

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

In re:

ONE AVIATION CORPORATION, *et al.*,<sup>1</sup>

Debtors.

Chapter 11

Case No. 18-12309 (CSS)

(Jointly Administered)

**Re: D.I. 969 & 971**

**OBJECTION OF CITIKING INTERNATIONAL US, LLC TO:**

**DEBTORS' MOTION FOR ENTRY OF AN ORDER  
SHORTENING THE TIME FOR NOTICE OF THE TIME FOR  
NOTICE OF THE HEARING TO CONSIDER THE DEBTORS' SALE MOTION**

Citiking International US LLC ("Citiking") respectfully submits this objection to the *Debtors' Motion for Entry of an Order Shortening the Time for Notice of the Hearing to Consider the Debtors' Sale Motion* [D.I. 971] (the "Motion to Shorten"),<sup>2</sup> and respectfully states as follows:

1. On October 20, 2020, the Debtors filed a Sale Motion [D.I. 969] that contemplates a private sale of substantially all of the Debtors' assets without pre-approved bidding and auction procedures. The Motion to Shorten seeks to set a hearing on the Sale Motion on or before October 30, 2020. The proposed Order accompanying the Motion to Shorten sets the hearing for October 26, 2020, just three (3) business days from today.

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<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each debtor's tax identification number, as applicable, are: ONE Aviation Corporation (9649); ACC Manufacturing, Inc. (1364); Aircraft Design Company (1364); Brigadoon Aircraft Maintenance, LLC (9000); DR Management, LLC (8703); Eclipse Aerospace, Inc. (9000); Innovatus Holding Company (9129); Kestrel Aircraft Company, Inc. (2053); Kestrel Brunswick Corporation (6741); Kestrel Manufacturing, LLC (1810); Kestrel Tooling Company (9439); and OAC Management, Inc. (9986). The Debtors' corporate headquarters is located at 3250 Spirit Drive SE, Albuquerque, NM 87106 (collectively, the "Debtors").

<sup>2</sup> Capitalized terms used herein but otherwise not defined shall have the meaning ascribed to them in the Motion to Shorten.

2. The Motion to Shorten should be denied. The Sale Motion instead should be set for November 18, 2020, the next scheduled omnibus date, for the reasons set forth below.

3. First, permitting the sale to proceed on such an expedited timeframe is not in the best interests of the estate. Citiking may wish to participate in the Sale Motion as a competing bidder, and it should have the opportunity to be heard on its rights to credit bid in accordance with section 363(k) of the Bankruptcy Code. The Debtors have adjourned a final hearing on their DIP Motion [D.I. 877], thereby preventing Citiking from having an opportunity to be heard on a final basis with respect to the relief granted in the Interim DIP Order [D.I. 911]. Citiking intends to file a Motion to Vacate the Interim DIP Order. The Motion to Vacate and Sale Motion should be heard at the same time. A November 18, 2020 hearing date provides sufficient time for parties to formulate responses and the Court to give due consideration to the motions.

4. Second, the Motion to Shorten sharply abbreviates the time prescribed for a Sale Motion set forth in Local Rule 6004-1(c), titled Sale Procedures Motion. The LR states:

A debtor may file a Sale Procedures Motion seeking approval of an order (a "Sale Procedures Order") approving bidding and auction procedures either as part of the Sale Motion or by a separate motion filed in anticipation of an auction and a proposed sale, **not less than twenty-one (21) days prior to a hearing on the Sale Procedures Motion**. The Court will only schedule a hearing to consider approval of bidding and sale procedures in accordance with the notice procedures set forth in Del. Bankr. L.R. 9006-1 on at least twenty-one (21) days' notice, unless the requesting party files a motion to shorten notice, which may be heard at the first hearing in the case, or as otherwise ordered by the Court, and presents evidence at that hearing of compelling circumstances.

LR 6004-1(c) (**emphasis** added).

5. Third, the Sale Motion does include a proposed form of order in violation of LR 6004-1(b)(ii). Without a proposed order, Citiking cannot ascertain if the distribution of sales proceeds violate its rights as a secured creditor *pari passu* with DW and underscores the need for

the Court consider the Motion to Vacate at the same time as the Sale Motion. The Motion to Shorten should be denied, and the Debtors should be required to file a proposed order before a hearing is set on the Sale Motion, so that the parties in interest in these cases may be accorded the due process of having the opportunity to review and take positions on the relief requested in the Sale Motion.

6. Finally, the Motion to Shorten states “the Purchase Agreement provides that the Buyer may terminate the Purchase Agreement if, on or prior to October 30, 2020, subject to the Court’s availability, (i) the Sale Hearing has not taken place or (ii) the Court has not entered the Sale Order. Motion to Shorten at ¶13. This contractual provision appears forced and arbitrary, inserted solely to create “compelling circumstances” to address the LR.

**WHEREFORE**, Citiking respectfully requests the Motion to Shorten be denied, the Sale Motion be heard on November 18 and the Court grant such other and further relief as is just and proper.

Respectfully submitted,

Dated: October 21, 2020  
Wilmington, Delaware

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