankruptcy Rules 4001(a), 6004(h), and 6006(d) to permit the immediate effectiveness of this Sale Order.

⁵ In the event of a conflict between this Sale Order and the APA, this Sale Order shall govern.

NOW THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND DECREED THAT:

1. The relief requested in the Motion is granted as set forth herein.
2. Any and all objections and responses to the Motion that have not been withdrawn, waived, settled, or resolved, and all reservations of rights included therein, are hereby overruled and denied on the merits.
3. Notice of the Motion, the Auction, the Sale Hearing, the Sale and the assumption and assignment of the Assumed Contracts was fair and equitable under the circumstances, and complied in all respects with the Bidding Procedures Order, section 102(1) of the Bankruptcy Code, Bankruptcy Rules 2002, 6004, and 6006, and the Local Rules.

Approval of the Sale of the Purchased Assets

4. The APA, substantially in the form attached hereto as **Exhibit 1**, including all other ancillary documents, and all of the terms and conditions thereof, the Credit Bid, and the Sale of the Purchased Assets to the Buyer as provided in the APA, are hereby approved in all respects.
5. Pursuant to section 363(b) of the Bankruptcy Code, the Debtors, acting by and through their agents, representatives and officers, are authorized and empowered to take any and all actions necessary or appropriate to: (a) consummate and close the Sale pursuant to and in accordance with the terms and conditions of this Sale Order and the APA; (b) transfer and assign all right, title, and interest to all property, licenses, and rights to be conveyed in accordance with the terms and conditions of this Sale Order and the APA; and (c) execute and deliver, perform under, consummate, and implement this Sale Order and the APA and all additional instruments and documents that may be reasonably necessary or desirable to implement this Sale Order, the APA and the Sale, including any other ancillary documents, or as may be reasonably necessary or

appropriate to the performance of the obligations as contemplated by this Sale Order, the APA and any such other ancillary documents.

6. This Sale Order shall be binding in all respects upon the Debtors, their bankruptcy estates, all creditors, all holders of equity interests in the Debtors, all holders of any Encumbrances against the Debtors, any holders of Encumbrances against or on all or any portion of the Purchased Assets, all counterparties to any executory contract or unexpired lease of the Debtors, the Buyer and all agents, representatives, affiliates, and permitted successors and assigns of the Buyer, and any trustees, examiners, or other fiduciary under any section of the Bankruptcy Code, if any, subsequently appointed in the chapter 11 cases or upon a conversion to chapter 7 under the Bankruptcy Code of the Debtors' chapter 11 cases. The terms and provisions of the APA and this Sale Order shall inure to the benefit of the Debtors, their bankruptcy estates, their creditors, the Buyer and all agents, representatives, affiliates, and permitted successors and assigns of the Buyer, and any other affected third parties, including all persons asserting any Encumbrances in the Purchased Assets to be sold to the Buyer pursuant to the APA, notwithstanding any subsequent appointment of any trustee(s), party, entity, or other fiduciary under any section of any chapter of the Bankruptcy Code, as to which trustee(s), party, entity, or other fiduciary such terms and provisions likewise shall be binding.

Sale and Transfer of Purchased Assets

7. Pursuant to sections 105(a), 363(b), 363(f), 365(b) and 365(f) of the Bankruptcy Code, upon the Closing Date (or applicable Delivery Date as set forth in the APA), and pursuant to and except as otherwise set forth in the APA, the Purchased Assets shall be transferred to the Buyer free and clear of all encumbrances, claims, interests, and liens accruing, arising or relating thereto any time prior to the Closing Date, including the Excluded Liabilities, mortgages, restrictions, hypothecations, charges, indentures, loan agreements, instruments,

collective bargaining agreements, leases, licenses, options, deeds of trust, security interests, other interests, conditional sale or other title retention agreements, pledges, and other liens (including mechanics', materialman's, and other consensual and non-consensual liens and statutory liens), judgments, demands, encumbrances, rights of first refusal, offsets, contracts, rights of recovery, claims for reimbursement, contribution, indemnity, exoneration, products liability, alter-ego, environmental, or tax, decrees of any court or foreign or domestic governmental entity, or charges of any kind or nature, if any, including any restriction on the use, voting, transfer, receipt of income or other exercise of any attributes of ownership, debts arising in any way in connection with any agreements, acts, or failures to act, including any pension liabilities, retiree medical benefit liabilities, liabilities related to the Employee Retirement Income Security Act of 1974, as amended, the Fair Labor Standards Act, Title VII of the Civil Rights Act of 1964, the Federal Rehabilitation Act of 1973, the National Labor Relations Act, the Worker Adjustment and Retraining Act of 1988, the Age Discrimination and Employee Act of 1967 and Age Discrimination in Employment Act, as amended, the Americans with Disabilities Act of 1990, the Consolidated Omnibus Budget Reconciliation Act of 1985, state discrimination laws, state unemployment compensation laws or any other similar state laws, or any other state or federal benefits or claims relating to any employment with the Debtor or any of its affiliates or predecessors, any bulk sales or similar law, any tax statutes or ordinances, including, without limitation, the Internal Revenue Code of 1986, as amended, any theories of successor liability, or any other liability relating to Debtors' current and former employees, including any withdrawal liabilities or liabilities under any collective bargaining agreement or labor practice agreement, of the Debtors or any of the Debtors' predecessors or affiliates, claims, whether known or unknown, choate or inchoate, filed or unfiled, scheduled or unscheduled, noticed or unnoticed, recorded or unrecorded, perfected or unperfected,

allowed or disallowed, contingent or non-contingent, liquidated or unliquidated, matured or unmatured, material or non-material, disputed or undisputed, whether arising prior to or subsequent to the commencement of the chapter 11 cases, and whether imposed by agreement, understanding, law, equity or otherwise, including claims otherwise arising under doctrines of successor liability (other than Assumed Liabilities and Permitted Encumbrances) (collectively, the “Encumbrances”), with all such Encumbrances to attach to the cash proceeds of the Sale in the order of their priority, with the same validity, force, and effect that they now have as against the Purchased Assets, subject to any claims and defenses the Debtors and their bankruptcy estates may possess with respect thereto. Additionally, for the avoidance of doubt, Buyer shall have no liability, obligation, or responsibility whatsoever to the Debtors, any governmental authority or any other person with respect to, or in connection with, any Excluded Equipment or any Excluded Liabilities of any kind or character, whether known or unknown, as of the Closing Date, whether fixed or contingent, including, without limitation, any liability or other obligation arising under the Bankruptcy Code, any environmental laws, or any other laws of the United States, any state, territory, possession or the District of Columbia.

8. Except as otherwise specifically provided in the APA: (a) the Buyer shall not be liable for any claims against the Debtors or any of their predecessors or affiliates or any other third party whatsoever, and (b) the Buyer shall have no successor or vicarious liabilities of any kind or character (including, without limitation, any claims with respect to any Purchased Assets), whether known or unknown as of the Closing Date, now existing or hereafter arising, whether fixed or contingent, with respect to the Debtors or its business or any obligations of, or claims against, the Debtors or any of their respective predecessors or affiliates or any other third party whatsoever arising at any time, including, but not limited to, liabilities on account of any

taxes arising, accruing, or payable under, out of, in connection with, or in any way relating to the Purchased Assets prior to the Closing Date.

9. On the Closing Date, this Sale Order shall be construed and shall constitute for any and all purposes a full and complete general assignment, conveyance, and transfer of all of the Purchased Assets or a bill of sale transferring good and marketable title in such Purchased Assets to the Buyer or Buyer's nominee pursuant to section 2.1 of the APA pursuant to the terms set forth in this Sale Order and the APA. For the avoidance of doubt, the Excluded Equipment set forth in the APA are not included in the Purchased Assets, and the Excluded Liabilities set forth in the APA are not Assumed Liabilities.

10. Subject to the terms and conditions of this Sale Order, the transfer of the Purchased Assets to the Buyer pursuant to the APA and the consummation of the Sale and any related actions contemplated thereby do not require any consents other than as specifically provided for in this Sale Order and the APA, constitute a legal, valid, and effective transfer of the Purchased Assets, and shall vest the Buyer with right, title, and interest in and to the Purchased Assets as set forth in this Sale Order and the APA, as applicable, free and clear of all Encumbrances (except as otherwise assumed in, or permitted by, the APA).

11. Upon the Limited Recourse Date (as defined in the APA), the Buyer shall offset the full amount of all outstanding Prepetition Obligations against the Purchase Price pursuant to section 363(k) of the Bankruptcy Code, resulting in the full satisfaction and cancellation by the Buyer of the Prepetition Obligations. The Prepetition Obligations shall be deemed satisfied and canceled, in part, on each of the applicable Delivery Dates to the extent of the amounts allocated on the respective Equipment and related Lease Documents as set forth in Part 3 of Schedule 2 of the APA. Pursuant to Section 8.5 of the APA, upon the Limited Recourse

Date, the Buyer's sole and exclusive recourse on account of the Prepetition Obligations shall be limited to the Equipment and the Assumed Leases, and no other assets of the Debtors and, subject to the Buyer's rights under Section 12.4 of the APA, from the Limited Recourse Date the Buyer unconditionally and irrevocably waives any other rights to assert any Claims or Encumbrances against the Debtors, their affiliates or subsidiaries, or the bankruptcy estates (other than to enforce the Debtors' obligations under the APA).

12. The Buyer, to the extent provided by this Sale Order or the APA, shall be authorized, as of the Closing Date, to operate under any license, permit, registration, and governmental authorization or approval of the Debtors constituting Purchased Assets, and all such licenses, permits, registrations, and governmental authorizations and approvals are deemed to have been, and hereby are, directed to be transferred to the Buyer as of the Closing Date as provided by this Sale Order and the APA. To the extent provided by section 525 of the Bankruptcy Code, no governmental unit may revoke or suspend any grant, permit, or license relating to the operation of the Purchased Assets sold, transferred, assigned, or conveyed to the Buyer on account of the filing or pendency of the chapter 11 cases or the consummation of the Sale. Each and every federal, state, and local governmental agency or department is hereby authorized to accept any and all documents and instruments necessary and appropriate to consummate the Sale.

13. Upon consummation of the Sale, if any person or entity that has filed financing statements, mortgages, mechanic's liens, *lis pendens*, or other documents or agreements evidencing Encumbrances against or in the Assets shall not have delivered to the Debtors prior to the closing, in proper form for filing and executed by the appropriate parties, termination statements, instruments of satisfactions, releases of all Encumbrances that the person or entity has with respect to the Purchased Assets (unless otherwise assumed in, or permitted by, the APA), or

otherwise, then (a) the Debtors are hereby authorized to execute and file such statements, instruments, releases and other documents on behalf of the person or entity with respect to the Purchased Assets, and (b) the Buyer is hereby authorized to file, register, or otherwise record a certified copy of this Sale Order, which, once filed, registered or otherwise recorded, shall constitute conclusive evidence of the release of all Encumbrances against or in the Purchased Assets of any kind or nature (except as otherwise assumed in, or permitted by, the APA); provided that, notwithstanding anything in this Sale Order or the APA to the contrary, the provisions of this Sale Order shall be self-executing, and neither the Debtors nor the Buyer shall be required to execute or file releases, termination statements, assignments, consents, or other instruments in order to effectuate, consummate, and implement the provisions of this Sale Order. For the avoidance of doubt, upon consummation of the Sale, the Buyer is authorized to file termination statements, lien terminations, or other amendments in any required jurisdiction to remove and record, notice filings or financing statements recorded to attach, perfect, or otherwise notice any Encumbrances that is extinguished or otherwise released pursuant to this Sale Order under section 363 of the Bankruptcy Code and the related provisions of the Bankruptcy Code.

14. Except to the extent included in Assumed Liabilities or Permitted Encumbrances, or to enforce the APA, all entities, including all lenders, debt security holders, equity security holders, governmental, tax, and regulatory authorities, parties to contracts and leases, customers, employees and former employees, dealers and sale representatives, and trade or other creditors holding Encumbrances against or in the Debtors and their bankruptcy estates or the Purchased Assets arising under or out of, in connection with, or in any way relating to, the transfer of the Purchased Assets to the Buyer, or any entities or individuals asserting any interests in the Purchased Assets, hereby are forever barred, estopped, and permanently barred from asserting any

Encumbrances against the Buyer, the permitted successors and assigns of the Buyer, the property of the Buyer or its permitted successors and assigns, or the Purchased Assets conveyed in accordance with the APA.

15. As of and after the Closing Date: (a) each of the Debtors' creditors are hereby authorized to execute such documents and take all other actions as may be necessary to release their Encumbrances in the Purchased Assets (if any) as such Encumbrances may have been recorded or may otherwise exist; and (b) any Purchased Asset that may be subject to a statutory lien, mechanic's lien or the like shall be turned over and such liens shall attach to the proceeds of the Sale in the same priority they currently enjoy with respect to the Purchased Assets.

Contracts to be Assumed and Assigned

16. Pursuant to sections 105(a), 363, and 365 of the Bankruptcy Code, and subject to and conditioned upon the occurrence of the Closing Date, the Debtors' assumption and assignment to the Buyer, and the Buyer's assumption, on the terms set forth in this Sale Order and the APA, of the Assumed Contracts, is hereby approved in its entirety, and the requirements of section 365 of the Bankruptcy Code with respect thereto are hereby deemed satisfied.

17. The Debtors are hereby authorized in accordance with sections 105(a), 363, and 365 of the Bankruptcy Code to assume and assign to the Buyer, effective upon the Closing Date, the Assumed Contracts free and clear of all Encumbrances (except as otherwise assumed in, or permitted by, the APA) and execute and deliver to the Buyer such documents or other instruments as may be necessary to assign and transfer the Assumed Contracts to the Buyer.

18. As of the Closing Date, in accordance with sections 363 and 365 of the Bankruptcy Code, the Buyer shall be fully and irrevocably vested in all right, title, and interest in and of each Assumed Contract.

19. The Assumed Contracts shall be transferred to, and remain in full force and effect for the benefit of, the Buyer in accordance with their respective terms, notwithstanding any provision in any such Assumed Contract (including those of the type described in sections 365(b)(2) and (f) of the Bankruptcy Code) that prohibits, restricts, or conditions such assignment or transfer.

20. Pursuant to sections 365(b)(1)(A) and (B) of the Bankruptcy Code and the terms of the APA, the Buyer shall pay to the respective counterparty the Cure Amounts relating to any Assumed Contract.

21. Except as may be otherwise agreed in writing between the Debtors and the non-Debtor parties to the Assumed Contracts, the Cure Amounts and the Maintenance Reserve Obligations (as defined in the APA) to be paid by the Buyer for the Assumed Contracts are hereby fixed at the amounts set forth on **Exhibit 2** attached to this Sale Order, and the non-Debtor parties to such Assumed Contracts are forever bound by such Cure Amounts and, upon payment of such Cure Amounts, are hereby barred from taking any action against the Debtors and their bankruptcy estates, the Buyer and all agents, representatives, affiliates, and permitted successors and assigns of the Buyer, or the Assets with respect to any claim for cure under any Assumed Contract.

22. The payment of the applicable Cure Amounts (if any) shall effect a cure of all defaults existing as of the date that such executory contracts or unexpired leases are assumed and compensate for any actual pecuniary loss to such non-Debtor party resulting from such default. Except as set forth on Exhibit 2 with respect to the Cure Amount of an Assumed Contract, the Buyer shall have no liability or obligation to cure any Assumed Contract default accruing prior to the Closing Date (or applicable Delivery Date under the APA).

23. The Buyer shall have assumed the Assumed Contracts, and pursuant to section 365(f) of the Bankruptcy Code, the assignment by the Debtors of such Assumed Contracts shall not be a default thereunder. After the payment of the relevant Cure Amounts, neither the Debtors and their bankruptcy estates nor the Buyer shall have any further liabilities to the non-Debtor counterparties to the Assumed Contracts, other than the Buyer's obligations under the Assumed Contracts that accrue after the date that such Assumed Contracts are assumed.

24. Any provisions in any Assumed Contracts that prohibit or condition the assignment of such Assumed Contract or allow the party to such Assumed Contract to terminate, recapture, impose any penalty, condition on renewal or extension or modify any term or condition upon the assignment of such Assumed Contract constitute unenforceable anti-assignment provisions that are void and of no force and effect. All other requirements and conditions under sections 363 and 365 of the Bankruptcy Code for the assumption by the Debtors and assignment to the Buyer of the Assumed Contracts have been satisfied.

25. Any party having the right to consent to the assumption or assignment of any Assumed Contract that failed to object to such assumption or assignment is deemed to have consented to such assumption and assignment as required by section 365(c) of the Bankruptcy Code.

26. The Buyer shall be deemed to be substituted for the Debtors as a party to the applicable Assumed Contracts, and the Debtors and their bankruptcy estates shall be relieved, pursuant to section 365(k) of the Bankruptcy Code, from any further liability under the Assumed Contracts.

27. The Buyer has provided adequate assurance of future performance under the Assumed Contracts within the meaning of sections 365(b)(1)(C), 365(b)(3) (to the extent applicable) and 365(f)(2)(B) of the Bankruptcy Code.

28. There shall be no assignment fees, increases, rent-acceleration, or any other fees charged to the Buyer or the Debtors and their bankruptcy estates as a result of the assumption and assignment of the Assumed Contracts.

29. Pursuant to sections 105(a), 363, and 365 of the Bankruptcy Code, all counterparties to the Assumed Contracts are forever barred, estopped and permanently barred from raising or asserting against the Debtors and their bankruptcy estates or the Buyer any assignment fee, default, breach, claim, pecuniary loss, or condition to assignment, arising under or related to the Assumed Contracts, existing as of the date that such Assumed Contracts are assumed or arising by reason of the closing.

30. Neither the Buyer nor any permitted successor or assign of the Buyer shall be responsible for or have any Encumbrances or obligations arising out of any of the contracts, agreements, or understandings that are not Assumed Contracts after the Closing Date (except as specifically provided by the APA).

Additional Provisions

31. The consideration provided by the Buyer for the Purchased Assets under the APA shall be deemed to constitute reasonably equivalent value and fair consideration under the Bankruptcy Code and under the laws of the United States, any state, territory, possession, or the District of Columbia, and the Sale and the transactions consummated in connection therewith are not, and shall not be, avoidable under the Bankruptcy Code or any such laws.

32. The Debtors and the Buyer hereby waive, and shall be deemed to waive, any requirement of compliance with, and any claims related to non-compliance with, the provisions of any bulk sales, bulk transfer, or similar law of any jurisdiction that may be applicable.

33. Following the closing of the Sale, no holder of an Encumbrance in or against the Debtors and their bankruptcy estates or the Purchased Assets shall interfere with the Buyer's title to or use and enjoyment of the Purchased Assets based on or related to such Encumbrance or any actions that the Debtors and their bankruptcy estates may take in the chapter 11 cases or any successor bankruptcy cases.

34. The Buyer shall have no liability or responsibility for any liability or other obligation of the Debtors or any third party whatsoever arising under or related to Excluded Equipment, Excluded Liabilities or the Purchased Assets other than for the Assumed Liabilities and the Assumed Contracts to the extent provided under the APA. Without limiting the generality of the foregoing, and except as otherwise specifically provided in the APA, the Buyer shall not be liable for any claims against the Debtors or any of its predecessors or affiliates or any third party whatsoever, and the Buyer shall have no successor liabilities of any kind or character whether known or unknown as of the Closing Date, now existing or hereafter arising, whether fixed or contingent, with respect to the Debtors or any obligations of the Debtors arising prior to the Closing Date, including, but not limited to, liabilities on account of any taxes arising, accruing, or payable under, out of, or in connection with, or in any way relating to the operation of the Debtors' business prior to the Closing Date, and all parties are hereby forever barred, estopped and permanently barred from asserting any such claims against the Buyer, its successors and assigns or against the Purchased Assets.

35. This Order shall be binding upon and shall govern the acts of all entities, including without limitation, all filing agents, filing officers, title agents, title companies, recorders of mortgages, recorders of deeds, registrars of deeds, administrative agencies, governmental departments, secretaries of state, federal, state, and local officials, and all other persons and entities who may be required by operation of law, the duties of their office, or contract, to accept, file, register or otherwise record or release any documents or instruments, or who may be required to report or insure any title or state of title in or to any of the Purchased Assets. Each and every federal, state and local governmental agency or department is hereby authorized to accept any and all documents and instruments necessary and appropriate to consummate the transactions contemplated by the APA. The Buyer and the Debtor shall take such further steps and execute such further documents, assignments, instruments and papers as shall be reasonably requested by the other to implement and effectuate the transactions contemplated in this paragraph.

36. The Debtors, including their respective officers, employees and agents, are hereby authorized to execute such documents and do such acts as are necessary or desirable to carry out the transactions contemplated by the terms and conditions of the APA and this Sale Order. The Debtors shall be, and hereby are, authorized to take all such actions as may be necessary to effectuate the terms of this Sale Order and the relief granted pursuant to this Sale Order, and the Debtors shall cooperate with the Buyer and the Buyer will cooperate with the Debtors, to ensure that the transactions contemplated by the APA are consummated. The Debtors and each other person having duties or responsibilities under the APA or this Sale Order, and their respective agents, representatives, and attorneys, are authorized and empowered to carry out all of the provisions of the APA, to issue, execute, deliver, file and record, as appropriate, the APA, and any related agreements, and to take any action contemplated by the APA or this Sale Order, and

to issue, execute, deliver, file and record, as appropriate, such other contracts, instruments, releases, deeds, bills of sale, assignments, or other agreements, and to perform such other acts as are consistent with, and necessary or appropriate to, implement, effectuate and consummate the APA and this Sale Order and the transactions contemplated thereby and hereby, all without further application to, or order of, the Court. Without limiting the generality of the foregoing, this Sale Order shall constitute all approvals and consents, if any, required by any applicable business corporation, trust and other laws of applicable governmental units with respect to the implementation and consummation of the APA and this Sale Order and the transactions contemplated thereby and hereby.

37. The Sale is undertaken by the Buyer without collusion and in good faith, as that term is defined in section 363(m) of the Bankruptcy Code, and accordingly, the reversal or modification on appeal of the authorization provided herein to consummate the Sale shall not affect the validity of the Sale (including the assumption and assignment of the Assumed Contracts by the Buyer, if any, and the sale free and clear of all Encumbrances (unless otherwise assumed in, or permitted by, the APA)), unless such authorization and consummation of such Sale are duly stayed pending such appeal, *provided, however*, that the Debtors reserve the right to take such actions as may be necessary to enforce the Buyer's obligations under the APA. The Buyer is a good-faith purchaser within the meaning of section 363(m) of the Bankruptcy Code, and as such is entitled to the full benefits and protections afforded by such section.

38. As a good-faith purchaser of the Purchased Assets, the Buyer has not colluded with any of the other bidders, potential bidders, or any other parties interested in the Purchased Assets, and therefore neither the Debtors nor any successor in interest to the Debtors'

estates shall be entitled to bring an action against the Buyer, and the Sale of the Purchased Assets may not be avoided pursuant to section 363(n) of the Bankruptcy Code.

39. Nothing contained in any plan of reorganization or liquidation, or order of any type or kind entered in the chapter 11 cases, any subsequent chapter 7 or chapter 11 cases of the Debtors, or any related proceeding subsequent to entry of this Sale Order, shall conflict with or derogate from the terms of this Sale Order or the APA.

40. The failure specifically to include any particular provisions of the APA including any of the documents, agreements, or instruments executed in connection therewith in this Sale Order shall not diminish or impair the efficacy of such provision, document, agreement, or instrument, it being the intent of this Court that the APA and each document, agreement or instrument be authorized and approved in its entirety.

