

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

In re:

PHILIPPINE AIRLINES, INC.,<sup>1</sup>

Debtor.

Chapter 11

Case No. 21-11569 (SCC)

**FINAL ORDER (A) AUTHORIZING, BUT NOT REQUIRING, THE DEBTOR  
TO REMIT AND PAY SALES, USE AND FRANCHISE TAXES AND CERTAIN OTHER  
GOVERNMENT CHARGES AND (B) AUTHORIZING BANKS AND OTHER  
FINANCIAL INSTITUTIONS TO RECEIVE, PROCESS, HONOR, AND PAY CHECKS  
ISSUED AND ELECTRONIC PAYMENT REQUESTS MADE RELATING TO THE  
FOREGOING**

Upon the motion (the “**Motion**”)<sup>2</sup> of the above-captioned debtor and debtor in possession in this case (the “**Debtor**”) for entry of a final order (this “**Order**”) (a) authorizing, but not requiring, the Debtor to remit and pay sales, use and franchise taxes and certain other governmental charges and (b) authorizing banks and other financial institutions to receive, process, honor, and pay checks issued and electronic payment requests made relating to the foregoing; and the Court having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference* from the United States District Court for the Southern District of New York, dated January 31, 2012; and consideration of the Motion and the relief requested therein being a core proceeding under 28 U.S.C. § 157(b); and venue being proper before the Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of

<sup>1</sup> The Debtor in this chapter 11 case, along with its registration number in the Philippines, is Philippine Airlines, Inc., Philippine Securities and Exchange Commission Registration No. PW 37. The Debtor’s corporate headquarters is located at PNB Financial Center, President Diosdado Macapagal Avenue, CCP Complex, Pasay City 1300, Metro Manila, Philippines.

<sup>2</sup> Each capitalized term used herein but not otherwise defined herein shall have the meaning ascribed to it in the Motion.



the Motion having been provided to the Notice Parties, and that no other or further notice need be provided; and the Court having reviewed the Motion and held a hearing to consider the relief requested in the Motion on a final basis (the “**Final Hearing**”); and upon the First Day Declaration and the record of the Final Hearing; and the Court having determined that the legal and factual bases set forth in the Motion and at the Final Hearing establish just cause for the relief granted herein; and the Court having determined that the relief requested herein is in the best interests of the Debtor, its estate, the creditors and all parties in interest; and any objections to the relief requested in the Motion having been withdrawn or overruled on the merits; and upon all of the proceedings had before the Court and after due deliberation and sufficient cause appearing therefor;

**IT IS HEREBY ORDERED THAT:**

1. The relief requested in the Motion is GRANTED on a final basis as set forth herein.
2. The Debtor is authorized, but not directed, in its sole discretion, to pay or remit the Taxes and Fees (including Airline Taxes & Fees) to the Authorities as they come due in the ordinary course of business, without regard to whether the Taxes and Fees accrued or arose before or after the Petition Date, absent further order of the Court.
3. Nothing in this Order authorizes the Debtor to accelerate any payments not otherwise due.
4. All applicable banks and other financial institutions are authorized and directed, when requested by the Debtor, to receive, process, honor, and pay any and all checks and transfer requests evidencing amounts paid by the Debtor under this Order, whether presented prior to or after the Petition Date, in accordance with, and with the

protections granted in, any order approving the Debtor's use of its cash management system filed in this Chapter 11 Case.

5. The Debtor is authorized to issue postpetition checks, or to initiate postpetition fund transfer requests, in replacement of any checks or fund transfer requests that are dishonored as a consequence of this Chapter 11 Case with respect to prepetition amounts owed in connection with any Taxes and Fees.

6. Nothing contained in the Motion or this Order shall be deemed or construed as an admission as to the validity or priority of any claim or lien against the Debtor, including any Taxes and Fees, or as a waiver of the Debtor's rights to dispute any claim or lien, including any Taxes and Fees.

7. Nothing contained in the Motion or this Order shall constitute a rejection or assumption by the Debtor of any executory contract or unexpired lease, whether by virtue of reference to such contract or lease in the Motion or otherwise.

8. Notwithstanding the relief granted herein and any actions taken hereunder, nothing herein shall create, nor is intended to create, any rights in favor of, or enhance the status of any claim held by, any party.

9. The contents of the Motion satisfy the requirements set forth in Bankruptcy Rule 6004(a).

10. Notwithstanding any provision in the Federal Rules of Bankruptcy Procedure to the contrary, (i) the terms of this Order shall be immediately effective and enforceable upon its entry, (ii) the Debtor is not subject to any stay in the implementation, enforcement or realization of the relief granted in this Order and (iii) the Debtor may, in its discretion and without further delay, take any action and perform any

act authorized under this Order.

11. This Court shall retain jurisdiction with respect to any matters, claims, rights or disputes arising from or related to the Motion or the implementation or enforcement of this Order.

Dated: September 30, 2021  
New York, New York

/S/ Shelley C. Chapman  
THE HONORABLE SHELLEY C. CHAPMAN  
UNITED STATES BANKRUPTCY JUDGE