41. All time periods set forth in this Sale Order shall be calculated in accordance with Bankruptcy Rule 9006(a).

42. To the extent that this Sale Order is inconsistent with any prior order or pleading with respect to the Motion in the chapter 11 cases, the terms of this Sale Order shall govern.

43. To the extent there are any inconsistencies between the terms of this Sale Order and the APA (including all ancillary documents executed in connection therewith), the terms of this Sale Order shall govern.

44. The APA and any related agreements, documents or other instruments may be modified, amended or supplemented by the parties thereto in accordance with the terms thereof without further order of this Court, provided, however, that such modifications, amendments, or

supplements shall not materially alter the APA or any related agreements absent further order of this Court.

45. The provisions of this Sale Order are nonseverable and mutually dependent.

46. Notwithstanding the provisions of Bankruptcy Rules 6004(h), 6006(d) or 7062 or any applicable provisions of the Local Rules, this Sale Order shall not be stayed after the entry hereof, but shall be effective and enforceable immediately upon entry, and the fourteen (14) day stay provided in Bankruptcy Rules 6004(h) and 6006(d) is hereby expressly waived and shall not apply.

47. This Court shall retain jurisdiction to, among other things, interpret, implement, and enforce the terms and provisions of this Sale Order and the APA, all amendments thereto and any waivers and consents thereunder and each of the agreements executed in connection therewith to which the Debtors are a party or which has been assigned by the Debtors to the Buyer, and to adjudicate, if necessary, any and all disputes concerning or relating in any way to the Sale, including, but not limited to, (a) compel transfer of title to and delivery of the Purchased Assets to the Buyer free and clear of Encumbrances (other than Permitted Encumbrances), or compel the performance of other obligations owed by the Debtors or the Buyer, (b) resolve any disputes arising under or related to the APA, except as otherwise provided therein, (c) protect the Buyer against (i) claims made related to any of the Excluded Liabilities, (ii) any claims of successor liability related to the Purchased Assets or Assumed Contracts, or any of the Excluded Equipment, or (iii) any claims of Encumbrances (other than Permitted Encumbrances) asserted in the Purchased Assets, of any kind or nature whatsoever.

EXHIBIT 1

APA

ASSET PURCHASE AGREEMENT

dated as of March 26, 2021

**AEROCENTURY CORP.,
as Seller**

**DRAKE ASSET MANAGEMENT JERSEY LIMITED,
as Buyer**

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ASSET PURCHASE AGREEMENT

This **ASSET PURCHASE AGREEMENT** (this “**Agreement**”), dated as of March 26, 2021, by and among **AEROCENTURY CORP.**, a corporation formed under the laws of Delaware, as seller (“**ACY**”), and **DRAKE ASSET MANAGEMENT JERSEY LIMITED**, a company incorporated in Jersey (registered number 127856) whose registered office is at IFC5, St Helier, Jersey JE1 1ST, as buyer (“**Buyer**”).

RECITALS

WHEREAS, MUFG Union Bank, N.A., Umpqua Bank, Zions Bancorporation, N.A. (f/k/a ZB, N.A.) d/b/a California Bank & Trust, and Columbia State Bank, each a Lender (collectively, the “**Original Lenders**”), MUFG Union Bank, N.A., as original agent (the “**Original Agent**”), and ACY, as borrower, were parties to the Fourth Amended and Restated Loan and Security Agreement dated as of May 1, 2020 (as amended, modified or supplemented from time to time and as assigned by the Original Lenders to Buyer as new lender and Agent, the “**Loan Agreement**”) pursuant to which the Original Lenders made a loan (the “**Loan**”) to ACY;

WHEREAS, the Loan is secured by (among other things) the Loan Agreement and the Fourth Amended and Restated Mortgage and Security Agreement dated as of May 1, 2020 (as amended, modified, supplemented and assigned, the “**Mortgage**”) made by ACY in favor the Original Agent;

WHEREAS, the amount of outstanding Secured Obligations pursuant to the Mortgage and Loan Agreement as of the date of this Agreement is approximately \$83,164,109. The Secured Obligations continue to accrue.

WHEREAS, pursuant to the Loan Purchase and Sale Agreement dated as of October 2, 2020, (the “**Loan Purchase Agreement**”) among the Buyer, the Agent, the Original Lenders, the Original Agent and MUFG Bank, Ltd., the Loan was sold by the Original Lenders to the Buyer and the Original Agent was replaced with the Agent;

WHEREAS, concurrent with the sale of the Loan, (i) the Loan Agreement was assigned by the Original Lenders to the Buyer and by the Original Agent to the Agent, (ii) the Mortgage and Original Financing Statements were assigned by the Original Agent to the Agent, acting on behalf of Buyer, and accordingly the Agent is now the holder of valid properly-perfected first priority liens on all of the Equipment and Lease Documents and (iii) ACY executed and delivered the Deposit Account Control Agreements in favor of the Agent, in place of the deposit account control agreements previously executed in favor of the Original Agent to perfect Agent’s security interest in the Accounts identified in the Deposit Account Control Agreements;

WHEREAS, following execution of this Agreement, ACY intends to commence a proceeding under title 11 of the United States Code, 11 U.S.C. §§ 101 *et seq.* (the “**Bankruptcy Code**”), by filing voluntary petitions for relief under Chapter 11 of the Bankruptcy Code (the date of such filing, the “**Petition Date**”) in the United States Bankruptcy Court for the District of Delaware (“**Bankruptcy Court**” and, such case the “**Bankruptcy Case**”); and

WHEREAS, ACY desires to sell to the Buyer and the Buyer desires to purchase from ACY, all of ACY's right, title and interest in and to the Equipment and the Lease Documents free and clear of Encumbrances pursuant to section 363(f) of the Bankruptcy Code, in each case on the terms and subject to the conditions set out in this Agreement and the Sale Order.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Buyer and ACY, agree as follows:

Section 1. Defined Terms. The following terms, when capitalized as below, shall have the following meanings when used in this Agreement:

"Account" means each account subject to a Deposit Account Control Agreement.

"ACY Conditions Precedent" means conditions to the obligations of ACY in respect of each Delivery Date set out in Sections 6.3 and 6.4.

"Agent" means UMB Bank, N.A., a national banking association formed under the laws of the United States of America.

"Aircraft" means individually or collectively, as applicable, the aircraft listed as items 1 through 10 in Part 1 of Schedule 2 comprised of an Airframe, together with the related Engines and, where the context permits, references to an **"Aircraft"** shall include the related Manuals and Technical Records.

"Airframe" means, at any time, the airframe which is part of the relevant Aircraft at such time, together with all Parts relating to such airframe.

"Approved Plan" has meaning given to such term in Section 12.5.

"Assumed Leases" means the rights and interests under the Lease Documents set forth in Schedule 4 in respect of an Aircraft to be assumed by ACY and assigned to the Buyer on the Delivery Date in respect of the Aircraft.

"Assumed Liabilities" has the meaning given to such term in Section 2.4.

"Auction" means the auctions referenced in Section 12.3(e) the terms and conduct of which shall be subject to the Sale Procedures Order.

"Bankruptcy Case" has the meaning given to such term in the Recitals to this Agreement.

"Bankruptcy Code" has the meaning given to such term in the Recitals to this Agreement.

"Bankruptcy Court" has the meaning given to such term in the Recitals to this Agreement.

"Bankruptcy Milestones" has the meaning given to such term in Section 12.3.

“Bid Deadline” has the meaning given to such term in Section 12.3(d).

“Bid Procedures Hearing” has the meaning given to such term in Section 12.3(b).

“Business Day” means a day, other than a Saturday or a Sunday, on which banks are open for business in New York, New York; San Francisco, California; St. Helier, Jersey; Dublin, Ireland; and London, England.

“Buyer Conditions Precedent” means conditions to the obligations of the Buyer in respect of each Delivery Date set out in Sections 6.1 and 6.2.

“Cash Collateral Order” shall mean the order or orders of the Bankruptcy Court in the Bankruptcy Case authorizing ACY’s use of cash collateral which shall be in form and substance reasonably acceptable to the Buyer.

“Challenge” has the meaning given to such term in the Cash Collateral Order.

“Challenge Period” has the meaning given to such term in the Cash Collateral Order.

“Claim” or **“claim”** has the meaning given that term in section 101(5) of the Bankruptcy Code and includes, *inter alia*, all rights, claims, causes of action, defenses, debts, demands, damages, offset rights, setoff rights, recoupment right, obligations, and liabilities of any kind or nature under contract, at law, or in equity, known or unknown, contingent or matured, liquidated or unliquidated, and all rights and remedies with respect thereto.

“Closing Date” means the first date upon which a Delivery occurs following the Signing Date.

“Collateral” means each item of Equipment, each item of Excluded Equipment and the Lease Documents.

“Competing Bid” has the meaning given to such term in Section 12.1.

“Conditions Precedent” means the Buyer Conditions Precedent and the ACY Conditions Precedent.

“Consultation Documents” has the meaning given to such term in Section 12.2(e).

“Cure Costs” means the amounts, if any, required to cure any past defaults with respect to an Assumed Lease pursuant to 11 U.S.C. § 365(b)(1) including, but not limited to, any maintenance and/or repair obligations under the Assumed Leases.

“Custodial Agreement” means the custodial agency agreement dated October 30, 2020 between ACY and the Agent.

“Customer Programs” means certain programs that ACY maintains in connection with their leasing business in respect of the Assumed Leases. These programs include, but are not limited to, customer security deposits under aircraft and equipment leases, Maintenance Reserve

Obligations, and lessor contributions for regulatory airworthiness directives and mandatory modifications to the aircraft.

“Delivery” means, on the Delivery Date in respect of an item of Equipment, the concurrent occurrence of the events set out in Section 7.

“Delivery Date” means, for each item of Equipment, the date on which the Conditions Precedent related to the Delivery of such Equipment have been satisfied or waived.

“Delivery Location” means (i) the location identified on Schedule 2 with respect to the equipment identified on Schedule 2 by Serial Numbers 15207, 15215, 15128 (excluding ESN 194582) and 238, (ii) with respect to the equipment identified on Schedule 2 by ESN 194582, the location of such equipment as may be acceptable to the Buyer, and (iii) with respect to all other equipment identified on Schedule 2, the location of such equipment on the date all other conditions to Delivery have been satisfied or such other location as may be acceptable to the Buyer and the applicable Lessee.

“Deposit Account Control Agreements” means the following, individually and collectively, as applicable, (i) the Deposit Account Control Agreement dated as of October 30, 2020, among ACY, as debtor, Agent, as secured party, and Zions Bancorporation, N.A. (d/b/a California Bank & Trust), as bank, (ii) the Special Deposit Account Control Agreement, dated as of October 30, 2020, among ACY, as borrower, Agent, as secured party, and MUFG Union Bank, N.A., as bank, (iii) the Special Deposit Account Control Agreement, dated as of October 30, 2020, among JetFleet Management Corp., as pledgor, Agent, as secured party, and MUFG Union Bank, N.A., as bank, and (iv) the Deposit Account Control Agreement, dated as of October 30, 2020, among JetFleet Management Corp., as debtor, Agent, as secured party, and Zions Bancorporation, N.A. (d/b/a California Bank & Trust), as bank.

“DJL9” means Drake Jet Leasing 9 Designated Activity Company, an Irish designated activity company.

“Dollars” and the sign “\$” means the lawful currency of the United States of America.

“Effective Date” means the date on which all Delivery Dates have occurred and all other conditions precedent have been satisfied or waived by the Buyer in accordance Section 8.1 hereof.

“Effective Time Notice” shall have the meaning, in respect of an Aircraft, given to such term in the Lease Novation in respect of that Aircraft.

“Encumbrance” means any charge, claim, community property interest, right of way, easement, covenant, condition, equitable interest, Lien, option, pledge, security interest, right of first refusal, or restriction of any kind, including any restriction on use, voting, transfer, receipt of income or exercise of any other attribute of ownership.

“Engine” means, with respect to any Airframe, any of the engines that are included as part of the related Aircraft and any and all related Parts.

“Equipment” means individually or collectively, the Aircraft.

“Equipment Specific Documents” means for each applicable item of Equipment the documents, certificates and other items listed in Schedule 3 which are required to be delivered as a Buyer Conditions Precedent in accordance with Section 6.2.

“ERISA” means the U.S. Employee Retirement Income Security Act of 1974, as amended.

“ERISA Affiliate” means any Person that could be treated as a single employer with ACY pursuant to Section 4001 of ERISA or Section 414 of the U.S. Internal Revenue Code of 1986 (as amended).

“Excluded Amount” means any amount paid by or on behalf of the Lessee under any Lease Documents in respect of indemnity payments under the relevant Lease Documents to which ACY is entitled thereunder in respect of a loss suffered or incurred by ACY.

“Excluded Asset” means any asset and property listed in items (i) to (iv) inclusive of Section 8.4.

“Excluded Equipment” means individually or collectively, as applicable, the aircraft or engines listed as items 1 to 5 in Part 2 of Schedule 2 together with, in relation to the aircraft equipment, the related engines listed therein, and in relation to such aircraft and engine equipment, all Parts and records applicable thereto.

“Excluded Liabilities” shall have the meaning given to such term in Section 2.5.

“Excluded Transfer Taxes” shall mean any Transfer Taxes imposed by any Government Entity to the extent arising from or imposed on or as a result of (i) ACY’s acts or omissions prohibited by this Agreement, (ii) activities of ACY in the jurisdiction imposing the liability unrelated to ACY’s dealings with the Buyer or the Agent pursuant to the transactions contemplated by this Agreement, (iii) the net income, profits or gains of ACY by any Government Entity in the jurisdiction where ACY is incorporated, formed or organized or has its principal place of business, or (iv) ACY’s gross negligence or willful misconduct.

“FAA” means the Federal Aviation Administration or any successor agency.

“FAA Bill of Sale” means an FAA form bill of sale (AC Form 8050-2) to be signed by ACY with respect to each Airframe comprising part of the Equipment listed as items 4 through 6 of Part 1 of Schedule 2.

“FAA Counsel” means McAfee & Taft.

“Government Entity” means any (a) nation, state, county, city, town, village, district, or other jurisdiction of any nature; (b) federal, state, local, municipal, foreign, or other government; (c) governmental or quasi-governmental authority of any nature (including any governmental agency, branch, department, official, or entity and any court or other tribunal); (d) multinational

organization or body; or (e) body exercising, or entitled to exercise, any administrative, executive, judicial, legislative, regulatory, or taxing authority or power of any nature.

“Gross Revenue After ECD” means all rent, maintenance reserves, power by the hour payments and all other revenue received in respect of the Aircraft under the Lease Documents in respect of any period from (and including) February 1, 2021, excluding any Excluded Amount.

“Gross Revenue Before ECD” means all rent, maintenance reserves, power by the hour payments and all other revenue received in respect of the Aircraft under the Lease Documents in respect of any period prior to (and including) January 31, 2021.

“International Registry” shall have the meaning given to such term in official English language texts of the “Convention on International Interests in Mobile Equipment” and the “Protocol to the Convention on International Interests in Mobile Equipment on Matters Specific to Aircraft Equipment”, both of which were signed in Cape Town, South Africa on November 16, 2001, and including the Regulations for the International Registry and the Procedures for the International Registry, as promulgated thereunder.

“Lease Documents” means each of the lease documents listed in Schedule 4.

“Lease Novation” means the agreement for the assignment, transfer and/or novation, as the case may be, of the Lease Documents in respect of an item of Equipment entered into or to be entered into between ACY, the Buyer (or the nominee thereof) and the Lessee.

“Lessee” means the lessee of an Aircraft as named under the heading “Lessee” in Schedule 2.

“Lien” means any mortgage, pledge, hypothecation, right of others, claim, security interest, encumbrance, lease, sublease, license, occupancy agreement, adverse claim or interest, easement, covenant, encroachment, burden, title defect, title retention agreement, voting trust agreement, interest, equity, option, lien, right of first refusal, charge, or other restrictions or limitations of any nature whatsoever, including, without limitation, such as may arise under any contracts, and any “claim,” “lien,” or “security interest,” as those terms are defined in the Bankruptcy Code.

“Limited Recourse Date” shall have the meaning given to such term in Section 8.5.

“Loan Documents” shall have the meaning given in the Loan Purchase Agreement.

“Maintenance Reserves” shall mean the payments made by Lessees based on aircraft usage, as specified under any applicable Lease Documents, which ACY may use to reimburse Lessees for ACY’s Maintenance Reserve Obligations. For the avoidance of doubt, Maintenance Reserves shall include any and all such amounts (excluding lease rental) paid by any Lessee under any Lease Documents at any time prior to the applicable Delivery Date.

“Maintenance Reserve Obligations” means reimbursements available to a Lessee upon completion of specific qualified maintenance projects, as defined and specified under any Lease Documents.

“Manuals and Technical Records” means, as applicable in relation to an Aircraft, the Aircraft Documents or the Manuals and Technical Records in respect thereof as defined in the applicable Lease Documents related to that Aircraft.

“Mortgage” has the meaning given to such term in the Recitals to this Agreement.

“Operative Documents” means this Agreement, each Equipment Specific Document, each Warranty Bill of Sale, each FAA Bill of Sale and any other agreement or document entered into in connection with the foregoing.

“Order” means any order, writ, judgement, injunction, decree, stipulation, determination or award entered into by or with any Governmental Authority.

“Original Financing Statements” means the Uniform Commercial Code financing statements described in Schedule 1.

“Parts” means, with respect to an Airframe, Engine any auxiliary power unit, avionics, appliance, part, instrument, appurtenance, accessory, furnishing or other item of equipment or components of whatever nature (other than a complete Engine) incorporated in, installed on, attached to or appurtenant to an Airframe or, as the context may require, any Engine.

“Permitted Liens” means “Permitted Liens” or an analogous term used in any Lease Documents other than “Lessor Liens” or Liens created by or through the lessor under such Lease Documents.

“Person” means any natural person, general or limited partnership, corporation, company, trust, limited liability company, limited liability partnership, firm, association, organization or other legal entity.

“Petition Date” has the meaning given to such term in the Recitals to this Agreement.

“Purchase Price” has the meaning given to such term in Section 3.1.

“Republic LLC” means ACY E-175 LLC, a Delaware limited liability company.

“Sale Hearing” has the meaning given to such term in Section 12.3(c).

“Sale Motion” has the meaning given to such term in Section 12.3(a).

“Sale Motion Filing Date” has the meaning given to such term in Section 12.3(a).

“Sale Order” means an Order of the Bankruptcy Court, in form and substance reasonably acceptable to Buyer, among other things, (a) approving (i) this Agreement and the execution, delivery, and performance by ACY of this Agreement and the other instruments and agreements contemplated hereby, (ii) the sale of the Equipment to the Buyer or its nominee free and clear of any and all Encumbrances (other than any Permitted Liens), and (iii) the assumption by ACY and assignment to the Buyer or its nominee of the Assumed Leases on the terms set forth herein; (b) determining that Buyer is a good faith purchaser and has provided adequate

assurance of future performance with respect to the Assumed Leases; (c) containing findings consistent with Section 9.1; and (d) providing that (i) each Delivery Date, the Closing Date and the Effective Date will occur in accordance with the terms and conditions hereof; and (ii) Buyer will not have any derivative, successor, transferee or vicarious liability for liabilities of ACY or any affiliates of ACY by reason of any theory of law or equity (whether under federal or state law or otherwise) as a result of the transactions contemplated by this Agreement, including liabilities on account of any Tax arising, accruing, or payable under, out of, in connection with, or in any way relating to the Equipment prior to the Closing Date.

“Sale Procedures Order” means that certain order of the Bankruptcy Court in form and substance reasonably acceptable to the Buyer, that among other things, establishes (a) the date by which qualified bids are due, (b) the date of an Auction or Auctions, and (c) the date of the hearing on the Sale Motion, all in accordance with terms of this Agreement.

“Second Transfer Agreement” means the transfer agreement to be entered into between the Buyer and DJL9 with respect to the transfer of title or beneficial interest in such of the Aircraft which are subject to Lease Documents from the Buyer to DJL9 as Buyer and DJL9 shall agree.

“Secured Obligations” shall have the meaning given in the Mortgage.

“Signing Date” means the date of this Agreement.

“Tax” and **“Taxes”** means any tax (including, without limitation, any income tax, withholding tax, capital gains tax, value-added tax, franchise tax, sales tax, property tax, gift tax, or estate tax), levy, assessment, tariff, duty (including any customs duty), deficiency or other fee, and any related charge or amount (including any fine, penalty, interest, or addition to tax), imposed, assessed, or collected by or under the authority of any Government Entity or payable pursuant to any tax-sharing agreement or any other contract relating to the sharing or payment of any such tax, levy, assessment, tariff, duty, deficiency, or fee.

“Transfer Legal Fees” means:

(i) any legal invoices received by ACY from (a) a Lessee in respect of the transfer of title to the Aircraft or the assignment, novation or transfer of the Lease Documents applicable to that Aircraft, in each case to the Buyer (it being acknowledged that ACY will, where possible and if relevant, procure fee quotes from legal counsel to any Lessee and share the same with the Buyer for approval before relevant work begins); and

(ii) 50% of the amount of any external legal fees and expenses of ACY related to the sale and transfer of title to the Aircraft in respect of the period beginning with the first calendar day following the date of the Sale Order and ending on the Effective Date, which fees and expenses are incurred as a result of any reasonable requests made by or on behalf of the Buyer in respect of the sale and transfer of title to each Aircraft under this Agreement on or before the respective Delivery Date in respect thereof.

“**Transfer Taxes**” shall mean sales, use, documentary, transfer, property, bulk, stamp, ad valorem or similar tax imposed on the transfer of title to any item of Equipment pursuant to this Agreement and all additions to such taxes in the form of penalties, interest or similar amounts.

“**Warranty Bill of Sale**” means a bill of sale to be delivered by ACY in favor of the Buyer or its nominee with respect to each item of Equipment in the form of Exhibit A.

1.2 Construction. Any agreement referred to in this Section 1 means such agreement as from time to time modified, supplemented and amended in accordance with its terms. References to sections, exhibits and the like refer to those in or attached to this Agreement unless otherwise specified. “Including” means “including but not limited to” and “herein,” “hereof,” “hereunder,” etc., mean in, of, or under, etc., this Agreement (and not merely in, of, under, etc. the section or provision where that reference appears). Unless the context otherwise requires, any reference to a “party” means a party to this Agreement and any reference to the “parties” means ACY, the Buyer, and the Agent, collectively.

Section 2. Purchase and Sale.

2.1 Transfer of Equipment and Lease Documents. Pursuant to sections 105, 363, and 365 of the Bankruptcy Code, and on the terms and subject to the conditions set out in this Agreement, the Sale Order and each Lease Novation, at each Delivery Date ACY shall sell, convey, assign, transfer and deliver to the Buyer or its nominee, and the Buyer or its nominee shall purchase, acquire and accept from ACY all of ACY’s right, title and interest in and to applicable Equipment and the relevant Lease Documents free and clear of all Encumbrances (other than Permitted Liens).

2.2 Title and Risk of Loss. Upon the execution and delivery of the Warranty Bill of Sale while the Equipment is at the Delivery Location, title to and risk of loss with respect to the applicable Equipment shall pass to the Buyer or its nominee.

2.3 Condition Upon Delivery. Each item of Equipment shall be delivered to the Buyer (a) “AS IS, WHERE IS AND WITH ALL FAULTS,” WITH THE EXCEPTION OF (x) ACY’S WARRANTY OF TITLE AS PROVIDED IN THE WARRANTY BILL OF SALE AND (y) SECTION 9.1 HEREOF, BUT SUBJECT TO EACH AND EVERY DISCLAIMER OF WARRANTY AND REPRESENTATION AS SET FORTH IN SECTION 10. The Buyer shall be deemed to have unconditionally accepted each item of Equipment for all purposes under this Agreement and the Sale Order upon the delivery by ACY of the Warranty Bill of Sale in accordance with the terms hereof.

2.4 Assumed Liabilities. On the terms and subject to the conditions set forth in this Agreement and the Sale Order, the Buyer shall assume from ACY only the following liabilities (collectively, the “**Assumed Liabilities**”): any (a) Cure Costs required to be paid pursuant to section 365 of the Bankruptcy Code in connection with the assumption and assignment of the Assumed Leases (in each case, as such costs may be reduced pursuant to agreement with the applicable counterparty); (b) all costs of obtaining necessary consents thereto (to the extent not assignable pursuant to contract or applicable law); (c) Transfer Legal Fees; (d) Transfer Taxes

that are not Excluded Taxes; (e) Maintenance Reserve Obligations; and (f) any unsatisfied liabilities as of the Closing Date with respect to Customer Programs.

2.5 Excluded Liabilities. Notwithstanding any provision in this Agreement to the contrary, other than the Assumed Liabilities, the Buyer is not assuming, and shall not be deemed to have assumed, any other liabilities of ACY of whatever nature (whether arising prior to, at the time of, or subsequent to the Closing Date), whether absolute, accrued, contingent or otherwise, whether due or to become due and whether or not assets, and whether or not known or unknown or currently existing or hereafter arising or matured or unmatured, direct or indirect, and ACY shall be solely and exclusively liable for any and all such liabilities, including, without limitation, any such liabilities set forth below (collectively, the “**Excluded Liabilities**”):

(a) Any and all liabilities of ACY relating to or otherwise arising, whether before, on or after the Closing Date, out of, or in connection with, any of the Excluded Assets;

(b) Any and all liabilities of ACY to its creditors, except for those related to the Lease Documents in respect of an Aircraft after the Delivery Date in respect of that Aircraft;

(c) Other than the Transfer Tax liabilities assumed by Buyer under Section 4, any and all liabilities for Taxes including, without limitation:

(i) Any and all Taxes (irrespective of when asserted) of ACY for any taxable period (including any such Taxes or related liabilities that may be imposed or asserted against the Buyer or any of its affiliates by reason of contract, assumption, transferee or successor liability, operation of law, pursuant to Treasury Regulation Section 1.1502-6 (or any similar provision of any state or local law) or otherwise);

(ii) Any and all Taxes related to or arising from the Equipment or the Lease Documents, in each case, for any taxable period (or portion thereof) ending on or before the applicable Delivery Date, including, without limitation, any Taxes set forth in Schedule E/F filed in the Bankruptcy Case;

(iii) Any and all Taxes imposed on any Person that are the responsibility of ACY;

(iv) Any and all Taxes arising from or in connection with an Excluded Asset; and

(v) Any and all Taxes imposed on or suffered by the Buyer in respect of ACY, the Equipment or the transactions contemplated by the Operative Documents arising from the failure by ACY to comply with or obtain a certificate under any bulk sales laws (including with respect to the transactions contemplated by the Operative Documents).

(d) Any and all liabilities related to payroll, vacation or sick leave, or with respect to employment or other provision of services, compensation, severance, benefits or payments of any nature owed to any current or former employee, officer, director, member, partner or independent contractor of ACY or any ERISA Affiliate (or any beneficiary or

dependent of any such individual), whether or not employed by the Buyer after the Closing Date, including without limitation, any liability that:

- (i) Arises out of or relates to the employment, service provision or other relationship between ACY or any ERISA Affiliate and any such individual, including but not limited to the termination of such relationship; and
- (ii) Arises out of or relates to events or conditions occurring on or before the Closing Date;
- (e) Any and all liabilities under any common law doctrine of *de facto* merger or transferee or successor liability or otherwise by operation of contract or law;
- (f) Any and all liabilities arising under or related to the Federal Worker Adjustment and Retraining Notification Act, 29 U.S.C. § 2101 et seq. (1988) and any similar laws, including laws of any state, country or other locality that is applicable to a termination of employees, in each case to the extent applicable, for any action resulting from employees' separation of employment prior to or on the Closing Date;
- (g) Any and all liabilities of ACY to its equity holders respecting dividends, distributions in liquidation, redemptions of interests, option payments or otherwise;
- (h) Any and all liabilities relating (i) to claims, actions, suits, arbitrations, litigation matters, proceedings, investigations or other actions (in each case, whether involving private parties, authorities, or otherwise) involving, against, or affecting any of the Equipment or Lease Documents, or any assets or properties of ACY, whether commenced, filed, initiated, or threatened before or after the Closing Date, which was or could have been asserted on or prior to the Closing Date or to the extent the basis of which arose or accrued on or prior to the Closing Date or (ii) violations of law by ACY;
- (i) Any and all liabilities obligations of ACY arising or to be performed prior to the Closing Date arising from or related to the Equipment or the Lease Documents, other than as expressly assumed herein;
- (j) Any and all liabilities of ACY or its predecessors arising out of any contract, agreement, permit, franchise or claim that is not transferred to the Buyer as part of transactions contemplated hereby, or, is not transferred to the Buyer because of any failure to obtain any third-party or governmental consent required for such transfer; and
- (k) Any and all liabilities related to any failure to perform, improper performance, breach of warranty or other breach, default, violation, act or omission by ACY on or prior to the Closing Date, whether under or with respect to any contract (other than liabilities for the payment of the Cure Costs and other cure obligations under the Assumed Leases), in tort or otherwise.

2.6 Assumption and Assignment of Assumed Leases. ACY shall take all actions reasonably required to assume and assign the Assumed Leases to the Buyer (excluding payment of Cure Costs), including taking all actions reasonably required to facilitate any negotiations with

the counterparties to such Assumed Leases and to obtain a Sale Order containing a finding that the proposed assumption and assignment of the Assumed Leases to the Buyer satisfies all applicable requirements of section 365 of the Bankruptcy Code. ACY shall use its reasonable efforts to obtain any consents or waivers necessary to assume and assign the Assumed Leases and, if reasonably requested by the Buyer, to enter into any lawful arrangement to provide to the Buyer the benefits of such Assumed Leases.

2.7 Maintenance Reserves. In relation to each Aircraft which is subject to Lease Documents, ACY shall not, without the prior written consent of the Buyer, take any action (including providing a lessee with pre-approval of any maintenance workscope, or confirmation of coverage and amounts payable under any lessor contribution provisions) under the Lease Documents during the period from the Signing Date to the applicable Delivery Date in relation to that Aircraft that would entitle the Lessee to make a claim for reimbursement for maintenance costs from Maintenance Reserves.

Section 3. Consideration and Economic Terms.

3.1 Purchase Price. The aggregate consideration for the purchase of the Equipment and the related Lease Documents shall be an amount equal to the amount of the then-outstanding Secured Obligations as of the Closing Date (collectively, the “**Purchase Price**”). The Buyer shall offset the full amount of the Secured Obligations against the Purchase Price pursuant to section 363(k) of the Bankruptcy Code, resulting in the full satisfaction and cancellation by the Buyer of the Secured Obligations on the Effective Date. The Secured Obligations shall be deemed satisfied and cancelled, in part, on each of the applicable Delivery Date to the extent of the amounts allocated to the respective Equipment and related Lease Documents as set forth in Part 3 of Schedule 2.

3.2 Gross Revenue. To the extent not previously conveyed to the Buyer in accordance with the terms of the Cash Collateral Order (the terms of which shall provide for such conveyance), ACY hereby conveys, assigns and transfers to the Buyer upon the date of this Agreement all of ACY’s right, title and interest in and to Gross Revenue After ECD. If ACY (or any person on behalf of ACY, other than the Agent or the Buyer) receives any amount in respect of Gross Revenue After ECD, ACY shall procure that such amount is paid to the Buyer within two Business Days of receipt thereof, and pending such payment to the Buyer any such amount shall be held by ACY on trust for the Buyer.

Section 4. Tax Treatment; Allocation; Transfer Taxes. The parties shall cooperate with each other in all reasonable respects to lawfully mitigate or eliminate the imposition of any Transfer Taxes; provided, however, that, subject to the provisions of Section 2.5(c), the Buyer shall be responsible for and promptly pay when due any such Transfer Tax (other than Excluded Transfer Taxes) in any jurisdiction which may be levied by any Government Entity in any jurisdiction as a result of the transfer of title to any item of Equipment under this Agreement.

Section 5. Leases and Lessees

5.1 Lease Novation. Between the Signing Date and the Delivery Date in respect of each Aircraft, ACY and the Buyer shall each use their respective commercially reasonable efforts to:

(i) agree with the relevant Lessee and enter into, for each Aircraft which is subject to Lease Documents, a Lease Novation with respect to such Aircraft;

(ii) satisfy the conditions to the occurrence of the Delivery Date in respect of each Aircraft including satisfying the conditions to the completion of the assignment or novation of the Lease Documents as set out in the Lease Novation in respect thereof; and

(iii) in the case of the Buyer only, satisfy the conditions to the occurrence of the Delivery Date under the Second Transfer Agreement.

5.2 Lessees. From and after the Signing Date, the Buyer shall be authorized to communicate directly with each Lessee to the extent it deems necessary to facilitate the transactions contemplated by Section 5.1, *provided, however*, that any such communication shall be coordinated through ACY's professionals or advisors.

Section 6. Conditions Precedent.

6.1 Buyer's Conditions to the Closing Date. The obligation of the Buyer to perform its obligations hereunder is subject to the satisfaction (or waiver by the Buyer) of the following conditions precedent on or prior to the Closing Date:

(a) this Agreement shall have been duly authorized, executed and delivered by ACY and shall be in full force and effect with respect to ACY;

(b) the Buyer shall have received the following documents from ACY: (i) a certificate of an officer of ACY, certifying that this Agreement and each Operative Document to which it is or will be, a party have been, or will be, duly authorized, executed and delivered by ACY and is, or will be, in full force and effect with respect to ACY and (ii) an incumbency certificate of ACY as to the officers of ACY authorized to execute and deliver this Agreement and each other Operative Document to which ACY is or will be a party, including the signatures of each such officers; and

(c) the Sale Order shall have been entered by the Bankruptcy Court in the Bankruptcy Case.

6.2 Buyer's Conditions to each Delivery Date. The obligation of the Buyer to perform its obligations on each Delivery Date is subject to the satisfaction (or waiver by the Buyer) of the following conditions precedent on or prior to each Delivery Date with respect to an item of Equipment:

(a) each of the Operative Documents relating to that item of Equipment to which ACY is a party shall have been duly authorized, executed and delivered by ACY and the Buyer shall have received a copy of each such duly executed Operative Document;

(b) each of the Equipment Specific Documents relating to that item of Equipment shall be in form reasonably satisfactory to the Buyer and shall have been delivered to the Buyer and to the extent requiring execution, shall have been duly authorized, executed and delivered by each party thereto (other than the Buyer) and the Buyer shall have received a copy of each duly executed Equipment Specific Document;

(c) the representations and warranties of ACY contained in Section 9.1 and in each Operative Document relating to that item of Equipment shall be true and accurate as though made on and as of the Delivery Date;

(d) the Equipment shall be in the Delivery Location;

(e) to the extent required, ACY shall have executed any resale or other similar exemption certificates requested by the Buyer in order to allow the Buyer to claim any available exemption from Transfer Taxes;

(f) all conditions to the transfer of an Aircraft which is subject to Lease Documents under the Second Transfer Agreement (other than those which will be satisfied at and by the occurrence of Delivery on the Delivery Date) shall have been satisfied or waived; and

(g) the Challenge Period has expired and no Challenge remains outstanding or has been upheld by the Bankruptcy Court.

6.3 ACY's Conditions to Closing Date. The obligation of ACY to perform its obligations hereunder is subject to the satisfaction (or waiver by ACY) of the following conditions precedent on or prior to the Closing Date:

(a) this Agreement shall have been duly authorized, executed and delivered by the Buyer and shall be in full force and effect with respect to the Buyer;

(b) ACY shall have received the following documents from the Buyer: (i) a certificate of an officer of the Buyer, certifying that this Agreement and each Operative Document to which it is or will be, a party have been, or will be, duly authorized, executed and delivered by the Buyer and is, or will be, in full force and effect with respect to the Buyer (ii) an incumbency certificate of the Buyer as to the persons authorized to execute and deliver this Agreement and each other Operative Document to which the Buyer is or will be a party, including the signatures of each such person and (iii) a certified copy of the resolutions of the board of directors and/or shareholders, as applicable, of the Buyer authorizing the transactions contemplated hereby and the execution and delivery of this Agreement and each other Operative Document to which the Buyer is a party; and

(c) the Sale Order shall have been entered by the Bankruptcy Court.

6.4 ACY's Conditions to each Delivery Date. The obligation of ACY to perform its obligations hereunder is subject to the satisfaction (or waiver by ACY) of the following conditions precedent on or prior to each Delivery Date with respect to an item of Equipment:

(a) each of the Operative Documents relating to that item of Equipment to which the Buyer is a party shall have been duly authorized, executed and delivered by the Buyer as applicable and ACY shall have received a copy of each such duly executed Operative Document;

(b) each of the Equipment Specific Documents relating to that item of Equipment to which ACY is a party shall be in form reasonably satisfactory to ACY and shall have been delivered to ACY and to the extent requiring execution, shall have been duly authorized, executed and delivered by each party thereto (other than ACY) and ACY shall have received a copy of each duly executed Equipment Specific Document;

(c) the representations and warranties of the Buyer contained in Section 9.2 and in each Operative Document relating to that item of Equipment shall be true and accurate as though made on and as of the Delivery Date; and

(d) the Equipment shall be in the Delivery Location, it being understood and agreed that if any Equipment is relocated at Buyer's request and with the agreement of the applicable Lessee (if necessary) to facilitate Delivery, Buyer shall be responsible for any and all fees, costs, charges, and expenses of any kind related thereto.

6.5 Cape Town Registrations and FAA Filings. On each applicable Delivery Date:

(a) ACY shall (i) give its consent to FAA Counsel or the Buyer's other counsel for the registration of the sale of Equipment from ACY to the Buyer on the International Registry; (ii) give its consent to FAA Counsel or the Buyer's other counsel for the assignment to the Buyer of any lease registrations at the International Registry; and (iii) deliver releases to FAA Counsel or the Buyer's other counsel with respect to all Liens on the purchased Equipment, other than the applicable Lease Documents for such Aircraft, in order to permit FAA Counsel or the Buyer's other counsel to file discharges of such Liens on the International Registry, and shall consent to the filing by FAA Counsel or the Buyer's other counsel of such discharges, as well as the filing of discharges provided to FAA Counsel or the Buyer's other counsel by the Buyer with respect to the Liens in favor of the Buyer;

(b) with respect to United States registered Aircraft being purchased, (i) ACY shall execute and deliver to FAA Counsel for filing at the FAA in Oklahoma City an FAA Bill of Sale documenting the transfer of title from ACY to the Buyer; and (ii) Agent shall be authorized and instructed to execute and deliver to FAA Counsel for filing with the FAA a release of the Mortgage recorded on the FAA registry for such aircraft;

(c) with respect to non-US registered Aircraft being purchased, (i) ACY shall execute and deliver any required documents required by the local counsel engaged by applicable Lessee or the Buyer to register the transfer of ownership of the Equipment under Lessee's registration on the civil aircraft registry upon which the Aircraft is registered, and (ii) Agent shall

be authorized and instructed to execute and deliver for filing such documentation necessary to release of any mortgages recorded in the jurisdiction where the Aircraft is registered.

Section 7. Delivery.

7.1 Delivery Timing. The parties shall each use their commercially reasonable efforts to complete the Delivery of each item of Equipment to the Buyer as soon as possible following the Signing Date.

7.2 Delivery Date. Subject to the satisfaction (or waiver) of the Conditions Precedent, on the Delivery Date in respect of an Aircraft:

(a) the signed Warranty Bill of Sale and, if applicable, the signed FAA Bill of Sale in respect of the relevant Aircraft shall be pre-positioned with FAA Counsel and deemed released to the Buyer and with respect to the FAA Bill of Sale, if applicable, FAA Counsel for filing with the FAA. The Buyer shall be entitled to date or authorize the dating of such documents as of the Delivery Date;

(b) the relevant Effective Time Notice shall be dated and released to the parties to the relevant Lease Novation;

(c) all other documents required to be either or both dated and completed in order to complete the Delivery, including pursuant to the relevant Lease Novation shall be either or both dated and completed and released;

(d) possession of the relevant item of Equipment shall be deemed to be delivered to the Buyer; and

(e) all original Lease Documents in the possession of ACY shall be delivered to the Buyer.

Section 8. Effective Date.

8.1 Buyer's Conditions to the Effective Date. The obligation of the Buyer to perform its obligations hereunder is subject to the satisfaction (or waiver by the Buyer) of the following conditions precedent on or prior to the Effective Date:

(a) the representations and warranties of ACY contained in Section 9.1 shall be true and accurate as though made on and as of the Effective Date;

(b) ACY shall have executed and delivered to the Agent (with a copy to the Buyer) a notice of termination of the Custodial Agreement; and

(c) the Delivery Date with respect to all of the Equipment shall have occurred unless the Buyer has elected, in its sole discretion, not to take Delivery of an item of Equipment.

8.2 Covenant of the Buyer as of Effective Date. The Buyer covenants and agrees for the benefit of ACY that on the Effective Date it shall deliver to ACY releases, in form and

substance reasonably acceptable to ACY, and duly executed by the Agent with respect to each of the following:

- (i) the Mortgage in respect of the Excluded Equipment, as executed by the Agent;
- (ii) the Security Agreement dated October 1, 2018, as executed by JetFleet Holding Corp.;
- (iii) the Security Agreement dated February 19, 2019, as executed by JetFleet Management Corp.;
- (iv) the Pledge Agreement dated as of February 19, 2019, as executed by ACY;
- (v) the JMC Guaranty (as such term is defined in Loan Purchase Agreement);
- (vi) the JHC Guaranty (as such term is defined in the Loan Purchase Agreement)
- (vii) UCC-3 termination statements with respect to all Original Financing Statements, to be filed by the Agent; and
- (viii) the Deposit Account Control Agreements.

8.3 UCC. Within one (1) business day following the Effective Date, the Agent shall file UCC-3 termination statements with respect to all Original Financing Statements.

8.4 Excluded Equipment and Other Matters. Upon and from the Limited Recourse Date, the Buyer agrees that ACY shall be and become entitled to all rights to and benefit of the following free and clear of any Claim or Encumbrance of the Agent, the Buyer or any affiliate of the Buyer:

- (i) the Gross Revenue Before ECD;
- (ii) any cash balances in each Account as of the Effective Date;
- (iii) any proceeds payable under any consignment contract to which any of the Excluded Equipment is subject;
- (iv) other than the Equipment and the Assumed Leases, all other assets of ACY, including but not limited to, the Excluded Equipment; and
- (v) any proceeds of sale or other funds received in respect of items (i) to (iv) above.

The Cash Collateral Order shall provide that, prior to its release under Section 8.4, all proceeds comprising item 8.4(v) shall be held upon and from receipt by ACY subject to the

Error!

Buyer's Lien in respect of the Secured Obligations and may only be used by ACY to the extent required to pay costs and expenses incurred by ACY during the Bankruptcy Case but subject to the terms of the Approved Budget and the other terms of the Cash Collateral Order or otherwise as agreed by the Buyer in writing in its sole discretion.

8.5 Limited Recourse. Upon and from the earlier of:

- (a) the Effective Date; and
- (b) the date an Approved Plan is confirmed in the Bankruptcy Case,

(such date being the "**Limited Recourse Date**"), the Buyer's sole and exclusive recourse on account of the Secured Obligations shall be limited to the Equipment and the Assumed Leases and no other assets of ACY and, subject to the Buyer's rights under Section 12.4, from the Limited Recourse Date the Buyer unconditionally and irrevocably waives any other rights to assert any Claims or Encumbrances against ACY, its affiliates or subsidiaries or the bankruptcy estates created by the Bankruptcy Case (other than to enforce ACY's obligations under this Agreement).

Section 9. Representations and Warranties.

9.1 Representations and Warranties of ACY. ACY represents and warrants on the Signing Date, on each Delivery Date and on the Effective Date, but subject to authorization of the Bankruptcy Court with respect to Sections 9.1(b), (c), (d), (e) and (f):

(a) Title. Upon delivery of the Warranty Bill of Sale by ACY to the Buyer or its nominee, as applicable, the Buyer or such nominee will have good and marketable legal and beneficial title to the applicable Equipment free and clear of all Encumbrances other than any Permitted Lien and any Lien in favor of the Agent.

(b) Organization, Etc. ACY is duly formed and validly existing and in good standing under the laws of the State of Delaware and has all requisite power and authority to enter into and perform its obligations under this Agreement and each Operative Document to which it is or will be a party.

(c) Authorization. ACY has taken, or caused to be taken, all necessary corporate action to authorize the execution and delivery of this Agreement and each Operative Document to which it is or will be a party and the performance of its obligations hereunder and thereunder.

(d) No Violation. The execution and delivery by ACY of this Agreement and each Operative Document to which ACY is or will be a party, the performance by ACY of its obligations hereunder and thereunder, and the consummation by ACY of the transactions contemplated hereby and thereby, do not and will not (i) violate or contravene any provision of any certificate of incorporation or bylaws of ACY, (ii) violate or contravene any law applicable to or binding on ACY or (iii) violate, contravene or constitute any default under, or result in the creation of any Encumbrance under, any indenture, mortgage, chattel mortgage, deed of trust,

conditional sales contract, lease, loan or other material agreement, instrument or document to which ACY is a party or by which ACY or any of their respective properties is or may be bound or affected.

(e) Approvals. Other than as expressly set forth herein and subject to entry of the Sale Order, the execution and delivery by ACY of this Agreement and each Operative Document to which it is or will be party, the performance by ACY of its obligations hereunder and thereunder, and the consummation by ACY of the transactions contemplated hereby and thereby, do not and will not require the consent, approval or authorization of, or the giving of notice to, or the registration with, or the recording or filing of any documents with, or the taking of any other action in respect of, (i) any trustee or other holder of any debt of ACY or (ii) any Government Entity.

(f) Valid and Binding Agreement. This Agreement and each other Operative Document to which ACY is or will be a party has been duly authorized, executed and delivered by ACY and, assuming the due authorization, execution and delivery by any other party or parties thereto, this Agreement and each Operative Document to which it is a party constitutes the legal, valid and binding obligations of ACY, enforceable against ACY in accordance with the terms hereof and thereof, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, receivership, moratorium and other similar laws affecting the rights of creditors generally and general principles of equity, whether considered in a proceeding at law or in equity.

(g) Relationship of ACY and the Buyer. The Buyer has not, at any time, directed or participated in any aspect of the management of ACY or the conduct of ACY's business. ACY has made all of its business decisions independently of the Buyer, and the Buyer has limited its actions to those as a buyer of assets. Notwithstanding any other provision of this Agreement or the Operative Documents, (i) the relationship between the Buyer, on the one hand, and ACY on the other, shall be limited to the relationship of a buyer and seller in a commercial transaction; (ii) the Buyer shall not be construed as a partner, joint venturer, alter ego, manager, controlling person, or other business associate or participant of any kind of ACY, and neither the Buyer does not intend to assume any such status at any time; and (iii) the Buyer shall not be deemed responsible for (or a participant in) any acts, omissions, or decisions of the ACY. In addition, ACY hereby acknowledges and agrees that (a) it has been represented by counsel of its own choosing throughout the negotiation, preparation, and execution of this Agreement and the Operative Documents, (b) it has exercised independent judgment with respect to the negotiation, preparation, and execution of this Agreement and the Operative Documents and the consummation of the transactions contemplated hereby and thereby, (c) it has not relied on the Buyer, or its counsel, for any advice with respect to the negotiation, preparation, or execution of this Agreement and the Operative Documents, and (d) any principle of contract construction that favors or disfavors the party whose attorneys have drafted a contract or provision thereof shall not be applied to this Agreement.

9.2 Representations and Warranties of the Buyer. The Buyer represents and warrants on the Signing Date and on each Delivery Date and on the Effective Date, in each case by reference to the facts and circumstances then existing:

(a) Organization, Etc. It is duly formed, validly existing and in good standing under the laws of the jurisdiction of its formation or incorporation and has the power and authority to enter into and perform its obligations under this Agreement and each Operative Document to which it is or will be a party.

(b) Corporate Authorization. It has taken, or caused to be taken, all necessary company or organizational action required to authorize the execution and delivery of this Agreement and the Operative Documents to which it is or will be a party and the performance of its obligations hereunder thereunder.

(c) No Violation. The execution and delivery by the Buyer of this Agreement and the Operative Documents to which it is or will be a party, the performance by the Buyer of its obligations hereunder and thereunder, and the consummation by the Agent and the Buyer of the transactions contemplated hereby and thereby, do not and will not (i) violate or contravene any provision of its constitutive documents (ii) violate or contravene any law applicable to or binding on it, or (iii) violate, contravene or constitute any default under, or result in the creation of any Lien under, any indenture, mortgage, chattel mortgage, deed of trust, conditional sales contract, lease, loan or other material agreement, instrument or document to which the Buyer is a party or by which it or any of its properties is or may be bound or affected.

(d) Approvals. The execution and delivery by each of the Buyer of this Agreement and each Operative Document to which it is or will be a party, the performance by it of its obligations hereunder and thereunder, and the consummation by the Buyer of the transactions contemplated hereby or thereby for such date, do not and will not require the consent, approval or authorization of, or the giving of notice to, or the registration with, or the recording or filing of any documents with, or the taking of any other action in respect of, (i) any trustee or other holder of any debt of the Buyer or (ii) any Government Entity.

(e) Valid and Binding Agreement. This Agreement and each Operative Document to which it is a party has been or will be duly authorized, executed and delivered by the Buyer and, assuming the due authorization, execution and delivery by the other parties thereto, constitutes the legal, valid and binding obligation of the Buyer and is or will be enforceable against each of the Buyer in accordance with the terms hereof, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, receivership, moratorium and other similar laws affecting the rights of creditors generally and general principles of equity, whether considered in a proceeding at law or in equity.

Section 10. Disclaimer of Additional Warranties. The Buyer acknowledges that (i) the Buyer has not sought from ACY, or relied upon ACY for, any analysis, evaluation or advice with respect to ACY, the Equipment or relevant Lease Documents or the financial condition, operations, investment potential or tax attributes of the same and (ii) the Buyer has either been supplied with or has had access to all information, which it has deemed necessary to evaluate the assignment, transfer and conveyance contemplated by this Agreement and any related documentation. The Buyer further acknowledges that:

EXCEPT FOR THE REPRESENTATIONS AND WARRANTIES AS SET FORTH IN SECTION 9 HEREOF (WHICH SHALL EXPIRE AND NOT SURVIVE THE DATES

SPECIFIED IN SECTION 13.4), ACY HAS NOT MADE ANY REPRESENTATIONS OR WARRANTIES, EXPRESSED OR IMPLIED, RELATING TO THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT, AND ACY'S RIGHTS WITH RESPECT TO THE EQUIPMENT AND RELATED LEASE DOCUMENTS ARE BEING ACQUIRED BY THE BUYER ON AN "AS IS, WHERE IS AND WITH ALL FAULTS" BASIS.

NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS AGREEMENT OR ANY OPERATIVE DOCUMENTS, ACY HAS NOT MADE ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO THE AIRWORTHINESS, CONDITION, VALUE, DESIGN, OPERATION, MERCHANTABILITY, COMPLIANCE WITH SPECIFICATIONS, CONSTRUCTION, PERFORMANCE OR FITNESS FOR USE OR FOR ANY PURPOSE OF THE EQUIPMENT OR ANY PART THEREOF, AS TO THE ABSENCE OF LATENT OR OTHER DEFECTS, WHETHER OR NOT DISCOVERABLE, AS TO THE ABSENCE OF ANY INFRINGEMENT OF ANY PATENT, TRADEMARK OR COPYRIGHT, AS TO THE ABSENCE OF OBLIGATIONS BASED ON LIABILITY IN TORT, STRICT OR OTHERWISE, AS TO FREEDOM FROM INTERFERENCE IN POSSESSION OR USE, OR AS TO THE QUALITY OF THE MATERIAL OR WORKMANSHIP OF THE EQUIPMENT OR ANY PART THEREOF OR ANY OTHER REPRESENTATION OR WARRANTY WHATSOEVER, EXPRESS OR IMPLIED, WITH RESPECT TO THE EQUIPMENT OR ANY PART THEREOF.

The foregoing disclaimer of warranty shall not be construed to be a waiver (a) by the Buyer of claims against ACY, arising from ACY's breach of its obligations under this Agreement or any Operative Document made by, applicable to or to be performed by ACY, or (b) by ACY of claims against the Buyer, arising from the Buyer's breach of its obligations under this Agreement or any Operative Document made by, applicable to or to be performed by the Buyer.

Section 11. Expenses.

11.1 Expenses of ACY. Except as expressly provided for in Sections 11.2 and 11.3, ACY shall bear the costs and expenses of conducting its business and in complying with its obligations under this Agreement (including any legal fees and expenses incurred by ACY) and, other than any specifically provided for herein, the Buyer shall have no liability for, or to contribute towards, any costs and expenses of ACY.

11.2 Transfer Legal Fees. Within two Business Days following each Delivery Date, the Buyer shall pay to ACY the amount of the Transfer Legal Fees in respect of the Equipment transferred in respect of such Delivery Date provided that the Buyer has received such supporting documentation in respect of such Transfer Legal Fees as the Buyer shall reasonably request.

11.3 FAA Counsel Fees. The Buyer shall pay the costs and expenses of FAA Counsel including all related filing fees and registration fees incurred in respect of each Delivery Date.

Section 12. Bankruptcy Provisions.

12.1 Competing Bid. This Agreement is subject to approval by the Bankruptcy Court and the consideration by ACY of higher or better competing bids in respect of all or any part of the Equipment (each a “**Competing Bid**”). From the Signing Date (and any prior time) and until entry of the Sale Order, ACY is permitted to, and to cause its representatives and professionals to, initiate contact with, solicit or encourage submission of any inquiries, proposals or offers by, any person (in addition to the Buyer and its affiliates and representatives) in connection with a Competing Bid. In addition, ACY shall have the responsibility and obligation to respond to any inquiries or offers for a Competing Bid and perform any and all other acts related thereto which are required under the Bankruptcy Code, the Sale Procedures Order or other applicable law, including supplying information relating to the Equipment to prospective purchasers.

12.2 Bankruptcy Court Filings.

(a) ACY and the Buyer acknowledge that this Agreement and the transactions contemplated hereby are subject to entry of, as applicable, the Sale Procedures Order and the Sale Order. In the event of any discrepancy between this Agreement and the Sale Procedures Order and the Sale Order, the Sale Procedures Order and the Sale Order shall govern.

(b) ACY shall give notice under the Bankruptcy Code of the request for the relief specified in the Sale Motion to all persons entitled to such notice, including all persons that have asserted Liens in the Equipment and all non-debtor parties to the Assumed Leases, and other appropriate notice as required by the Federal Rules of Bankruptcy Procedure and the local rules of the Bankruptcy Court, including such additional notice as the Bankruptcy Court shall direct or as the Buyer may reasonably request, and provide appropriate opportunity for hearing, to all parties entitled thereto, of all motions, orders, hearings, or other proceedings in the Bankruptcy Court relating to this Agreement and the transactions contemplated hereby.

(c) ACY shall use reasonable best efforts to ensure that the proposed Sale Procedures Order and Sale Order find that, the provisions of this Agreement are reasonable, were a material inducement to the Buyer, and were reasonably relied upon by the Buyer in deciding, to enter into this Agreement, and are designed to achieve the highest or otherwise best price for the Equipment.

(d) The Buyer agrees that it will promptly take such actions as are reasonably requested by ACY to assist in obtaining entry of the Sale Procedures Order and the Sale Order and a finding of adequate assurance of future performance by the Buyer, including furnishing witnesses, affidavits or other documents or information for filing with the Bankruptcy Court for the purposes, among others, of providing necessary assurances of performance by the Buyer under this Agreement and demonstrating that the Buyer is a “good faith” purchaser under section 363(m) of the Bankruptcy Code.

(e) ACY shall be responsible for making all filings with the Bankruptcy Court necessary to permit ACY to consummate the transactions under this Agreement. ACY and the Buyer shall consult with one another regarding the Cash Collateral Order and any related motions seeking approval thereof, and other draft “first day” motions, the Sale Motion, the Sale

Procedures Order and/or the Sale Order and any declarations in support of the foregoing (the “**Consultation Documents**”). ACY shall provide (or shall cause its representatives to provide) the Buyer with advance drafts of, and a reasonable opportunity to review and comment upon, the Consultation Documents as soon as reasonably practicable prior to the date ACY intends to file such motion, pleading or Bankruptcy Court filing. ACY shall make any modifications of such documents reasonably requested by the Buyer, and each such document shall be subject to approval by the Buyer in its reasonable discretion. The Buyer shall provide (or shall cause its representatives to provide) ACY with advance drafts of, and a reasonable opportunity to review and comment upon substantive pleadings, motions, and supporting papers prepared by the Buyer to be filed with the Bankruptcy Court in connection with the Agreement as soon as reasonably practicable prior to the date the Buyer intends to file such motion, pleading or Bankruptcy Court filing, and the Buyer shall make any reasonable modifications of such documents requested by ACY. In the event the entry of the Sale Procedures Order and the Sale Order or any other Order of the Bankruptcy Court relating to this Agreement shall be appealed (or if any petition for certiorari or motion for reconsideration, amendment, clarification, modification, vacation, stay, rehearing or reargument shall be filed with respect to the Sale Procedures Order, the Sale Order or other such order), ACY and the Buyer shall use their respective commercially reasonable efforts to defend such appeal, petition or motion and obtain an expedited resolution of any such appeal, petition or motion.

12.3 Bankruptcy Milestones. ACY shall use its reasonable best efforts to satisfy the following milestones (collectively, the “**Bankruptcy Milestones**”):

(a) Within three (3) days after the Signing Date (the “**Sale Motion Filing Date**”), ACY shall have filed a motion, in form and substance reasonably acceptable to the Buyer (the “**Sale Motion**”), (i) designating the Buyer as the proposed purchaser of the Equipment subject to the terms of this Agreement and Bankruptcy Court approval, (ii) requesting that the Buyer and the transactions of the Buyer contemplated hereby be accorded the protections provided under section 363(m) of the Bankruptcy Code, and (iii) seeking approval and entry of the Sale Procedures Order.

(b) ACY shall have sought to schedule a hearing to approve the Sale Procedures Order to be held no later than the first date available from the Bankruptcy Court that is twenty-one (21) days after the Sale Motion Filing Date (the “**Bid Procedures Hearing**”).

(c) On or before the date that is two (2) days after the Bid Procedures Hearing, the Bankruptcy Court shall have entered the Sale Procedures Order and scheduled the hearing on the Sale Motion for on or before a date that is thirty (30) days or less from the Bid Procedures Hearing (the “**Sale Hearing**”).

(d) The deadline for interested third parties to submit qualified bids in accordance with the Sale Procedures Order shall be no later than twenty-one (21) days following the Bid Procedures Hearing (the “**Bid Deadline**”).

(e) If required, the Auction shall occur no later than three (3) Business Days following the Bid Deadline.

(f) The Bankruptcy Court shall have entered the Sale Order on or before the date that is two (2) days after the conclusion of the Sale Hearing.

The Bankruptcy Milestones may be extended upon mutual agreement between ACY and the Buyer or as necessary to accommodate the availability of the Bankruptcy Court.

12.4 Assumed Leases. The Buyer shall have the right by giving notice in writing to ACY at any time from the Signing Date to the relevant Delivery Date to modify the content of Schedule 4 in respect of an Aircraft, without any corresponding reduction in the Purchase Price.

12.5 Plan Participation. Provided that any chapter 11 plan proposed in the Bankruptcy Case is not inconsistent with this Agreement and the transactions contemplated hereby, (an “**Approved Plan**”), the Buyer agrees not to participate in such chapter 11 plan process in the Bankruptcy Case, including, but not limited to, the right to vote or receive any recovery under any such Approved Plan proposed or confirmed in the Bankruptcy Case. Nothing set forth in this Section 12.5 is intended to, or does, affect, modify or impair (a) ACY’s obligations hereunder or the Buyer’s rights to seek to enforce such obligation, or (b) ACY’s rights to propose and seek confirmation of an Approved Plan prior to the Effective Date.

Section 13. Miscellaneous.

13.1 Notices. Every notice, request, demand or other communication (collectively, a “**Notice**”) under this Agreement shall:

(a) be in writing delivered personally or by prepaid courier or other similar services or by electronic mail and in the case of a Notice sent by e-mail, shall be accompanied by a copy sent by prepaid air mail letter;

(b) be deemed to have been received, in the case of an e-mail upon the earlier of (i) confirmation of receipt of such e-mail by the addressee; or (ii) on the fifth day after sending, provided the sender thereof has not received actual notice of failed delivery, and, in the case of a Notice delivered personally or by courier service, when delivered (provided that if delivery is tendered but refused, such Notice shall be deemed effective upon such tender); and be sent to:

(i) to the Buyer at the following address:

Drake Asset Management Jersey Limited
IFC5, St Helier
Jersey JE1 1ST
Attn: The Directors
Email: falkoII@sannegroup.com

With a copy (that shall not constitute notice) to:

Falko Regional Aircraft Limited
1 Bishop Square
St. Albans Rd. West
Hatfield AL10 9NE
Attn: Sarah Dichlian
Email: sarah.dichlian@falko.com / legal@falko.com

(ii) to ACY at the following address:

1440 Chapin Avenue, Suite 310
Burlingame, CA94010-4011
Attn: Harold M. Lyons / Christopher B Tigno
Email: hal.lyons@aerocentury.com / chris.tigno@aerocentury.com

With a copy (that shall not constitute notice) to:

Lorenzo Marinuzzi, Esquire
Morrison & Foerster LLP
250 West 55th Street
New York, New York 10019
Email: lmarinuzzi@moffo.com

and

Craig Grear, Esquire
Joseph Barry, Esquire
Young Conaway Stargatt & Taylor, LLP
Rodney Square
1000 North King Street
Wilmington, Delaware 19801
Email: jbarry@ycst.com / cgrear@ycst.com

or to such other address as is notified by one party to the other party under this Agreement.

13.2 Assignment. This Agreement may not be assigned by any party without the prior written consent of the other parties hereto. Any consent by ACY shall be conditioned upon, among other things, the Buyer providing to ACY satisfactory “Know Your Customer” due diligence reasonably requested by ACY in respect of any proposed assignee or nominee of the Buyer.

13.3 Headings. All headings in this Agreement are for convenience only, and are not a substantive part of this Agreement.

13.4 Survival of Representations, Warranties and Indemnities. Each of the representations, warranties and indemnities of the parties shall expire on the earliest to occur of (a) each Delivery Date with respect to any Equipment and related Assumed Leases subject to

such Delivery on such Delivery Date, and (b) the Effective Date, in each case to the extent not previously expired.

13.5 Each of the representations, warranties and indemnities of the parties shall survive the execution and delivery of this Agreement and the Delivery of the Equipment.

13.6 Governing Law; Forum. (a) **THIS AGREEMENT, AND ANY NON-CONTRACTUAL RIGHTS OR CLAIMS ARISING FROM OR RELATED TO IT, SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK, U.S.A., APPLICABLE TO CONTRACTS MADE AND TO BE PERFORMED ENTIRELY WITHIN SUCH STATE WITHOUT REGARD FOR CONFLICT OF LAW PRINCIPLES (OTHER THAN THE PROVISIONS OF SECTIONS 5-1401 AND 5-1402 OF THE GENERAL OBLIGATIONS LAW OF THE STATE OF NEW YORK).**

(b) So long as the Bankruptcy Case remains pending, the parties agree that the Bankruptcy Court shall have exclusive jurisdiction to settle any disputes in connection with this Agreement, the Sale Order and the other documents related hereto and submit to the jurisdiction of such courts in connection with this Agreement, the Sale Order and the other documents related hereto. From and after the entry of a final decree in the Bankruptcy Case, the parties agree that the federal and state courts located in New York, New York (in the Borough of Manhattan) are to have non-exclusive jurisdiction to settle any disputes in connection with this Agreement and the other documents related hereto and submit to the jurisdiction of such courts in connection with this Agreement and the other documents related hereto.

(c) Each party hereto:

(i) waives objection to such courts on grounds of inconvenient forum, venue or otherwise as regards proceedings in connection with this Agreement and other documents related hereto;

(ii) agrees that (subject to permitted appeals) a judgment or order of such a court in connection with this Agreement or the other documents related hereto is conclusive and binding on it and may be enforced against them in the courts of any other jurisdiction; and

(iii) **IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTION CONTEMPLATED HEREBY.**

(d) Except as set forth in Section 13.5(b), nothing in this Section 13.5 limits the right of either party to bring proceedings in connection with this Agreement or any other document related hereto:

(i) in any other court of competent jurisdiction; or

(ii) concurrently in more than one jurisdiction.

13.7 Entire Agreement; Amendment; No Course of Dealing. This Agreement together with the Operative Documents along with all exhibits and schedules attached hereto, shall constitute the entire agreement between the parties with respect to the transactions contemplated herein, supersede any prior or contemporaneous agreements, whether oral or in writing, between the parties, and this Agreement shall not in any manner be supplemented, amended or modified except by a writing executed on behalf of the parties by their authorized representatives. No party shall construe this Agreement, and nothing contained in this Agreement shall be construed, as creating any course of dealing or conduct between the parties.

13.8 Waivers. The waiver of performance of any term of this Agreement in a particular instance shall not constitute a waiver of any subsequent breach or preclude any party from thereafter demanding performance thereof according to the provisions hereof.

13.9 Unenforceability. Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof or affecting the validity or enforceability of such provisions in any other jurisdiction.

13.10 Counterparts. This Agreement may be executed simultaneously in one or more counterparts, each of which shall be deemed an original, but both of which together will constitute one and the same agreement, and which shall be sufficiently evidenced by any one of such original counterparts. This Agreement may be executed and delivered by means of a facsimile machine or by .pdf, .tif, .gif, .jpeg, or similar attachment to electronic mail (any such delivery, an “**Electronic Delivery**”), each of which shall be deemed an original and shall be treated in all manner and respects as an original executed counterpart and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person. At the request of any party, the other party shall re-execute the original form of this Agreement and deliver such form to the requesting party. No party shall raise the use of Electronic Delivery to deliver a signature or the fact that any signature or agreement or instrument was transmitted or communicated through the use of Electronic Delivery as a defense to the formation of a contract, and each party unconditionally, absolutely and irrevocably forever waives any such defense.

13.11 Export Law. Buyer understands that the subject matter of this sale, including the Aircraft and all other things associated with it including, but not limited to, spare parts, training, technical data, warranty protection and services, is subject to US export laws and regulations, including but not limited to the Export Administration Act of 1979, as amended and the Export Administration Regulations promulgated thereunder and the Office of Foreign Asset Control Regulations. These laws and regulations impose restrictions on the export and re-export of the Aircraft, including Buyer’s re-export by resale, lease, sublease or otherwise, to countries that are prohibited due to embargo, anti-terrorism or any other reason.

13.12 No Third-Party Beneficiaries. No third party is intended to benefit from, nor may any third party seek to enforce any of the provisions of, this Agreement.

13.13 Further Assurances. Each party shall, at the request and cost of the other, do and perform such further acts and execute and deliver, such further documents which are reasonably

necessary or desirable to effect and perfect the transfer of all right, title and interest in and to the Equipment to the Buyer and to give full effect to the intent and purpose of this Agreement.

13.14 Attorneys' Fees. For the avoidance of doubt, the Buyer shall be responsible for any and all fees, costs and expenses incurred by the Buyer, including any legal fees and costs, in any capacity (including that as lender to ACY) and no such fees shall be payable by ACY except that any fees, costs or expenses suffered or incurred by the Buyer as a Lender under and as defined in the Loan Agreement or by the Agent thereunder shall accrue as a liability of ACY and be included in the Secured Obligations.

13.15 Time of the Essence. Unless specifically stated to the contrary herein, time shall be of the essence for all events contemplated hereunder. The Parties intend that the time period between entry of the Sale Order and Effective Date be as truncated as possible under all relevant and applicable circumstances and agree to use commercially reasonable efforts to ensure that, as promptly as possible, the satisfaction of all conditions set forth in Sections 6, 7, and 8 occur with all due haste, without delay and as promptly as is commercially reasonable.

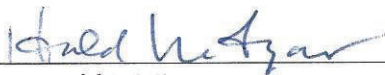
13.16 Construction of Terms. This Agreement has been drafted jointly by the parties in full consultation with their respective attorneys, and no ambiguity in this Agreement shall be interpreted or construed against any of the parties.

[Signature page follows]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized officers or representatives as of the date first above written.

AEROCENTURY CORP.,
as Seller

DRAKE ASSET MANAGEMENT
JERSEY LIMITED, as Buyer

By: 
Name: Harold M. Lyons
Title: Chief Financial Officer

By: _____
Name:
Title:

Error!

[SIGNATURE PAGE TO ASSET PURCHASE AGREEMENT]

Asset Purchase Agreement
VP/#41595814.13

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized officers or representatives as of the date first above written.

AEROCENTURY CORP.,
as Seller

**DRAKE ASSET MANAGEMENT
JERSEY LIMITED**, as Buyer



By: _____
Name: Harold M. Lyons
Title: Chief Financial Officer

By: _____
Name: Oliver Morris
Title: Director

Error!

Asset Purchase Agreement
VP/41595814.13

[SIGNATURE PAGE TO ASSET PURCHASE AGREEMENT]

SCHEDULE 1**Original Financing Statements**

<u>FILING NO.</u>	<u>FILING DATE</u>	<u>DEBTOR</u>	<u>SECURED PARTY</u>	<u>FILING OFFICE</u>
20101347966*	April 19, 2010	AeroCentury Corp.	MUFG Union Bank, N.A., as Agent	Secretary of State, Delaware
20101347990*	April 19, 2010	AeroCentury Corp.	MUFG Union Bank, N.A., as Agent	Secretary of State, Delaware
20191177265	February 19, 2019	AeroCentury Corp.	MUFG Union Bank, N.A., in its capacity as Agent	Secretary of State, Delaware
18-7673460315	October 2, 2018	JetFleet Holding Corp.	MUFG Union Bank, N.A., in its capacity as administrative agent	Secretary of State, California
19-7698077307	February 19, 2019	JetFleet Management Corp.	MUFG Union Bank, N.A., in its capacity as administrative agent	Secretary of State, California

Error!

SCHEDULE 2**Part 1 - Aircraft**

	Manufacturer	Serial Number	Model	Engine #1	Engine #2	Lessee	Delivery Location
	Bombardier	15128	CRJ900	194583	194582	Off-Lease	ESN 194582: Berlin Germany Remainder of Aircraft: Maastricht, Netherlands
	Bombardier	15207	CRJ900	194771	194788	Off-Lease	Maastricht Netherlands
	Bombardier	15215	CRJ900	194785	194770	Off-Lease	Maastricht Netherlands
	Bombardier	10165	CRJ700	965565	965566	American Airlines	Habitual Home Base of Aircraft
	Bombardier	10171	CRJ700	965579	965580	American Airlines	Habitual Home Base of Aircraft
	Bombardier	10178	CRJ700	965568	965575	American Airlines	Habitual Home Base of Aircraft
	Bombardier	4205	Q400	FA0461	FA0462	Croatia Airlines	Zagreb, Croatia
	Bombardier	4211	Q400	FA0471	FA0473	Croatia Airlines	Zagreb, Croatia
	Bombardier	15055	CRJ900	194345	194346	Jazz	Habitual Home Base of Aircraft
	Bombardier	238	Q300	AE0160	AE0164	Off-Lease	Maastricht, Netherlands

Error!

Part 2 – Excluded Equipment

	Manufacturer	Serial Number	Model	Engine #1	Engine #2	Lessee
1.	Bombardier	406	DHC 8-300	123161	AE0065	Silverstone
2.	Bombardier	407	DHC 8-300	123330	AE0165	Skyward
3.	Saab	453	Saab 340B Plus			Off-lease
4.	Bombardier	4020	Q400			Off-lease
5.	Pratt & Whitney	FA0137	PW150A			Off-lease

Error!

SCHEDULE 2

Page 2

VP/#41595814.13

Part 3 – Secured Obligations

	Manufacturer	Serial Number	Allocated Secured Obligations (US\$)
1.	Bombardier	15128	\$ 3,659,220.80
2.	Bombardier	15207	\$ 8,316,410.90
3.	Bombardier	15215	\$ 8,482,739.12
4.	Bombardier	10165	\$ 8,233,246.79
5.	Bombardier	10171	\$ 8,233,246.79
6.	Bombardier	10178	\$ 8,233,246.79
7.	Bombardier	4205	\$ 9,231,216.10
8.	Bombardier	4211	\$ 9,231,216.10
9.	Bombardier	15055	\$17,630,791.11
10.	Bombardier	238	\$ 1,912,774.51

Error!

SCHEDULE 3**Equipment Specific Documents**

Part 1 – MSN 4205 / 4211 - Croatia			
	Document	Parties	Responsibility
1	Novation Agreement (English law lease)	Lessor, Buyer, DJL9, Lessee	Vedder Price (VP)
	Effective Time Notice	Lessor, Buyer, DJL9, Lessee	VP
	DPOA	Lessee (in favour of Lessor)	tbd
	Revocation Letter (in respect of existing DPOA)	Lessee	tbd
	Corporate authorisations:		
	Officer's Certificate of Lessee – constitutional documents, board resolutions, delegated authority / power of attorney		Lessee
	Officer's Certificate of Buyer – constitutional documents, board resolutions, delegated authority / power of attorney		VP
	Officer's Certificate of DJL9 – constitutional documents, board resolutions, delegated authority / power of attorney		VP
	Officer's Certificate of Lessor – constitutional documents, board resolutions, delegated authority / power of attorney		Lessor
	KYC and tangible net worth documents – no TNW test	DJL9	DJL9
	Certificate of Insurance and Reinsurance		Lessee
	Letter of Undertaking issued by the insurance and reinsurance broker		Lessee
	Run Off Insurance and Reinsurance Certificate		Lessee
	Certificate of Registration (if relevant) reflecting DJL9 as new owner		Lessee
	Current Certificate of Airworthiness		Lessee
	Decision on Registration of New Owner issued by the Croatian Aircraft Registry		Lessee
	Decision on Approval of Novated Lease issued by		Lessee

Error!

	the Croatian Civil Aviation Authority		
	Aircraft Repossession Agreement with Direct Enforceability	Lessor, Lessee	Lessee
	Legal opinion: Croatia legal opinion in respect of Lessee and aircraft registration and relevant local law matters California legal opinion in respect of Lessor English law legal opinion in respect of any documents governed by English law Irish legal opinion in respect of DJL9 Jersey legal opinion in respect of Buyer		Kovacevic Prpic Simeunovic Morrison Foerster VP tbd tbd
	ATC Letter	Lessee (to Lessor)	VP
	Process Agent Letters (England)	DJL9, Lessee	VP/Lessee
	Evidence of nameplate installation / updated	N/A	Lessee
Part 2 – MSN 10165 / 10171 / 10178 – American Airlines			
	Document	Parties	Responsibility
2	Assignment and Assumption Agreement (New York law lease)	Lessor, Owner Trustee, Lessee	VP / FAA Counsel
	Effective Time Notice	Lessor, Owner Trustee, Lessee	VP
	Trust Agreement - ACC approval needed to form of trust agreement (10 Business Days' notice) - Trust Agreement to be filed at FAA - Affidavit of citizenship from Owner Trustee; to be submitted for approval with the Trust Agreement and filed at the FAA	Owner Trustee, Buyer	VP / FAA Counsel

Error!

	Beneficial Interest Transfer – filed at the FAA	Owner Trustee, Buyer, DJL9	VP / FAA Counsel
	FAA Bill of Sale / FAA Registration Application – filed at the FAA reflecting Owner Trustee as new owner (with Registration Certificate to follow post-closing)		VP / FAA Counsel
	Residual Agreement Assignment and Assumption Agreement (MSN 10165)	Bombardier Inc. Seller, Buyer, DJL9	[VP]
	Residual Agreement Assignment and Assumption Agreement (MSN 10171)	Bombardier Inc. Seller, Buyer, DJL9	[VP]
	Residual Agreement Assignment and Assumption Agreement (MSN 10178)	Bombardier Inc. Seller, Buyer, DJL9	[VP]
	Deficiency Agreement Assignment and Assumption Agreement (MSN 10165)	Bombardier Inc. Seller, Buyer, DJL9	[VP]
	Deficiency Agreement Assignment and Assumption Agreement (MSN 10171)	Bombardier Inc. Seller, Buyer, DJL9	[VP]
	Deficiency Agreement Assignment and Assumption Agreement (MSN 10178)	Bombardier Inc. Seller, Buyer, DJL9	[VP]
	Corporate authorisations:		
	Officer's Certificate of Lessee – incumbency certificate / corporate authorisation / POA		Lessee
	Officer's Certificate of Buyer – incumbency certificate / corporate authorisation / POA		VP
	Officer's Certificate of Buyer – incumbency certificate / corporate authorisation / POA		VP

Error!

	Officer's Certificate of Lessor – incumbency certificate / corporate authorisation / POA		Morrison Foerster
	KYC and tangible net worth documents (\$30million)	DJL9	DJL9
	Certificate of Insurance		Lessee
	Letter of Undertaking issued by the insurance broker		Lessee
	Run Off Insurance Certificate (to be provided by Lessee if de minimis costs)		Lessee
	Priority Search Certificate relating to: MSN 10165, 10171, 10178 ESN 965565, 965579, 965568 ESN 965566, 965580, 965575		VP
	Legal opinion: FAA opinion		FAA Counsel
	Evidence of nameplate installation / updated		Lessee
	Assignment of UCC-1 Lease Notice Filings		VP
Part 3 – MSN 15055 – Jazz			
	Document	Parties	Responsibility
3	Assignment and Assumption Agreement (Ontario law lease)	Lessor, Buyer, DJL9, Lessee	VP
	Effective Time Notice	Lessor, Buyer, DJL9, Lessee	VP
	Short Form Assignment and Assumption Agreement	Lessor, Buyer, DJL9, Lessee	Blakes, Cassels + Graydon LLP (Blakes) / VP
	IDERA	Lessee (in favour of Lessor)	Blakes / VP
	Revocation of existing IDERA in the form required by the Canadian Civil Aviation Authority	Lessee	Blakes / VP
	TCA Notice	Lessee	Blakes / VP

Error!

	Corporate authorisations:	
	Officer's Certificate of Lessee – constitutional documents, board resolutions, delegated authority / power of attorney	Lessee
	Officer's Certificate of Buyer – constitutional documents, board resolutions, delegated authority / power of attorney	VP
	Officer's Certificate of DJL9 – constitutional documents, board resolutions, delegated authority / power of attorney	VP
	Officer's Certificate of Lessor – constitutional documents, board resolutions, delegated authority / power of attorney	Morrison Foerster
	KYC and tangible net worth documents \$25million TNW test	DJL9
	Replacement / Transferred Letters of Credit	Lessee (in favour of Lessor)
	Certificate of Insurance	Lessee
	Letter of Undertaking issued by the insurance broker	Lessee
	Run Off Insurance Certificate	Lessee
	Priority Search Certificate relating to: MSN 15055 ESN 194345 ESN 194346	VP
	Certificate of Registration (if relevant) reflecting DJL9 as new owner	Lessee
	Current Certificate of Airworthiness	Lessee
	Delivery Certificate (Aircraft Location)	Lessee
	Legal opinion: [Ontario / Canadian] legal opinion in respect of Lessee[and aircraft registration and relevant local law matters] California legal opinion in respect of Lessor Irish legal opinion in respect of DJL9	Blakes Morrison Foerster tbd

Error!

	Jersey legal opinion in respect of Buyer	tbd	
	ATC Letter	Lessee to lessor	Blakes / VP
	Process Agent Letters	tbd	
	Evidence of nameplate installation / updated	tbd	Lessee
Part 9 – MSN 238			
	An agreement or other arrangement, satisfactory to the Buyer, has been entered into in respect of storage of such item of Equipment upon and from the proposed Delivery Date in respect thereof.	N/A	N/A
Part 10 – MSN 15128			
	An agreement or other arrangement, satisfactory to the Buyer, has been entered into in respect of storage of such item of Equipment upon and from the proposed Delivery Date in respect thereof.	N/A	N/A
Part 11 – MSN 15207			
	An agreement or other arrangement, satisfactory to the Buyer, has been entered into in respect of storage of such item of Equipment upon and from the proposed Delivery Date in respect thereof.	N/A	N/A
Part 12 – MSN 15128			
	An agreement or other arrangement, satisfactory to the Buyer, has been entered into in respect of storage of such item of Equipment upon and from the proposed Delivery Date in respect thereof.	N/A	N/A

Error!

SCHEDULE 4**Lease Documents****American Airlines****MSN 10165**

Amended and Restated Participation Agreement dated 23 September 2005 between AFS Investments 68 LLC and US Airways, Inc.

Amended and Restated Lease Agreement dated 23 September 2005 between AFS Investments 68 LLC and US Airways, Inc.

US Airways Inc. Amended and Restated Standard Terms Manual – Single Investor Lease dated 28 May 2004.

Amended and Restated Tax Indemnity Agreement dated 23 September 2005 between AFS Investments 68 LLC and US Airways, Inc.

Amended and Restated Guaranty dated 23 September 2005 between AFS Investments 68 LLC and US Airways Group, Inc.

Amended and Restated Lease Supplement No.1 dated 23 September 2005 between AFS Investments 68 LLC and US Airways, Inc.

Assignment, Assumption and Amendment Agreement dated 29 January 2014 between AFS Investments 68 LLC, US Airways, Inc. and AeroCentury Corp.

Assumption Agreement dated 30 December 2015 between US Airways, Inc. and AeroCentury Corp.

Residual Agreement dated 23 September 2005 between AFS Investments 68 LLC and Bombardier Inc.

Deficiency Agreement dated 23 September 2005 between AFS Investments 68 LLC and Bombardier Inc.

Assignment of Residual and Deficiency Agreements dated 17 January 2014 between AFS Investments 68 LLC and AeroCentury Corp.

Consent Letter dated 17 January 2014 executed by Bombardier Inc. in favour of AFS Investments 68 LLC and AeroCentury Corp.

Renewal Agreement dated 25 January 2021 between AeroCentury Corp. and American Airlines, Inc.

Error!

Amendment to Amended and Restated Lease Agreement dated 25 January 2021 between AeroCentury Corp. and American Airlines, Inc.

Consent and Amendment Letter dated 25 January 2021 between AeroCentury Corp. and MHI RJ Aviation ULC.

American Airlines

MSN 10171

Amended and Restated Participation Agreement dated 23 September 2005 between AFS Investments 68 LLC and US Airways, Inc.

Amended and Restated Lease Agreement dated 23 September 2005 between AFS Investments 68 LLC and US Airways, Inc.

US Airways Inc. Amended and Restated Standard Terms Manual – Single Investor Lease dated 28 May 2004.

Amended and Restated Tax Indemnity Agreement dated 23 September 2005 between AFS Investments 68 LLC and US Airways, Inc.

Amended and Restated Guaranty dated 23 September 2005 between AFS Investments 68 LLC and US Airways Group, Inc.

Amended and Restated Lease Supplement No.1 dated 23 September 2005 between AFS Investments 68 LLC and US Airways, Inc.

Assignment, Assumption and Amendment Agreement dated 29 January 2014 between AFS Investments 68 LLC, US Airways, Inc. and AeroCentury Corp.

Assumption Agreement dated 30 December 2015 between US Airways, Inc. and AeroCentury Corp.

Residual Agreement dated 23 September 2005 between AFS Investments 68 LLC and Bombardier Inc.

Deficiency Agreement dated 23 September 2005 between AFS Investments 68 LLC and Bombardier Inc.

Assignment of Residual and Deficiency Agreements dated 17 January 2014 between AFS Investments 68 LLC and AeroCentury Corp.

Consent Letter dated 17 January 2014 executed by Bombardier Inc. in favour of AFS Investments 68 LLC and AeroCentury Corp.

Error!

Renewal Agreement dated 25 January 2021 between AeroCentury Corp. and American Airlines, Inc.

Amendment to Amended and Restated Lease Agreement dated 25 January 2021 between AeroCentury Corp. and American Airlines, Inc.

Consent and Amendment Letter dated 25 January 2021 between AeroCentury Corp. and MHI RJ Aviation ULC.

American Airlines

MSN 10178

Amended and Restated Participation Agreement dated 23 September 2005 between AFS Investments 68 LLC and US Airways, Inc.

Amended and Restated Lease Agreement dated 23 September 2005 between AFS Investments 68 LLC and US Airways, Inc.

US Airways Inc. Amended and Restated Standard Terms Manual – Single Investor Lease dated 28 May 2004.

Amended and Restated Tax Indemnity Agreement dated 23 September 2005 between AFS Investments 68 LLC and US Airways, Inc.

Amended and Restated Guaranty dated 23 September 2005 between AFS Investments 68 LLC and US Airways Group, Inc.

Amended and Restated Lease Supplement No.1 dated 23 September 2005 between AFS Investments 68 LLC and US Airways, Inc.

Assignment, Assumption and Amendment Agreement dated 29 January 2014 between AFS Investments 68 LLC, US Airways, Inc. and AeroCentury Corp.

Assumption Agreement dated 30 December 2015 between US Airways, Inc. and AeroCentury Corp.

Residual Agreement dated 23 September 2005 between AFS Investments 68 LLC and Bombardier Inc.

Deficiency Agreement dated 23 September 2005 between AFS Investments 68 LLC and Bombardier Inc.

Assignment of Residual and Deficiency Agreements dated 17 January 2014 between AFS Investments 68 LLC and AeroCentury Corp.

Error!

Consent Letter dated 17 January 2014 executed by Bombardier Inc. in favour of AFS Investments 68 LLC and AeroCentury Corp.

Renewal Agreement dated 25 January 2021 between AeroCentury Corp. and American Airlines, Inc.

Amendment to Amended and Restated Lease Agreement dated 25 January 2021 between AeroCentury Corp. and American Airlines, Inc.

Consent and Amendment Letter dated 25 January 2021 between AeroCentury Corp. and MHI RJ Aviation ULC.

Jazz Aviation

MSN 15055

Aircraft Lease Agreement dated 14 November 2007 between Al Waha (Cayman 1) Lease Limited and Jazz Aviation, LP.

Aircraft Lease Novation and Amendment Agreement dated 26 October 2010 between Al Waha (Cayman 1) Lease Limited, as existing lessor, Jazz Aviation, LP. and Wells Fargo Bank Northwest, N.A., as new lessor.

Aircraft Lease Novation and Amendment Agreement dated 1 November 2013 between Wells Fargo Bank Northwest, N.A. as existing lessor, Lessee and AeroCentury Corp., as new lessor.

Croatia Airlines

MSN 4211

Aircraft Lease Agreement dated 30 May 2007 between GOAL Verwaltungsgesellschaft mbH & Co. Projekt Nr. 28 KG and Croatia Airlines D.D.

Amendment Agreement dated 17 September 2007 (containing the form of Amended and Restated Aircraft Lease Agreement) between GOAL Verwaltungsgesellschaft mbH & Co. Projekt Nr. 28 KG and Croatia Airlines D.D.

Lease Replacement Schedule Letter Agreement dated 24 July 2008 between GOAL Verwaltungsgesellschaft mbH & Co. Projekt Nr. 28 KG and Croatia Airlines D.D.

Certificate of Acceptance dated 25 July 2008 executed by Croatia Airlines D.D.

Third Amendment Agreement to a Lease Agreement (containing the form of Amended and Restated Aircraft Lease Agreement (the Amended and Restated Lease Agreement)) dated 13 December 2010 between GOAL Verwaltungsgesellschaft mbH & Co. Projekt Nr. 28 KG and Croatia Airlines D.D.

Error!

Lease Amendment Letter Agreement No.4 dated 15 November 2011 between GOAL Verwaltungsgesellschaft mbH & Co. Projekt Nr. 28 KG and Croatia Airlines D.D.

Fifth Lease Amendment and Supplement Agreement dated 27 October 2017 between GOAL Verwaltungsgesellschaft mbH & Co. Projekt Nr. 28 KG and Croatia Airlines D.D.

Exchange Rate Notice Letter dated 3 November 2017 from GOAL Verwaltungsgesellschaft mbH & Co. Projekt Nr. 28 KG and acknowledged and agreed by Croatia Airlines D.D.

Aircraft Lease Novation and Amendment Agreement dated 14 May 2018 between GOAL Verwaltungsgesellschaft mbH & Co. Projekt Nr. 28 KG, AeroCentury Corp. and Croatia Airlines D.D.

Lease Amendment (SN 4205 and 4211) dated 15 May 2020 between AeroCentury Corp. and Croatia Airlines D.D.

Lease Amendment (SN 4205 and SN 4211) dated December 9, 2020 between AeroCentury Corp. and Croatia Airlines D.D.

Croatia Airlines

MSN 4205

Aircraft Lease Agreement dated 30 May 2007 between GOAL Verwaltungsgesellschaft mbH & Co. Projekt Nr. 27 KG and Croatia Airlines D.D.

Amendment Agreement dated 17 September 2007 between GOAL Verwaltungsgesellschaft mbH & Co. Projekt Nr. 27 KG and Croatia Airlines D.D.

Lease Replacement Schedule Letter Agreement dated 15 May 2008 between GOAL Verwaltungsgesellschaft mbH & Co. Projekt Nr. 27 KG and Croatia Airlines D.D.

Certificate of Acceptance dated 16 May 2008 executed by Croatia Airlines D.D.

Third Amendment Agreement to a Lease Agreement (containing the form of Amended and Restated Aircraft Lease Agreement (the Amended and Restated Lease Agreement)) dated 13 December 2010 between GOAL Verwaltungsgesellschaft mbH & Co. Projekt Nr. 27 KG and Croatia Airlines D.D.

Lease Amendment Letter Agreement No.4 dated 15 November 2011 between GOAL Verwaltungsgesellschaft mbH & Co. Projekt Nr. 27 KG and Croatia Airlines D.D.

Fifth Lease Amendment and Supplement Agreement dated 27 October 2017 between GOAL Verwaltungsgesellschaft mbH & Co. Projekt Nr. 27 KG and Croatia Airlines D.D.

Error!

Exchange Rate Notice Letter dated 3 November 2017 from between GOAL Verwaltungsgesellschaft mbH & Co. Projekt Nr. 27 KG and acknowledged and agreed by and Croatia Airlines D.D.

Aircraft Lease Novation and Amendment Agreement dated 14 May 2018 between GOAL Verwaltungsgesellschaft mbH & Co. Projekt Nr. 27 KG, AeroCentury Corp. and Croatia Airlines D.D.

Lease Amendment (SN 4205 and 4211) dated 15 May 2020 between AeroCentury Corp. and Croatia Airlines D.D.

Lease Amendment (SN 4205 and SN 4211) dated December 9, 2020 between AeroCentury Corp. and Croatia Airlines D.D.

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EXHIBIT A

Form of Warranty Bill of Sale

WARRANTY BILL OF SALE
(MSN [____])

WARRANTY BILL OF SALE (MSN ____), dated as of [____] __, 2021, by:

AEROCENTURY CORP. a Delaware corporation, as Seller (the “**Seller**”);

-to-

DRAKE ASSET MANAGEMENT JERSEY LIMITED, as Buyer, (the “**Buyer**”).

Defined terms used herein have the meaning given in the Asset Purchase Agreement.

Pursuant to an Asset Purchase Agreement dated as of [____], 2021] (the “**Asset Purchase Agreement**”) and in consideration of the Purchase Price paid thereunder and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Seller hereby GRANTS, BARGAINS, TRANSFERS, ASSIGNS, SETS OVER, CONVEYS AND DELIVERS UNTO Buyer full legal title in and to one (1) [____] aircraft bearing manufacturer’s serial number [____], together with two (2) [____] engines bearing manufacturer’s serial numbers [____] and [____] as more particularly described in the Asset Purchase Agreement (the “**Aircraft**”).

Seller hereby warrants to Buyer (and Buyer’s successors and assigns) that Seller conveys to Buyer full good and marketable legal and beneficial title to the Aircraft, free and clear of any and all Encumbrances (as defined in the Asset Purchase Agreement) other than any Permitted Liens in respect of the Aircraft and that Seller shall warrant and defend such title against any claims and demands whatsoever; provided, that the Aircraft is otherwise conveyed “**AS IS,**” “**WHERE IS**” AND WITH ALL FAULTS AND (EXCEPT AS PREVIOUSLY PROVIDED IN THIS PARAGRAPH OR IN THE ASSET PURCHASE AGREEMENT) WITHOUT REPRESENTATION OR WARRANTY OF ANY TYPE OR KIND, EXPRESS OR IMPLIED, WITH RESPECT THERETO (INCLUDING, WITHOUT LIMITATION, AS TO CONDITION, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE) and is subject to each and every disclaimer contained in the Asset Purchase Agreement.

THIS WARRANTY BILL OF SALE, AND ALL NON-CONTRACTUAL CLAIMS ARISING FROM OR CONNECTED TO IT, ARE GOVERNED BY AND SHALL BE CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, U.S.A., APPLICABLE TO CONTRACTS MADE AND TO BE PERFORMED ENTIRELY WITHIN SUCH STATE WITHOUT REGARD FOR CONFLICT OF LAW PRINCIPLES (OTHER THAN THE PROVISIONS OF SECTION 5-1401 AND SECTION 5-1402 OF THE GENERAL OBLIGATIONS LAW OF THE STATE OF NEW YORK).

IN WITNESS WHEREOF, Seller has caused this Warranty Bill of Sale to be duly executed and delivered the day and year first written above.

AEROCENTURY CORP., as Seller

By: _____
Name: _____
Title: _____

EXHIBIT A
Page 2

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EXHIBIT 2

Cure Amounts

DebtorName	Contract Counterparty	Description of Contract / Service	Cure Amount
JetFleet Management Corp.	1440 Chapin Owner, LLC	Office lease located at 1440 Chapin Avenue	\$0
AeroCentury Corp.	AFS Investments 68 LLC	Assignment of Residual and Deficiency Agreements dated 17 January 2014	\$0
AeroCentury Corp.	AFS Investments 68 LLC	Consent Letter dated 17 January 2014 executed by Bombardier Inc.	\$0
AeroCentury Corp.	AFS Investments 68 LLC	Assignment, Assumption and Amendment Agreement dated 29 January 2014	\$0
AeroCentury Corp.	AFS Investments 68 LLC	Assignment of Residual and Deficiency Agreements dated 17 January 2014	\$0
AeroCentury Corp.	AFS Investments 68 LLC	Consent Letter dated 17 January 2014 executed by Bombardier Inc. in favour of AFS Investments 68 LLC and AeroCentury Corp.	\$0
AeroCentury Corp.	AFS Investments 68 LLC	Assignment of Residual and Deficiency Agreements dated 17 January 2014	\$0
AeroCentury Corp.		Consent Letter dated 17 January 2014 executed by Bombardier Inc. in favour of AFS Investments 68 LLC and AeroCentury Corp.	\$0
AeroCentury Corp.	American Airlines	Aircraft Lease for CRJ700 Aircraft MSN 10165	\$0
AeroCentury Corp.	American Airlines	Amended and Restated Participation Agreement dated 23 September 2005 between AFS Investments 68 LLC and US Airways, Inc.	\$0
AeroCentury Corp.	American Airlines	Amended and Restated Lease Agreement dated 23 September 2005 between AFS Investments 68 LLC and US Airways, Inc.	\$0
AeroCentury Corp.	American Airlines	US Airways Inc. Amended and Restated Standard Terms Manual – Single Investor Lease dated 28 May 2004.	\$0

DebtorName	Contract Counterparty	Description of Contract / Service	Cure Amount
AeroCentury Corp.	American Airlines	Amended and Restated Tax Indemnity Agreement dated 23 September 2005 between AFS Investments 68 LLC and US Airways, Inc.	\$0
AeroCentury Corp.	American Airlines	Amended and Restated Guaranty dated 23 September 2005 between AFS Investments 68 LLC and US Airways Group, Inc.	\$0
AeroCentury Corp.	American Airlines	Amended and Restated Lease Supplement No. 1 dated 23 September 2005 between AFS Investments 68 LLC and US Airways, Inc.	\$0
AeroCentury Corp.	American Airlines	Amendment to Amended and Restated Lease Agreement dated 25 January 2021	\$0
AeroCentury Corp.	American Airlines	Residual Agreement dated 23 September 2005 between AFS Investments 68 LLC and Bombardier Inc.	\$0
AeroCentury Corp.	American Airlines	Deficiency Agreement dated 23 September 2005 between AFS Investments 68 LLC and Bombardier Inc.	\$0
AeroCentury Corp.	American Airlines	Aircraft Lease for CRJ700 Aircraft MSN 10171	\$0
AeroCentury Corp.	American Airlines	Amended and Restated Participation Agreement dated 23 September 2005 between AFS Investments 68 LLC and US Airways, Inc.	\$0
AeroCentury Corp.	American Airlines	Amended and Restated Lease Agreement dated 23 September 2005 between AF Investments 68 LLC and US Airways, Inc.	\$0
AeroCentury Corp.	American Airlines	US Airways Inc. Amended and Restated Standard Terms Manual – Single Investor Lease dated 28 May 2004.	\$0

DebtorName	Contract Counterparty	Description of Contract / Service	Cure Amount
AeroCentury Corp.	American Airlines	Amended and Restated Tax Indemnity Agreement dated 23 September 2005 between AFS Investments 68 LLC and US Airways, Inc.	\$0
AeroCentury Corp.	American Airlines	Amended and Restated Guaranty dated 23 September 2005 between AFS Investments 68 LLC and US Airways Group, Inc.	\$0
AeroCentury Corp.	American Airlines	Amended and Restated Lease Supplement No. 1 dated 23 September 2005 between AFS Investments 68 LLC and US Airways, Inc.	\$0
AeroCentury Corp.	American Airlines	Residual Agreement dated 23 September 2005 between AFS Investments 68 LLC and Bombardier Inc.	\$0
AeroCentury Corp.	American Airlines	Aircraft Lease for CRJ700 Aircraft MSN 10178	\$0
AeroCentury Corp.	American Airlines	Amended and Restated Participation Agreement dated 23 September 2005 between AFS Investments 68 LLC and US Airways, Inc.	\$0
AeroCentury Corp.	American Airlines	Amended and Restated Lease Agreement dated 23 September 2005 between AFS Investments 68 LLC and US Airways, Inc.	\$0
AeroCentury Corp.	American Airlines	US Airways Inc. Amended and Restated Standard Terms Manual – Single Investor Lease dated 28 May 2004.	\$0
AeroCentury Corp.	American Airlines	Amended and Restated Tax Indemnity Agreement dated 23 September 2005 between AFS Investments 68 LLC and US Airways, Inc.	\$0
AeroCentury Corp.	American Airlines	Amended and Restated Guaranty dated 23 September 2005 between AFS Investments 68 LLC and US Airways Group, Inc.	\$0

DebtorName	Contract Counterparty	Description of Contract / Service	Cure Amount
AeroCentury Corp.	American Airlines	Amended and Restated Lease Supplement No.1 dated 23 September 2005 between AFS Investments 68 LLC and US Airways, Inc.	\$0
AeroCentury Corp.	American Airlines	Assignment, Assumption and Amendment Agreement dated 29 January 2014 between AFS Investments 68 LLC, US Airways, Inc. and AeroCentury Corp.	\$0
AeroCentury Corp.	American Airlines	Residual Agreement dated 23 September 2005 between AFS Investments 68 LLC and Bombardier Inc.	\$0
AeroCentury Corp.	American Airlines	Deficiency Agreement dated 23 September 2005 between AFS Investments 68 LLC and Bombardier Inc.	\$0
AeroCentury Corp.	American Airlines	Deficiency Agreement dated 23 September 2005 between AFS Investments 68 LLC and Bombardier Inc.	\$0
AeroCentury Corp.	American Airlines Group Inc.	Amended and Restated Guaranty, each dated September 23, 2005, by US Airways Group, Inc. as Guarantor (assumed by operation of law by merger of Guarantor with American Airlines Group, Inc.), one for each of MSNs 10165, 10171, and 10178	\$0
AeroCentury Corp.	American Airlines, Inc.	Renewal Agreement dated 25 January 2021 between	\$0
AeroCentury Corp.	American Airlines, Inc.	Amendment to Amended and Restated Lease Agreement dated 25 January 2021 between AeroCentury Corp. and American Airlines, Inc.	\$0
AeroCentury Corp.	American Airlines, Inc.	Renewal Agreement dated 25 January 2021	\$0
AeroCentury Corp.	American Airlines, Inc.	Renewal Agreement dated 25 January 2021	\$0
AeroCentury Corp.	American Airlines, Inc.	Amendment to Amended and Restated Lease Agreement dated 25 January 2021	\$0

DebtorName	Contract Counterparty	Description of Contract / Service	Cure Amount
JetFleet Management Corp.	American Express	Credit Card	\$0
JetFleet Management Corp.	AT&T	Internet	\$0
JetFleet Management Corp.	AviaConsult International	Consulting Agreement	\$0
JetFleet Management Corp.	California Choice	Health Insurance	\$0
AeroCentury Corp.	Continental Stock Transfer & Trst	Transfer Agreement	\$0
AeroCentury Corp.	Corporation Service Company (CSC)	Statutory Representation	\$0
AeroCentury Corp.	Croatia Airlines	Aircraft Lease for Dash 8-400 Aircraft MSN 4205	\$0
AeroCentury Corp.	Croatia Airlines	Aircraft Lease Agreement dated 30 May 2007 between GOAL Verwaltungsgesellschaft mbH & Co. Projekt Nr. 27 KG and Croatia Airlines D.D.	\$0
AeroCentury Corp.	Croatia Airlines	Amendment Agreement dated 17 September 2007 between GOAL Verwaltungsgesellschaft mbH & Co. Projekt Nr. 27 KG and Croatia Airlines D.D.	\$0
AeroCentury Corp.	Croatia Airlines	Lease Replacement Schedule Letter Agreement dated 15 May 2008 between GOAL Verwaltungsgesellschaft mbH & Co. Projekt Nr. 27 KG and Croatia Airlines D.D.	\$0
AeroCentury Corp.	Croatia Airlines	Certificate of Acceptance dated 16 May 2008 executed by Croatia Airlines D.D. Third Amendment Agreement to a Lease Agreement (containing the form of Amended and	\$0
AeroCentury Corp.	Croatia Airlines	Restated Aircraft Lease Agreement (the Amended and Restated Lease Agreement)) dated 13 December 2010 between GOAL Verwaltungsgesellschaft mbH & Co. Projekt Nr. 27 KG and Croatia Airlines D.D.	\$0

DebtorName	Contract Counterparty	Description of Contract / Service	Cure Amount
AeroCentury Corp.	Croatia Airlines	Lease Amendment Letter Agreement No.4 dated 15 November 2011 between GOAL Verwaltungsgesellschaft mbH & Co. Projekt Nr. 27 KG and Croatia Airlines D.D.	\$0
AeroCentury Corp.	Croatia Airlines	Fifth Lease Amendment and Supplement Agreement dated 27 October 2017 between GOAL Verwaltungsgesellschaft mbH & Co. Projekt Nr. 27 KG and Croatia Airlines D.D.	\$0
AeroCentury Corp.	Croatia Airlines	Aircraft Lease for Dash 8-400 Aircraft MSN 4211	\$0
AeroCentury Corp.	Croatia Airlines D.D.	Exchange Rate Notice Letter dated 3 November 2017 from between GOAL Verwaltungsgesellschaft mbH & Co. Projekt Nr. 27 KG	\$0
AeroCentury Corp.	Croatia Airlines D.D.	Aircraft Lease Novation and Amendment Agreement dated 14 May 2018 between GOAL Verwaltungsgesellschaft mbH & Co. Projekt Nr. 27 KG	\$0
AeroCentury Corp.	Croatia Airlines D.D.	Lease Amendment (SN 4205 and 4211) dated 15 May 2020	\$0
AeroCentury Corp.	Croatia Airlines D.D.	Lease Amendment (SN 4205 and SN 4211) dated December 9, 2020	\$0
AeroCentury Corp.	Croatia Airlines D.D.	Aircraft Lease Agreement dated 30 May 2007 between GOAL Verwaltungsgesellschaft mbH & Co. Projekt Nr. 28 KG and Croatia Airlines D.D.	\$0

DebtorName	Contract Counterparty	Description of Contract / Service	Cure Amount
AeroCentury Corp.	Croatia Airlines D.D.	Amendment Agreement dated 17 September 2007 (containing the form of Amended and Restated Aircraft Lease Agreement) between GOAL Verwaltungsgesellschaft mbH & Co. Projekt Nr. 28 KG and Croatia Airlines D.D.	\$0
AeroCentury Corp.	Croatia Airlines D.D.	Lease Replacement Schedule Letter Agreement dated 24 July 2008 between GOAL Verwaltungsgesellschaft mbH & Co. Projekt Nr. 28 KG and Croatia Airlines D.D.	\$0
AeroCentury Corp.	Croatia Airlines D.D.	Certificate of Acceptance dated 25 July 2008 executed by Croatia Airlines D.D.	\$0
AeroCentury Corp.	Croatia Airlines D.D.	Third Amendment Agreement to a Lease Agreement (containing the form of Amended and Restated Aircraft Lease Agreement (the Amended and Restated Lease Agreement)) dated 13 December 2010 between GOAL Verwaltungsgesellschaft mbH & Co. Projekt Nr. 28 KG and Croatia Airlines D.D.	\$0
AeroCentury Corp.	Croatia Airlines D.D.	Lease Amendment Letter Agreement No.4 dated 15 November 2011 between GOAL Verwaltungsgesellschaft mbH & Co. Projekt Nr. 28 KG and Croatia Airlines D.D.	\$0
AeroCentury Corp.	Croatia Airlines D.D.	Fifth Lease Amendment and Supplement Agreement dated 27 October 2017 between GOAL Verwaltungsgesellschaft mbH & Co. Projekt Nr. 28 KG and Croatia Airlines D.D.	\$0

DebtorName	Contract Counterparty	Description of Contract / Service	Cure Amount
AeroCentury Corp.	Croatia Airlines D.D.	Exchange Rate Notice Letter dated 3 November 2017 from GOAL Verwaltungsgesellschaft mbH & Co. Projekt Nr. 28 KG and acknowledged and agreed by Croatia Airlines D.D.	\$0
AeroCentury Corp.	Croatia Airlines D.D.	Aircraft Lease Novation and Amendment Agreement dated 14 May 2018 between GOAL Verwaltungsgesellschaft mbH & Co. Projekt Nr. 28 KG	\$0
AeroCentury Corp.	Croatia Airlines D.D.	Lease Amendment (SN 4205 and 4211) dated 15 May 2020	\$0
AeroCentury Corp.	Croatia Airlines D.D.	Lease Amendment (SN 4205 and SN 4211) dated December 9, 2020	\$0
JetFleet Management Corp.	Guardian	Life and Disability Insurance	\$0
JetFleet Management Corp.	Intermedia.net	Hosted email	\$0
AeroCentury Corp.	Issuer Direct	EDGAR platform subscription	\$0
AeroCentury Corp.	Jazz Aviation LP	Aircraft Lease for CRJ900 Aircraft MSN 15055	\$0
AeroCentury Corp.	Jazz Aviation LP	Aircraft Lease Agreement dated 14 November 2007 between AI Waha (Cayman 1) Lease Limited and Jazz Aviation, LP.	\$0
AeroCentury Corp.	Jazz Aviation LP	Aircraft Lease Novation and Amendment Agreement dated 26 October 2010 between AI Waha (Cayman 1) Lease Limited, as existing lessor, Jazz Aviation, LP. and Wells Fargo Bank Northwest, N.A., as new lessor.	\$0
JetFleet Management Corp.	MetLife	Dental insurance	\$0
AeroCentury Corp.	MHI RJ Aviation ULC	Residual Agreement N709PS, dated as of September 23, 2005, between MHI RJ Aviation ULC ("MHIRJ") as assigned by Bombardier Inc.) and AeroCentury Corp ("ACY") (as assigned to ACY by AFS Investments 68 LLC), in connection with the lease of MSN10165	\$0

DebtorName	Contract Counterparty	Description of Contract / Service	Cure Amount
AeroCentury Corp.	MHI RJ Aviation ULC	Deficiency Agreement N709PS dated as of September 23, 2005 between MHI RJ Aviation ULC ("MHIRJ") (as assigned to MHIRJ by Bombardier Inc.) and ACY (as assigned to ACY by AFS Investments 68 LLC)	\$0
AeroCentury Corp.	MHI RJ Aviation ULC.	Consent and Amendment Letter dated 25 January 2021	\$0
AeroCentury Corp.	MHI RJ Aviation ULC.	Consent and Amendment Letter dated 25 January 2021	\$0
AeroCentury Corp.	MHI RJ Aviation ULC.	Consent and Amendment Letter dated 25 January 2021	\$0
AeroCentury Corp.	Michael G. Magnussen	Employment Contract	\$0
AeroCentury Corp.	NTE Aviation, LLC	INVENTORY CONSIGNMENT AGREEMENT, made and entered into as of the July 26th, 2017 by and between AeroCentury Corp., and NTE Aviation, LLC, as amended by the Amendment to the Consignment Agreement dated July 9th, 2019.	\$0
JetFleet Management Corp.	Paychex Inc.	Payroll services	\$0
AeroCentury Corp.	SAMCO Aircraft Maintenance B.V.	Holdership Agreement made and entered into as of September 20th, 2019 by and between AeroCentury Corp. and SAMCO Aircraft Maintenance B.V.	\$0
AeroCentury Corp.	Silverstone Air Services Limited (dba Jetlite Air Limited)	Aircraft Lease Agreement dated August 17, 2016, between AeroCentury Corp. and Silverstone Air Services Limited ("Silverstone"), as amended by that Letter Agreement dated July 25, 2018)	\$0

DebtorName	Contract Counterparty	Description of Contract / Service	Cure Amount
AeroCentury Corp.	Skyward Express Limited	Aircraft Lease Agreement dated May 11, 2015, between AeroCentury Corp. and Skyward Express Limited, as amended by Letters Agreement dated August 25, 2015, July 25, 2018, March 20, 2019, and August 28, 2018, and January 14, 2020	\$0
JetFleet Management Corp.	Solarwinds MSP	Internet	\$0
JetFleet Management Corp.	The Hartford	Workers' compensation	\$0
JetFleet Management Corp.	Thomson Reuters Tax & Accounting - R&G	Accounting software	\$0
JetFleet Management Corp.	T-Mobile	telephone	\$0
AeroCentury Corp.	US Airways, Inc.	Assignment, Assumption and Amendment Agreement dated 29 January 2014 between AFS Investments 68 LL	\$0
AeroCentury Corp.	US Airways, Inc.	Assumption Agreement dated 30 December 2015	\$0
AeroCentury Corp.	US Airways, Inc.	Assumption Agreement dated 30 December 2015	\$0
AeroCentury Corp.	US Airways, Inc.	Assignment, Assumption and Amendment Agreement dated 29 January 2014 between AFS Investments 68 LLC, US Airways, Inc. and AeroCentury Corp.	\$0
AeroCentury Corp.	US Airways, Inc.	Assumption Agreement dated 30 December 2015	\$0
JetFleet Management Corp.	Vision Service Plan	Vision insurance	\$0
AeroCentury Corp.	Wells Fargo Bank Northwest, N.A.	Aircraft Lease Novation and Amendment Agreement dated 1 November 2013 between Wells Fargo Bank Northwest, N.A. as existing lessor, Lessee and AeroCentury Corp., as new lessor	\$0
AeroCentury Corp.	Wideroe's Flyveselskap AS	Aircraft Lease Agreement (238) dated as of April 28, 2005, between AeroCentury Corp. and Wideroe's Flyveselskap AS, as amended by numbered amendments 1-21	\$0

DebtorName	Contract Counterparty	Description of Contract / Service	Cure Amount
AeroCentury Corp.	Worthington Aviation Parts, Inc.	INVENTORY CONSIGNMENT AGREEMENT, made and entered into as of the October 4th, 2012 by and between AeroCentury Corp., and Worthington Aviation Parts, Inc..	\$0
AeroCentury Corp.	Worthington Aviation Parts, Inc.	INVENTORY CONSIGNMENT AGREEMENT, made and entered into as of the May 6th, 2013 by and between AeroCentury Corp., and Worthington Aviation Parts, Inc..	\$0
AeroCentury Corp.	Worthington Aviation Parts, Inc.	INVENTORY CONSIGNMENT AGREEMENT, made and entered into as of the January 5th, 2016 by and between AeroCentury Corp., and Worthington Aviation Parts, Inc..	\$0
AeroCentury Corp.	Worthington Aviation Parts, Inc.	INVENTORY CONSIGNMENT AGREEMENT, made and entered into as of the June 30th, 2017 by and between AeroCentury Corp., and Worthington Aviation Parts, Inc..	\$0

Exhibit B

Blackline

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

-----X
In re : Chapter 11
AEROCENTURY CORP., *et al.*, : Case No. 21-10636 (JTD)
Debtors.¹ : (Jointly Administered)
: Re: Docket Nos. ~~1~~ 12, 87²
-----X

**ORDER (I) APPROVING AND AUTHORIZING THE SALE OF
~~CERTAIN OF THE DEBTORS' ASSETS~~ FREE AND CLEAR OF
ALL LIENS, CLAIMS, AND ENCUMBRANCES, (II) AUTHORIZING THE
ASSUMPTION AND ASSIGNMENT OF CERTAIN EXECUTORY CONTRACTS AND
UNEXPIRED LEASES, AND (III) GRANTING RELATED RELIEF**

Upon consideration of the motion (the “Motion”)³² of the above-captioned debtors and debtors in possession (the “Debtors”), pursuant to sections 105(a), 363, 365, and 503 of title 11 of the United States Code, 11 U.S.C. §§ 101 *et seq.* (the “Bankruptcy Code”), Rules 2002, 6004, 6006, 9006 and 9014 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and Rules 2002-1 and 6004-1 of the Local Rules of Bankruptcy Practice and Procedure for the United States Bankruptcy Court for the District of Delaware (the “Local Rules”), for the entry of an order (this “Sale Order”) authorizing and approving (a) the sale (the “Sale”) pursuant to that certain Asset Purchase Agreement, dated as of ~~1~~ March 26, 2021, attached hereto as **Exhibit 1** (the “APA”), between the Debtors and ~~1~~ Drake Asset Management Jersey Limited (“Buyer”)

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 Certain terms in this proposed form of order are bracketed as they may be subject to revision based on the final transaction or transactions resulting from the ongoing Court-approved marketing and sale process.~~

³² Capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the APA (as defined below), or to the extent not defined therein, the Bidding Procedures Order (as defined below).

free and clear of all liens claims, interests, and Encumbrances⁴³, (b) approving the assumption and assignment of certain executory contracts and unexpired leases pursuant to section 365 of the Bankruptcy Code in connection with the Sale, and (c) granting related relief; and the Court having entered on April 22, 2021, that certain *Order (I) Approving Bidding Procedures in Connection with the Sale of Substantially All of the Debtors' Assets; (II) Authorizing the Debtors to Enter Into the Stalking Horse Purchase Agreement, (III) Scheduling an Auction for and Hearing to Approve the Sale; (IV) Approving Notice of Respective Date, Time and Place for Auction and for Hearing on Approval of Sale; (V) Approving Procedures for the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases; (VI) Approving Form and Manner of Notice Thereof; and (VII) Granting Related Relief; and (V) Granting Related Relief* [Docket No. 87] (the “Bidding Procedures Order”); and the Debtors, after an extensive marketing and sale process, and acting in accordance with the bidding procedures approved pursuant to the Bidding Procedures Order, having determined that the highest or otherwise best offer for [those certain assets to be purchased in the APA] (the “Purchased Assets”) was made by the Buyer pursuant to the APA ~~following the auction held on May 20, 2021 (the “Auction”)~~; and the Court having ~~conducted~~ scheduled a hearing ~~on for~~ May 25, 2021 (the “Sale Hearing”); ~~at which time; and~~ all parties in interest were offered an opportunity to object and be heard with respect to the Sale, to consider the approval of the Sale pursuant to the terms and conditions of the APA, and the Court having considered (i) the Motion and any objections thereto, (ii) the Sale, (iii) the arguments of counsel made in the Motion, and evidence adduced through supporting declarations, related thereto, and (iv) the full record in the chapter 11 cases, including the record related to the entry of the Bidding Procedures Order and the ~~Sale Hearing held before the Court~~ evidence adduced through declarations; and all parties in interest

⁴³ The defined term “Encumbrances” as used herein shall have the meaning ascribed in paragraph 7 of this Order.

having been heard, or having had the opportunity to be heard, regarding the approval of the APA, the Sale and the transactions contemplated by the APA; and it appearing that the relief requested in the Motion is in the best interests of the Debtors, their bankruptcy estates, creditors, and other parties in interest in the chapter 11 cases; it is hereby **FOUND, CONCLUDED, AND DETERMINED THAT.**⁵⁴

A. The findings and conclusions set forth herein constitute this Court's findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052, made applicable to the chapter 11 cases pursuant to Bankruptcy Rule 9014. The Court's findings also shall include any oral findings of fact and conclusions of law made by the Court during or at the conclusion of the Sale Hearing, if such hearing was held.

B. To the extent that any of the following findings of fact constitute conclusions of law, they are adopted as such. To the extent any of the following conclusions of law constitute findings of fact, they are adopted as such.

C. This Court has jurisdiction over the Motion and over the property of the Debtor, including the Purchased Assets to be sold, transferred, and conveyed pursuant to the APA, pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2). Venue of the chapter 11 cases and the Motion in this District and Court is proper under 28 U.S.C. §§ 1408 and 1409.

D. This Sale Order constitutes a final order within the meaning of 28 U.S.C. § 158(a). Notwithstanding Bankruptcy Rules 6004(h) and 6006(d), and to any extent necessary under Bankruptcy Rule 9014 and Rule 54(b) of the Federal Rules of Civil Procedure, as made

⁵⁴ All findings of fact and conclusions of law announced by the Court at the Sale Hearing, if such hearing was held, in relation to the Motion, if any, are hereby incorporated herein.

applicable by Bankruptcy Rule 7054, this Court finds that there is no just reason for delay in the implementation of this Sale Order, and directs entry of judgment as set forth herein. No appeal, motion to reconsider, or similar pleading has been filed with respect to the Bidding Procedures Order, and the Bidding Procedures Order is a final order of the Court, has not been vacated, withdrawn, rescinded, or amended and remains in full force and effect.

E. The Purchased Assets constitute property of the Debtors' bankruptcy estates and title thereto is vested in the Debtors' bankruptcy estate within the meaning of section 541(a) of the Bankruptcy Code.

F. The statutory bases for the relief requested in the Motion and provided for herein are sections 105, 363, 365, and 503 of the Bankruptcy Code, Bankruptcy Rules 2002, 6004, 6006, 9006 and 9014, and Local Rules 2002-1 and 6004-1.

G. On March 29, 2021 (the "Petition Date"), each of the Debtors filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code. Since the Petition Date, the Debtors have continued to maintain their business and manage their property as debtors in possession pursuant to sections 1107 and 1108 of the Bankruptcy Code.

H. This Court previously entered the Bidding Procedures Order, among other things: (i) establishing certain bidding and auction procedures; (ii) scheduling the Auction (if necessary) and the Sale Hearing to consider the sale of the Purchased Assets; (iii) establishing certain procedures for noticing and determining cure amounts related to the Debtors' executory contracts and unexpired leases; (iv) approving the form and manner of notice of certain procedures, dates and deadlines in connection with the Bidding Procedures and the Sale; and (v) granting certain related relief.

I. A fair and reasonable opportunity to object or be heard with respect to the Motion and the relief requested therein has been afforded to all interested persons and entities. As evidenced by the affidavits of service and publication previously filed with the Court [Docket Nos. 50, 101, 110-[135](#), & [---](#)], ~~and based on the representations of counsel at the Sale Hearing~~[137](#)], due, proper, timely, adequate, and sufficient notice of the Motion, the Sale Hearing, the Auction, the Sale, and the assumption and assignment of the executory contracts and unexpired leases to be assumed and assigned to the Buyer at closing pursuant to this Sale Order and the APA (collectively, the “Assumed Contracts”) has been provided in accordance with sections 102(1), 363, and 365 of the Bankruptcy Code and Bankruptcy Rules 2002, 6004, 9007, and 9014, and in compliance with the Bidding Procedures Order, to each party entitled to such notice, including, as applicable: (a) the Office of the United States Trustee for the District of Delaware; (b) counsel to the Prepetition Lender; (c) all persons known or reasonably believed to have asserted an interest in the Purchased Assets; (d) the Attorneys General in the State(s) where the Purchased Assets are located; (e) all state and local taxing authorities in the State(s) where the Purchased Assets are located; (f) the Internal Revenue Service; (g) all parties that have asserted liens against the Purchased Assets; (h) all of the Debtors’ known creditors and known equity holders, and (i) all parties that have filed a notice of appearance and request for service of papers pursuant to Bankruptcy Rule 2002. With respect to entities whose identities are not reasonably ascertained by the Debtors, publication of the Sale Notice once in the national edition of *The New York Times* on April 27, 2021, as evidenced by the affidavit of service filed by the Debtors at Docket No. 101 in the chapter 11 cases, was, and is deemed, sufficient, and reasonably calculated under the circumstances to reach such entities. The notices described above were good, sufficient, and

appropriate under the circumstances, and no other or further notice of the Motion, the Auction, the Sale, and the Sale Hearing is, or shall be, required.

J. The Debtors have articulated good and sufficient reasons for this Court to grant the relief requested in the Motion as it pertains to the Sale and provided for herein.

K. The Sale Notice provided all interested parties with timely and proper notice of the Sale, the Sale Hearing, and the Auction.

L. The disclosures made by the Debtors in the Motion, the Sale Notice, and related documents filed with the Court concerning the APA, the Auction, the Sale and the Sale Hearing were good, complete and adequate.

M. The Bidding Procedures were substantively and procedurally fair to all parties. The Bidding Procedures set forth in the Bidding Procedures Order are non-collusive, proposed and executed in good faith as a result of arms'-length negotiations, designed to maximize the value of the Purchased Assets, and substantively and procedurally fair to all parties.

N. The Debtors conducted the process with respect to the Sale in accordance with, and has otherwise complied in all respects with, the Bidding Procedures Order. The sale process set forth in the Bidding Procedures Order afforded a full, fair, and reasonable opportunity for any entity to make a higher or otherwise better offer to purchase the Purchased Assets. The Auction was duly noticed and conducted in a non-collusive, fair and good faith manner. A reasonable opportunity has been given to any interested party to make a higher or otherwise better offer for the Purchased Assets.

O. The terms contained in the APA constitute the highest or otherwise best offer for the Purchased Assets, and will provide a greater recovery for the Debtors' bankruptcy estates for the Purchased Assets than would be provided by any other available alternative. The

Debtors' determination that the APA constitutes the highest or otherwise best offer for the Purchased Assets constitutes a valid and sound exercise of the Debtors' business judgment.

P. The APA and the Sale contemplated thereby represent a fair and reasonable offer to purchase the Purchased Assets. No other entity or group of entities has presented a higher or otherwise better offer to the Debtors to purchase the Purchased Assets for greater economic value to the Debtors' bankruptcy estates than the Buyer.

Q. Approval of the Motion and the APA and the consummation of the Sale contemplated thereby is in the best interests of the Debtors, their bankruptcy estates, their creditors and other parties in interest in the chapter 11 cases.

R. The Debtors have demonstrated compelling circumstances and a good, sufficient, and sound business purpose and justification for the Sale of the Purchased Assets because, among other reasons, (i) the APA constitutes the highest or otherwise best offer for the Purchased Assets, (ii) the APA and the closing thereon will present the best opportunity to realize the value of the Purchased Assets, and (iii) any other available transaction would not have yielded as favorable an economic result.

S. The Buyer is purchasing the Purchased Assets in good faith, is a good-faith buyer within the meaning of section 363(m) of the Bankruptcy Code, and is not an "insider" (as defined under section 101(31) of the Bankruptcy Code) of the Debtors and no common identity of incorporators, directors or stockholders exists between the Buyer and the Debtors, and therefore is entitled to the full benefits and protections of section 363(m) of the Bankruptcy Code, and otherwise has proceeded in good faith in all respects in connection with the Sale in that: (i) the Buyer recognized that the Debtors were free to deal with any other party interested in acquiring the Assets; (ii) the Buyer complied with the Bidding Procedures Order; (iii) the Buyer agreed to

subject its bid to the competitive bidding procedures set forth in the Bidding Procedures Order; (iv) all payments to be made by the Buyer and other agreements or arrangements entered into by the Buyer in connection with the Sale- including that Regional One, Inc. may be the nominee for one or more of the Purchased Assets in accordance with Section 2.1 of the APA and shall pay such nominee fee directly to the Buyer, have been disclosed; (v) the Buyer has not violated section 363(n) of the Bankruptcy Code by any action or inaction; and (vi) the negotiation and execution of the APA, including the Sale contemplated thereby, were negotiated, proposed and entered into by the Debtors and the Buyer at arms'-length without collusion and in good faith.

T. The APA and the transactions contemplated thereby cannot be avoided under section 363(n) of the Bankruptcy Code. The Debtors, the Buyer and their respective agents, representatives and affiliates have not engaged in any conduct that would cause or permit the APA or the consummation of the transactions contemplated thereby to be avoided, or costs or damages to be imposed, under section 363(n) of the Bankruptcy Code.

U. The consideration provided by the Buyer pursuant to the APA: (i) is fair and adequate, and constitutes reasonably equivalent value and fair consideration and value, under the Bankruptcy Code and under the laws of the United States, any state, territory, possession, or the District of Columbia (including the Uniform Fraudulent Transfer Act); and (ii) will provide a greater recovery for the Debtors' bankruptcy estates and creditors than would be provided by any other reasonably practicable available alternative.

V. By consummating the Sale, the Buyer is not a mere continuation of the Debtors or their bankruptcy estates, and there is no continuity, no common identity, and no continuity of enterprise between the Debtors and the Buyer. Pursuant to the APA, the Buyer is not purchasing all of the Debtors' assets because the Buyer is not purchasing any of the Excluded

Equipment, and the Buyer is not holding itself out to the public as a continuation of the Debtors. The Buyer is not a successor to the Debtors or their bankruptcy estates by reason of any theory of law or equity, and the Sale does not amount to a consolidation, merger, or de facto merger of the Buyer and the Debtors. Neither the Buyer nor any of its agents, representatives or affiliates shall assume or in any way be responsible for any obligation or liability of the Debtors and their bankruptcy estates except as expressly provided in this Sale Order or the APA. By consummating the Sale and the transactions contemplated by the APA, neither the Buyer nor any of the Purchased Assets will be subject to any claim, liability or obligation arising out of, or relating to, any Excluded Equipment or any Excluded Liabilities, including, without limitation, under the Bankruptcy Code, any environmental law, or any other laws of the United States, any state, territory, possession or the District of Columbia. None of the transactions contemplated by the APA, including, without limitation, the Sale or the assumption and assignment of any Assumed Contracts, is being undertaken for the purpose of hindering, delaying, or defrauding any creditors under the Bankruptcy Code, under the laws of the United States, or under the laws of any state, territory, possession, or the District of Columbia.

W. The Sale neither impermissibly restructures the rights of the Debtors' creditors, nor impermissibly dictates the terms of a plan of reorganization of the Debtors. The Sale does not constitute a *sub rosa* plan.

X. The Debtors, acting by and through their agents, representatives, and officers, (i) have full corporate power and authority to execute the APA and all other documents contemplated thereby, and the Sale of the Purchased Assets by the Debtors has been duly and validly authorized by all necessary corporate action of the Debtors, (ii) have all of the corporate power and authority necessary to consummate the transactions contemplated by the APA,

(iii) have taken all corporate action necessary to authorize and approve the APA and the consummation by the Debtors of the transactions contemplated thereby, and (iv) no consents or approvals, other than those expressly provided for in the APA or this Sale Order, are required for the Debtors to consummate such transactions.

Y. The transfer of each of the Purchased Assets to the Buyer will, as of the Closing Date (or applicable Delivery Date as set forth in the APA), be a legal, valid, and effective transfer of such assets, and vests or will vest the Buyer with all right, title, and interest to the Purchased Assets free and clear of all Encumbrances, unless otherwise assumed in, or permitted by, the APA.

Z. The Debtors may sell the Purchased Assets free and clear of all Encumbrances against the Debtors, their bankruptcy estates, or any of the Purchased Assets (unless otherwise assumed in, or permitted by, the APA) because, in each case, one or more of the standards set forth in section 363(f)(1)-(5) of the Bankruptcy Code has been satisfied. Those holders of Encumbrances against the Debtors, their bankruptcy estates, or any of the Purchased Assets who did not object, or who withdrew their objections, to the Sale or the Motion are deemed to have consented thereto pursuant to section 363(f)(2) of the Bankruptcy Code. Those holders of such Encumbrances who did object fall within one or more of the other subsections of section 363(f) and are adequately protected by having their Encumbrances, if any, in each instance against the Debtors, their bankruptcy estates, or any of the Purchased Assets, attach to the cash proceeds of the Sale ultimately attributable to the Purchased Assets in which such creditor alleges an Encumbrance, in the same order of priority, with the same validity, force, and effect that such creditor had prior to the Sale, subject to any claims and defenses that the Debtors and their bankruptcy estates may possess with respect thereto. All other holders of Encumbrances could be

compelled in a legal or equitable proceeding to accept money satisfaction of such claim or interest, or otherwise fall within section 363(f) of the Bankruptcy Code.

~~AA. — [The Prepetition Lender has consented to the sale of the Purchased Assets to the Buyer pursuant to the APA free and clear of any Encumbrances of the Prepetition Lender against the Purchased Assets, provided that cash proceeds generated from the Sale shall be indefeasibly paid to the Prepetition Lender upon the closing of the Sale in full satisfaction of all of the Debtors' outstanding Prepetition Obligations (as defined in the *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* [Docket No. 79] (the "Final Cash Collateral Order").]~~

AA. [The Buyer is an acquisition vehicle formed by the Prepetition Lender, holding valid claims against the Debtors, the estates and property of the estates. The Prepetition Lender holds an allowed secured claim, as of the Petition Date, in the principal amount of not less than \$83,164,109, plus additional interest, fees and costs (the "Allowed Claim"), and pursuant to the Bidding Procedures Order was authorized to credit bid any or all of such Allowed Claim. The Buyer credit bid ~~BB. — [\$83,164,109]~~ \$83,164,109, which credit bid was a valid and proper offer pursuant to the Bidding Procedures Order and Bankruptcy Code sections 363(b) and 363(k) (the "Credit Bid"). The terms contained in the APA constitute the highest and best offer for the Purchased Assets, and will provide a greater recovery for the Debtors' bankruptcy estates for the Purchased Assets than would be provided by any other available alternative. The Debtors' determination that the APA constitutes the highest and best offer for the Purchased Assets constitutes a valid and sound exercise of the Debtors' business judgment.]

BB. ~~CC.~~ As set forth more fully in the Final Cash Collateral Order and the Bidding Procedures Order, and subject to any applicable Challenge (as defined in the Final Cash Collateral Order), the Prepetition Obligations: (i) constitute legal, valid, binding, enforceable, unavoidable obligations of the Debtors; (ii) are secured by valid, binding, enforceable, unavoidable and properly perfected first priority Prepetition Liens (as defined in the Final Cash Collateral Order) on the Purchased Assets; (iii) constitute allowed secured claims under section 502(a) of the Bankruptcy Code; and (iv) are authorized to be credit bid on the Purchased Assets pursuant to section 363(k) of the Bankruptcy Code. The Prepetition Lender having delegated the authority to credit bid the Prepetition Obligations to the Buyer, the Buyer is authorized to assert the Credit Bid in connection with the Sale transaction contemplated under the APA. Pursuant to applicable law, including section 363(k) of the Bankruptcy Code and in accordance with the Final Cash Collateral Order, the Buyer is authorized to credit bid for the Purchased Assets the amount of the Prepetition Obligations as contemplated under the APA, and the Credit Bid is valid and proper consideration pursuant to sections 363(b) and 363(k) of the Bankruptcy Code, the Final Cash Collateral Order, and the Bidding Procedures Order.}

CC. ~~DD.~~ If the Sale were not free and clear of all Encumbrances (except as otherwise assumed in, or permitted by, the APA), or if the Buyer would, or in the future could, be liable for any Encumbrances (except as otherwise assumed in, or permitted by, the APA), the Buyer would not have entered into the APA and would not consummate the Sale, thus adversely affecting the Debtors, their bankruptcy estates and their creditors.

DD. ~~EE.~~ The Debtors have demonstrated that it is an exercise of their sound business judgment to assume and assign the Assumed Contracts to the Buyer pursuant to the terms of this Sale Order and the APA, in each case in connection with the consummation of the Sale,

and the assumption and assignment of the Assumed Contracts is in the best interests of the Debtors, their bankruptcy estates and creditors and other parties in interest. The Assumed Contracts being assigned to the Buyer under the APA are an integral part of the APA and the Sale, and accordingly such assumptions and assignments are reasonable and enhance the value of the Debtors' bankruptcy estates. Any non-Debtor counterparty to any Assumed Contract that has not actually filed with the Court an objection to such assumption as of the date hereof is deemed to have consented to such assumption and assignment.

EE. ~~FF.~~ The Debtors and the Buyer have, to the extent necessary, satisfied the requirements of section 365 of the Bankruptcy Code, including sections 365(b)(1)(A), 365(b)(1)(B), and 365(f) of the Bankruptcy Code, in connection with the sale and assumption and assignment of the Assumed Contracts to the extent provided under this Sale Order and the APA and have: (i) cured any default existing prior to the date hereof under any of the Assumed Contracts, within the meaning of section 365(b)(1)(A) of the Bankruptcy Code; and (ii) provided compensation or adequate assurance of compensation to any party for any actual pecuniary loss to such party resulting from a default prior to the date hereof under any of the Assumed Contracts, within the meaning of section 365(b)(1)(B) of the Bankruptcy Code, and the Buyer has provided adequate assurance of future performance with respect to the Assumed Contracts, within the meaning of sections 365(b)(1) and 365(f)(2) of the Bankruptcy Code. The Assumed Contracts are assignable notwithstanding any provisions contained therein to the contrary.

EE. ~~GG.~~ Subject to footnote ~~[6]~~⁶⁵, the terms of the APA, including any amendments, supplements, and modifications thereto, are fair and reasonable in all respects, and the terms of this Sale Order shall not modify the terms of the APA.⁶⁵

⁶⁵ In the event of a conflict between this Sale Order and the APA, this Sale Order shall govern.

GG. ~~HH.~~ The APA and Sale must be approved and the closing must occur promptly to preserve the value of the Purchased Assets and the Debtors' bankruptcy estates.

HH. ~~I.~~ Given the adequacy and fair value of the consideration provided by the Buyer under the APA, the Sale constitutes a reasonable and sound exercise of the Debtors' business judgment, is in the best interests of the Debtors, their bankruptcy estates and their creditors and other parties in interest in the chapter 11 cases, and should be approved.

II. ~~JJ.~~ The consummation of the Sale is legal, valid, and properly authorized under all applicable provisions of the Bankruptcy Code, including, without limitation, sections 105(a), 363(b), 363(f), 363(m), 365(b), and 365(f), and all of the applicable requirements of such sections have been complied with in respect of the Sale.

JJ. ~~KK.~~ Time is of the essence in effectuating the APA and proceeding with the transactions contemplated therein without interruption. Accordingly, cause exists to waive the stay to the extent necessary, as contemplated by Bankruptcy Rules 4001(a), 6004(h), and 6006(d) to permit the immediate effectiveness of this Sale Order.

NOW THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND DECREED THAT:

1. The relief requested in the Motion is granted as set forth herein.
2. Any and all objections and responses to the Motion that have not been withdrawn, waived, settled, or resolved, and all reservations of rights included therein, are hereby overruled and denied on the merits.
3. Notice of the Motion, the Auction, the Sale Hearing, the Sale and the assumption and assignment of the Assumed Contracts was fair and equitable under the circumstances, and complied in all respects with the Bidding Procedures Order, section 102(1) of the Bankruptcy Code, Bankruptcy Rules 2002, 6004, and 6006, and the Local Rules.

Approval of the Sale of the Purchased Assets

4. The APA, substantially in the form attached hereto as **Exhibit 1**, including all other ancillary documents, and all of the terms and conditions thereof, ~~the Credit Bid~~, and the Sale of the Purchased Assets to the Buyer as provided in the APA, are hereby approved in all respects.

5. Pursuant to section 363(b) of the Bankruptcy Code, the Debtors, acting by and through their agents, representatives and officers, are authorized and empowered to take any and all actions necessary or appropriate to: (a) consummate and close the Sale pursuant to and in accordance with the terms and conditions of this Sale Order and the APA; (b) transfer and assign all right, title, and interest to all property, licenses, and rights to be conveyed in accordance with the terms and conditions of this Sale Order and the APA; and (c) execute and deliver, perform under, consummate, and implement this Sale Order and the APA and all additional instruments and documents that may be reasonably necessary or desirable to implement this Sale Order, the APA and the Sale, including any other ancillary documents, or as may be reasonably necessary or appropriate to the performance of the obligations as contemplated by this Sale Order, the APA and any such other ancillary documents.

6. This Sale Order shall be binding in all respects upon the Debtors, their bankruptcy estates, all creditors, all holders of equity interests in the Debtors, all holders of any Encumbrances against the Debtors, any holders of Encumbrances against or on all or any portion of the Purchased Assets, all counterparties to any executory contract or unexpired lease of the Debtors, the Buyer and all agents, representatives, affiliates, and permitted successors and assigns of the Buyer, and any trustees, examiners, or other fiduciary under any section of the Bankruptcy Code, if any, subsequently appointed in the chapter 11 cases or upon a conversion to chapter 7 under the Bankruptcy Code of the Debtors' chapter 11 cases. The terms and provisions of the

APA and this Sale Order shall inure to the benefit of the Debtors, their bankruptcy estates, their creditors, the Buyer and all agents, representatives, affiliates, and permitted successors and assigns of the Buyer, and any other affected third parties, including all persons asserting any Encumbrances in the Purchased Assets to be sold to the Buyer pursuant to the APA, notwithstanding any subsequent appointment of any trustee(s), party, entity, or other fiduciary under any section of any chapter of the Bankruptcy Code, as to which trustee(s), party, entity, or other fiduciary such terms and provisions likewise shall be binding.

Sale and Transfer of Purchased Assets

7. Pursuant to sections 105(a), 363(b), 363(f), 365(b) and 365(f) of the Bankruptcy Code, upon the Closing Date (or applicable Delivery Date as set forth in the APA), and pursuant to and except as otherwise set forth in the APA, the Purchased Assets shall be transferred to the Buyer free and clear of all encumbrances, claims, interests, and liens accruing, arising or relating thereto any time prior to the Closing Date, including the Excluded Liabilities, mortgages, restrictions, hypothecations, charges, indentures, loan agreements, instruments, collective bargaining agreements, leases, licenses, options, deeds of trust, security interests, other interests, conditional sale or other title retention agreements, pledges, and other liens (including mechanics', materialman's, and other consensual and non-consensual liens and statutory liens), judgments, demands, encumbrances, rights of first refusal, offsets, contracts, ~~recoupment~~, rights of recovery, claims for reimbursement, contribution, indemnity, exoneration, products liability, alter-ego, environmental, or tax, decrees of any court or foreign or domestic governmental entity, or charges of any kind or nature, if any, including any restriction on the use, voting, transfer, receipt of income or other exercise of any attributes of ownership, debts arising in any way in connection with any agreements, acts, or failures to act, including any pension liabilities, retiree medical benefit liabilities, liabilities related to the Employee Retirement Income Security Act of 1974, as

amended, the Fair Labor Standards Act, Title VII of the Civil Rights Act of 1964, the Federal Rehabilitation Act of 1973, the National Labor Relations Act, the Worker Adjustment and Retraining Act of 1988, the Age Discrimination and Employee Act of 1967 and Age Discrimination in Employment Act, as amended, the Americans with Disabilities Act of 1990, the Consolidated Omnibus Budget Reconciliation Act of 1985, state discrimination laws, state unemployment compensation laws or any other similar state laws, or any other state or federal benefits or claims relating to any employment with the Debtor or any of its affiliates or predecessors, any bulk sales or similar law, any tax statutes or ordinances, including, without limitation, the Internal Revenue Code of 1986, as amended, any theories of successor liability, or any other liability relating to Debtors' current and former employees, including any withdrawal liabilities or liabilities under any collective bargaining agreement or labor practice agreement, of the Debtors or any of the Debtors' predecessors or affiliates, claims, whether known or unknown, choate or inchoate, filed or unfiled, scheduled or unscheduled, noticed or unnoticed, recorded or unrecorded, perfected or unperfected, allowed or disallowed, contingent or non-contingent, liquidated or unliquidated, matured or unmatured, material or non-material, disputed or undisputed, whether arising prior to or subsequent to the commencement of the chapter 11 cases, and whether imposed by agreement, understanding, law, equity or otherwise, including claims otherwise arising under doctrines of successor liability (other than Assumed Liabilities and Permitted Encumbrances) (collectively, the "Encumbrances"), with all such Encumbrances to attach to the cash proceeds of the Sale in the order of their priority, with the same validity, force, and effect that they now have as against the Purchased Assets, subject to any claims and defenses the Debtors and their bankruptcy estates may possess with respect thereto. Additionally, for the avoidance of doubt, Buyer shall have no liability, obligation, or responsibility whatsoever to the

Debtors, any governmental authority or any other person with respect to, or in connection with, any Excluded Equipment or any Excluded Liabilities of any kind or character, whether known or unknown, as of the Closing Date, whether fixed or contingent, including, without limitation, any liability or other obligation arising under the Bankruptcy Code, any environmental laws, or any other laws of the United States, any state, territory, possession or the District of Columbia.

8. Except as otherwise specifically provided in the APA: (a) the Buyer shall not be liable for any claims against the Debtors or any of their predecessors or affiliates or any other third party whatsoever, and (b) the Buyer shall have no successor or vicarious liabilities of any kind or character (including, without limitation, any claims with respect to any Purchased Assets), whether known or unknown as of the Closing Date, now existing or hereafter arising, whether fixed or contingent, with respect to the Debtors or its business or any obligations of, or claims against, the Debtors or any of their respective predecessors or affiliates or any other third party whatsoever arising at any time, including, but not limited to, liabilities on account of any taxes arising, accruing, or payable under, out of, in connection with, or in any way relating to the Purchased Assets prior to the Closing Date.

9. On the Closing Date, this Sale Order shall be construed and shall constitute for any and all purposes a full and complete general assignment, conveyance, and transfer of all of the Purchased Assets or a bill of sale transferring good and marketable title in such Purchased Assets to the Buyer [or Buyer's nominee pursuant to section 2.1 of the APA](#) pursuant to the terms set forth in this Sale Order and the APA. For the avoidance of doubt, the Excluded Equipment set forth in the APA are not included in the Purchased Assets, and the Excluded Liabilities set forth in the APA are not Assumed Liabilities.

10. Subject to the terms and conditions of this Sale Order, the transfer of the Purchased Assets to the Buyer pursuant to the APA and the consummation of the Sale and any related actions contemplated thereby do not require any consents other than as specifically provided for in this Sale Order and the APA, constitute a legal, valid, and effective transfer of the Purchased Assets, and shall vest the Buyer with right, title, and interest in and to the Purchased Assets as set forth in this Sale Order and the APA, as applicable, free and clear of all Encumbrances (except as otherwise assumed in, or permitted by, the APA).

~~11. —[Upon closing of the Sale, the cash proceeds of the Sale shall be used to pay the Prepetition Lender until all outstanding Prepetition Obligations have been indefeasibly paid in full in cash. All remaining proceeds of the Sale shall be property of the estates, provided, however, that to the extent (A) any timely Challenge (as defined in the Final Cash Collateral Order) is brought regarding the note, including as to the validity, priority, perfection, extent or enforceability of the note or the liens securing the note, or (B) any other claims are asserted against the Prepetition Lender, the Prepetition Lender's rights to assert claims for reimbursement of related expenses, including, without limitation, attorney's fees and expenses, under the Prepetition Loan Documents (as defined in the Final Cash Collateral Order) are preserved, and the liens of the Prepetition Lender remain on such remaining proceeds to the extent of any such claims.]~~

11. ~~12.~~ Upon the Limited Recourse Date (as defined in the APA), the Buyer shall offset the full amount of all outstanding Prepetition Obligations against the Purchase Price pursuant to section 363(k) of the Bankruptcy Code, resulting in the full satisfaction and cancellation by the Buyer of the Prepetition Obligations. The Prepetition Obligations shall be deemed satisfied and canceled, in part, on each of the applicable Delivery Dates to the extent of the amounts allocated on the respective Equipment and related Lease Documents as set forth in

Part 3 of Schedule 2 of the APA. Pursuant to Section 8.5 of the APA, upon the Limited Recourse Date, the Buyer's sole and exclusive recourse on account of the Prepetition Obligations shall be limited to the Equipment and the Assumed Leases, and no other assets of the Debtors and, subject to the Buyer's rights under Section 12.4 of the APA, from the Limited Recourse Date the Buyer unconditionally and irrevocably waives any other rights to assert any Claims or Encumbrances against the Debtors, their affiliates or subsidiaries, or the bankruptcy estates (other than to enforce the Debtors' obligations under the APA).}

12. ~~13.~~ The Buyer, to the extent provided by this Sale Order or the APA, shall be authorized, as of the Closing Date, to operate under any license, permit, registration, and governmental authorization or approval of the Debtors constituting Purchased Assets, and all such licenses, permits, registrations, and governmental authorizations and approvals are deemed to have been, and hereby are, directed to be transferred to the Buyer as of the Closing Date as provided by this Sale Order and the APA. To the extent provided by section 525 of the Bankruptcy Code, no governmental unit may revoke or suspend any grant, permit, or license relating to the operation of the Purchased Assets sold, transferred, assigned, or conveyed to the Buyer on account of the filing or pendency of the chapter 11 cases or the consummation of the Sale. Each and every federal, state, and local governmental agency or department is hereby authorized to accept any and all documents and instruments necessary and appropriate to consummate the Sale.

~~14. — Other than such Purchased Assets that are subject to Assumed Leases, all entities that are presently, or as of the Closing Date may be, in possession of some or all of the Purchased Assets to be sold, transferred, or conveyed (wherever located) to the Buyer pursuant to this Sale Order and the APA are hereby directed to surrender possession of the Purchased Assets to the Buyer on the Closing Date.~~

13. ~~15.~~ Upon consummation of the Sale, if any person or entity that has filed financing statements, mortgages, mechanic's liens, *lis pendens*, or other documents or agreements evidencing Encumbrances against or in the Assets shall not have delivered to the Debtors prior to the closing, in proper form for filing and executed by the appropriate parties, termination statements, instruments of satisfactions, releases of all Encumbrances that the person or entity has with respect to the Purchased Assets (unless otherwise assumed in, or permitted by, the APA), or otherwise, then (a) the Debtors are hereby authorized to execute and file such statements, instruments, releases and other documents on behalf of the person or entity with respect to the Purchased Assets, and (b) the Buyer is hereby authorized to file, register, or otherwise record a certified copy of this Sale Order, which, once filed, registered or otherwise recorded, shall constitute conclusive evidence of the release of all Encumbrances against or in the Purchased Assets of any kind or nature (except as otherwise assumed in, or permitted by, the APA); provided that, notwithstanding anything in this Sale Order or the APA to the contrary, the provisions of this Sale Order shall be self-executing, and neither the Debtors nor the Buyer shall be required to execute or file releases, termination statements, assignments, consents, or other instruments in order to effectuate, consummate, and implement the provisions of this Sale Order. For the avoidance of doubt, upon consummation of the Sale, the Buyer is authorized to file termination statements, lien terminations, or other amendments in any required jurisdiction to remove and record, notice filings or financing statements recorded to attach, perfect, or otherwise notice any Encumbrances that is extinguished or otherwise released pursuant to this Sale Order under section 363 of the Bankruptcy Code and the related provisions of the Bankruptcy Code.

14. ~~16.~~ Except to the extent included in Assumed Liabilities or Permitted Encumbrances, or to enforce the APA, all entities, including all lenders, debt security holders,

equity security holders, governmental, tax, and regulatory authorities, parties to contracts and leases, customers, employees and former employees, dealers and sale representatives, and trade or other creditors holding Encumbrances against or in the Debtors and their bankruptcy estates or the Purchased Assets arising under or out of, in connection with, or in any way relating to, the transfer of the Purchased Assets to the Buyer, or any entities or individuals asserting any interests in the Purchased Assets, hereby are forever barred, estopped, and permanently ~~enjoined~~barred from asserting any Encumbrances against the Buyer, the permitted successors and assigns of the Buyer, the property of the Buyer or its permitted successors and assigns, or the Purchased Assets conveyed in accordance with the APA.

15. ~~17.~~As of and after the Closing Date: (a) each of the Debtors' creditors are hereby authorized ~~and directed~~ to execute such documents and take all other actions as may be necessary to release their Encumbrances in the Purchased Assets (if any) as such Encumbrances may have been recorded or may otherwise exist; and (b) any Purchased Asset that may be subject to a statutory lien, mechanic's lien or the like shall be turned over and such liens shall attach to the proceeds of the Sale in the same priority they currently enjoy with respect to the Purchased Assets.

Contracts to be Assumed and Assigned

16. ~~18.~~Pursuant to sections 105(a), 363, and 365 of the Bankruptcy Code, and subject to and conditioned upon the occurrence of the Closing Date, the Debtors' assumption and assignment to the Buyer, and the Buyer's assumption, on the terms set forth in this Sale Order and the APA, of the Assumed Contracts, is hereby approved in its entirety, and the requirements of section 365 of the Bankruptcy Code with respect thereto are hereby deemed satisfied.

17. ~~19.~~The Debtors are hereby authorized in accordance with sections 105(a), 363, and 365 of the Bankruptcy Code to assume and assign to the Buyer, effective upon the Closing Date, the Assumed Contracts free and clear of all Encumbrances (except as otherwise assumed in,

or permitted by, the APA) and execute and deliver to the Buyer such documents or other instruments as may be necessary to assign and transfer the Assumed Contracts to the Buyer.

18. ~~20.~~ As of the Closing Date, in accordance with sections 363 and 365 of the Bankruptcy Code, the Buyer shall be fully and irrevocably vested in all right, title, and interest in and of each Assumed Contract.

19. ~~21.~~ The Assumed Contracts shall be transferred to, and remain in full force and effect for the benefit of, the Buyer in accordance with their respective terms, notwithstanding any provision in any such Assumed Contract (including those of the type described in sections 365(b)(2) and (f) of the Bankruptcy Code) that prohibits, restricts, or conditions such assignment or transfer.

20. ~~22.~~ Pursuant to sections 365(b)(1)(A) and (B) of the Bankruptcy Code and the terms of the APA, the Buyer shall pay to the respective counterparty the Cure Amounts relating to any Assumed Contract.

21. ~~23.~~ Except as may be otherwise agreed in writing between the Debtors and the non-Debtor parties to the Assumed Contracts ~~or stated on the record of the Sale Hearing~~, the Cure Amounts ~~and the Maintenance Reserve Obligations (as defined in the APA)~~ to be paid by the Buyer for the Assumed Contracts are hereby fixed at the amounts set forth on Exhibit 2 attached to this Sale Order, and the non-Debtor parties to such Assumed Contracts are forever bound by such Cure Amounts and, upon payment of such Cure Amounts, are hereby ~~enjoined~~ barred from taking any action against the Debtors and their bankruptcy estates, the Buyer and all agents, representatives, affiliates, and permitted successors and assigns of the Buyer, or the Assets with respect to any claim for cure under any Assumed Contract.

22. ~~24.~~ The payment of the applicable Cure Amounts (if any) shall effect a cure of all defaults existing as of the date that such executory contracts or unexpired leases are assumed and compensate for any actual pecuniary loss to such non-Debtor party resulting from such default. Except as set forth on Exhibit 2 with respect to the Cure Amount of an Assumed Contract, the Buyer shall have no liability or obligation to cure any Assumed Contract default accruing prior to the Closing Date (or applicable Delivery Date under the APA).

23. ~~25.~~ The Buyer shall have assumed the Assumed Contracts, and pursuant to section 365(f) of the Bankruptcy Code, the assignment by the Debtors of such Assumed Contracts shall not be a default thereunder. After the payment of the relevant Cure Amounts, neither the Debtors and their bankruptcy estates nor the Buyer shall have any further liabilities to the non-Debtor counterparties to the Assumed Contracts, other than the Buyer's obligations under the Assumed Contracts that accrue after the date that such Assumed Contracts are assumed.

24. ~~26.~~ Any provisions in any Assumed Contracts that prohibit or condition the assignment of such Assumed Contract or allow the party to such Assumed Contract to terminate, recapture, impose any penalty, condition on renewal or extension or modify any term or condition upon the assignment of such Assumed Contract constitute unenforceable anti-assignment provisions that are void and of no force and effect. All other requirements and conditions under sections 363 and 365 of the Bankruptcy Code for the assumption by the Debtors and assignment to the Buyer of the Assumed Contracts have been satisfied.

25. ~~27.~~ Any party having the right to consent to the assumption or assignment of any Assumed Contract that failed to object to such assumption or assignment is deemed to have consented to such assumption and assignment as required by section 365(c) of the Bankruptcy Code.

26. ~~28.~~ The Buyer shall be deemed to be substituted for the Debtors as a party to the applicable Assumed Contracts, and the Debtors and their bankruptcy estates shall be relieved, pursuant to section 365(k) of the Bankruptcy Code, from any further liability under the Assumed Contracts.

27. ~~29.~~ The Buyer has provided adequate assurance of future performance under the Assumed Contracts within the meaning of sections 365(b)(1)(C), 365(b)(3) (to the extent applicable) and 365(f)(2)(B) of the Bankruptcy Code.

28. ~~30.~~ There shall be no assignment fees, increases, rent-acceleration, or any other fees charged to the Buyer or the Debtors and their bankruptcy estates as a result of the assumption and assignment of the Assumed Contracts.

29. ~~31.~~ Pursuant to sections 105(a), 363, and 365 of the Bankruptcy Code, all counterparties to the Assumed Contracts are forever barred, estopped and permanently ~~enjoined~~ barred from raising or asserting against the Debtors and their bankruptcy estates or the Buyer any assignment fee, default, breach, claim, pecuniary loss, or condition to assignment, arising under or related to the Assumed Contracts, existing as of the date that such Assumed Contracts are assumed or arising by reason of the closing.

30. ~~32.~~ Neither the Buyer nor any permitted successor or assign of the Buyer shall be responsible for or have any Encumbrances or obligations arising out of any of the contracts, agreements, or understandings that are not Assumed Contracts after the Closing Date (except as specifically provided by the APA).

Additional Provisions

31. ~~33.~~ The consideration provided by the Buyer for the Purchased Assets under the APA shall be deemed to constitute reasonably equivalent value and fair consideration under the Bankruptcy Code and under the laws of the United States, any state, territory, possession, or

the District of Columbia, and the Sale and the transactions consummated in connection therewith are not, and shall not be, avoidable under the Bankruptcy Code or any such laws.

32. ~~34.~~ The Debtors and the Buyer hereby waive, and shall be deemed to waive, any requirement of compliance with, and any claims related to non-compliance with, the provisions of any bulk sales, bulk transfer, or similar law of any jurisdiction that may be applicable.

33. ~~35.~~ Following the closing of the Sale, no holder of an Encumbrance in or against the Debtors and their bankruptcy estates or the Purchased Assets shall interfere with the Buyer's title to or use and enjoyment of the Purchased Assets based on or related to such Encumbrance or any actions that the Debtors and their bankruptcy estates may take in the chapter 11 cases or any successor bankruptcy cases.

34. ~~36.~~ The Buyer shall have no liability or responsibility for any liability or other obligation of the Debtors or any third party whatsoever arising under or related to Excluded Equipment, Excluded Liabilities or the Purchased Assets other than for the Assumed Liabilities and the Assumed Contracts to the extent provided under the APA. Without limiting the generality of the foregoing, and except as otherwise specifically provided in the APA, the Buyer shall not be liable for any claims against the Debtors or any of its predecessors or affiliates or any third party whatsoever, and the Buyer shall have no successor liabilities of any kind or character whether known or unknown as of the Closing Date, now existing or hereafter arising, whether fixed or contingent, with respect to the Debtors or any obligations of the Debtors arising prior to the Closing Date, including, but not limited to, liabilities on account of any taxes arising, accruing, or payable under, out of, or in connection with, or in any way relating to the operation of the Debtors' business prior to the Closing Date, and all parties are hereby forever barred, estopped and permanently

~~enjoined~~barred from asserting any such claims against the Buyer, its successors and assigns or against the Purchased Assets.

35. ~~37.~~ This Order shall be binding upon and shall govern the acts of all entities, including without limitation, all filing agents, filing officers, title agents, title companies, recorders of mortgages, recorders of deeds, registrars of deeds, administrative agencies, governmental departments, secretaries of state, federal, state, and local officials, and all other persons and entities who may be required by operation of law, the duties of their office, or contract, to accept, file, register or otherwise record or release any documents or instruments, or who may be required to report or insure any title or state of title in or to any of the Purchased Assets. Each and every federal, state and local governmental agency or department is hereby ~~directed~~authorized to accept any and all documents and instruments necessary and appropriate to consummate the transactions contemplated by the APA. The Buyer and the Debtor shall take such further steps and execute such further documents, assignments, instruments and papers as shall be reasonably requested by the other to implement and effectuate the transactions contemplated in this paragraph.

36. ~~38.~~ The Debtors, including their respective officers, employees and agents, are hereby authorized to execute such documents and do such acts as are necessary or desirable to carry out the transactions contemplated by the terms and conditions of the APA and this Sale Order. The Debtors shall be, and hereby are, authorized to take all such actions as may be necessary to effectuate the terms of this Sale Order and the relief granted pursuant to this Sale Order, and the Debtors shall cooperate with the Buyer and the Buyer will cooperate with the Debtors, to ensure that the transactions contemplated by the APA are consummated. The Debtors and each other person having duties or responsibilities under the APA or this Sale Order, and their respective agents, representatives, and attorneys, are authorized and empowered to carry out all of

the provisions of the APA, to issue, execute, deliver, file and record, as appropriate, the APA, and any related agreements, and to take any action contemplated by the APA or this Sale Order, and to issue, execute, deliver, file and record, as appropriate, such other contracts, instruments, releases, deeds, bills of sale, assignments, or other agreements, and to perform such other acts as are consistent with, and necessary or appropriate to, implement, effectuate and consummate the APA and this Sale Order and the transactions contemplated thereby and hereby, all without further application to, or order of, the Court. Without limiting the generality of the foregoing, this Sale Order shall constitute all approvals and consents, if any, required by any applicable business corporation, trust and other laws of applicable governmental units with respect to the implementation and consummation of the APA and this Sale Order and the transactions contemplated thereby and hereby.

37. ~~39.~~ The Sale is undertaken by the Buyer without collusion and in good faith, as that term is defined in section 363(m) of the Bankruptcy Code, and accordingly, the reversal or modification on appeal of the authorization provided herein to consummate the Sale shall not affect the validity of the Sale (including the assumption and assignment of the Assumed Contracts by the Buyer, if any, and the sale free and clear of all Encumbrances (unless otherwise assumed in, or permitted by, the APA)), unless such authorization and consummation of such Sale are duly stayed pending such appeal, *provided, however*, that the Debtors reserve the right to take such actions as may be necessary to enforce the Buyer's obligations under the APA. The Buyer is a good-faith purchaser within the meaning of section 363(m) of the Bankruptcy Code, and as such is entitled to the full benefits and protections afforded by such section.

38. ~~40.~~ As a good-faith purchaser of the Purchased Assets, the Buyer has not colluded with any of the other bidders, potential bidders, or any other parties interested in the

Purchased Assets, and therefore neither the Debtors nor any successor in interest to the Debtors' estates shall be entitled to bring an action against the Buyer, and the Sale of the Purchased Assets may not be avoided pursuant to section 363(n) of the Bankruptcy Code.

39. ~~41.~~ Nothing contained in any plan of reorganization or liquidation, or order of any type or kind entered in the chapter 11 cases, any subsequent chapter 7 or chapter 11 cases of the Debtors, or any related proceeding subsequent to entry of this Sale Order, shall conflict with or derogate from the terms of this Sale Order or the APA.

40. ~~42.~~ The failure specifically to include any particular provisions of the APA including any of the documents, agreements, or instruments executed in connection therewith in this Sale Order shall not diminish or impair the efficacy of such provision, document, agreement, or instrument, it being the intent of this Court that the APA and each document, agreement or instrument be authorized and approved in its entirety.

41. ~~43.~~ All time periods set forth in this Sale Order shall be calculated in accordance with Bankruptcy Rule 9006(a).

42. ~~44.~~ To the extent that this Sale Order is inconsistent with any prior order or pleading with respect to the Motion in the chapter 11 cases, the terms of this Sale Order shall govern.

43. ~~45.~~ To the extent there are any inconsistencies between the terms of this Sale Order and the APA (including all ancillary documents executed in connection therewith), the terms of this Sale Order shall govern.

44. ~~46.~~ The APA and any related agreements, documents or other instruments may be modified, amended or supplemented by the parties thereto in accordance with the terms thereof without further order of this Court, provided, however, that such modifications, amendments,

or supplements shall not materially alter the APA or any related agreements absent further order of this Court.

45. ~~47.~~ The provisions of this Sale Order are nonseverable and mutually dependent.

46. ~~48.~~ Notwithstanding the provisions of Bankruptcy Rules 6004(h), 6006(d) or 7062 or any applicable provisions of the Local Rules, this Sale Order shall not be stayed after the entry hereof, but shall be effective and enforceable immediately upon entry, and the fourteen (14) day stay provided in Bankruptcy Rules 6004(h) and 6006(d) is hereby expressly waived and shall not apply.

47. ~~49.~~ This Court shall retain jurisdiction to, among other things, interpret, implement, and enforce the terms and provisions of this Sale Order and the APA, all amendments thereto and any waivers and consents thereunder and each of the agreements executed in connection therewith to which the Debtors are a party or which has been assigned by the Debtors to the Buyer, and to adjudicate, if necessary, any and all disputes concerning or relating in any way to the Sale, including, but not limited to, (a) compel transfer of title to and delivery of the Purchased Assets to the Buyer free and clear of Encumbrances (other than Permitted Encumbrances), or compel the performance of other obligations owed by the Debtors or the Buyer, (b) resolve any disputes arising under or related to the APA, except as otherwise provided therein, (c) protect the Buyer against (i) claims made related to any of the Excluded Liabilities, (ii) any claims of successor liability related to the Purchased Assets or Assumed Contracts, or any of the Excluded Equipment, or (iii) any claims of Encumbrances (other than Permitted Encumbrances) asserted in the Purchased Assets, of any kind or nature whatsoever.

EXHIBIT 1

APA

~~28092276.6~~

EXHIBIT 2

Cure Amounts

28092276.8