

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

In re:

**GRUPO AEROMÉXICO, S.A.B. de C.V., et
al.,

Debtors.¹**

Chapter 11

Case No. 20-11563 (SCC)

(Jointly Administered)

**ORDER (I) AUTHORIZING DEBTOR AEROVÍAS DE MÉXICO, S.A. DE C.V. TO
ASSUME (ON AN AMENDED BASIS) THAT CERTAIN LEASE AGREEMENT AND
(II) APPROVING THE CLAIMS SETTLEMENT WITH FGL AIRCRAFT IRELAND
LIMITED AND RELATED PARTIES**

Upon the motion (the “**Motion**”)² of the Debtors for entry of an order (this “**Order**”), (i) authorizing, but not directing, Debtor Aerovías de México, S.A. de C.V. (the “**Debtor Lessee**”) to assume the Aircraft Lease on an amended basis in accordance with the terms and conditions set forth in the Amended Aircraft Lease (attached hereto as **Exhibit 1**) and (ii) approving the Claims Settlement, each as set forth more fully in the Motion and the Landess Declaration; and the Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference M-431*, dated January 31, 2012 (Preska, C.J.); and consideration of the Motion and the relief requested therein being a core proceeding under 28 U.S.C. § 157(b); and venue of the Chapter 11 Cases and related proceedings being proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided to the notice parties identified in the Motion;

¹ The Debtors in these cases, along with each Debtor’s registration number in the applicable jurisdiction, are as follows: Grupo Aeroméxico, S.A.B. de C.V. 286676; Aerovías de México, S.A. de C.V. 108984; Aerolitoral, S.A. de C.V. 217315; and Aerovías Empresa de Cargo, S.A. de C.V. 437094-1. The Debtors’ corporate headquarters is located at Paseo de la Reforma No. 243, piso 25 Colonia Cuauhtémoc, Mexico City, C.P. 06500.

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

such notice having been adequate and appropriate under the circumstances, and it appearing that no other or further notice need be provided; and the Court having reviewed the Motion and an opportunity for objection to and a hearing on the Motion having been given to the parties listed therein; and upon all of the proceedings had before the Court; and after due deliberation the Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and the Court having found that the relief granted herein is in the best interests of the Debtors, their creditors, and all other parties in interest; and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. The Motion is granted to the extent set forth herein.
2. The Debtors are authorized (but not directed), pursuant to section 365 of the Bankruptcy Code, to assume the Aircraft Lease on an amended basis in accordance with the terms and conditions set forth in the Amended Aircraft Lease. The Amended Aircraft Lease shall be deemed assumed upon the occurrence of the "Lease Commencement Date" under the Amended Aircraft Lease, following execution of the Amended Aircraft Lease.
3. The Debtors are authorized (but not directed) to enter into, and perform their obligations under, all exhibits, addenda, and other agreements contemplated by the Amended Aircraft Lease, without further approval of the Court.
4. The Debtors and the Lessor are authorized (but not directed) to execute, deliver, provide, implement, and fully perform any and all obligations, instruments, and papers provided for or contemplated in the Amended Aircraft Lease and to take any and all actions to implement the Amended Aircraft Lease.

5. The automatic stay under section 362 of the Bankruptcy Code is vacated and modified to the extent necessary to implement the terms and conditions of the Amended Aircraft Lease. Upon the occurrence and during the continuance of any event of default under the Amended Aircraft Lease, the Lessor may file with the Court and deliver to the Debtors and the Committee a written termination notice (a “**Termination Notice**”). Upon the earlier of (the “**Remedies Period**”) (a) the expiration of five business days after filing and delivery of a Termination Notice or (b) the effective date of the Debtors’ confirmed chapter 11 plan, the automatic stay in the Chapter 11 Cases shall be deemed lifted and the Lessor may undertake any remedies and enforcement actions provided for under such lease without the need for any authorization from the Court or further notice (other than as expressly provided for under the Amended Aircraft Lease). Before the expiration of the Remedies Period, the Debtors or the Committee may seek an emergency hearing at which either may contest the fact that an event of default under the Amended Aircraft Lease has occurred and is continuing. The Remedies Period shall automatically extend to the conclusion of such a hearing and the issuance of a ruling on the matters contested thereat.

6. The Debtor Lessee shall pay \$0.00 to the Lessor (inclusive of its affiliates) in satisfaction of its obligation to cure any prepetition defaults under the Aircraft Lease in accordance with section 365(b)(1)(A) of the Bankruptcy Code; *provided*, however, that from and after the assumption of the Aircraft Lease on an amended basis in accordance with the terms and conditions set forth in the Amended Aircraft Lease, the Lessor shall retain all post-petition rights to payment owed pursuant to the PBH Stipulation and other applicable documentation governing the Debtors’ post-petition usage of the Aircraft.

7. The Claims Settlement is (a) integral and necessary to the Fuyo Transactions, (b) supported by reasonable consideration, (c) fair and equitable and in the best interest of the Debtors' estates, and (d) permitted by the Bankruptcy Code, and thus, is hereby approved pursuant to Bankruptcy Rule 9019(a) and shall be binding on the Debtors and the Lessor (and its affiliates).

8. In accordance with the Claims Settlement, the Lessor, on behalf of itself and all of its affiliates, shall be allowed a new, non-priority, freely transferrable, net general prepetition unsecured claim (net of the application of available security deposits to the extent permitted by the Amended Aircraft Lease) in the aggregate amount of \$8,356,652.16 against the Debtor Lessee on account of all prepetition claims against the Debtors in the Chapter 11 Cases in respect of the Aircraft belonging to the Lessor and its affiliated entities. For the avoidance of doubt, the foregoing claim shall constitute the only prepetition general unsecured claim of the Lessor and its affiliates allowed in the Chapter 11 Cases in respect of the Aircraft, and nothing herein shall modify or impair any other claims of the Lessor and its affiliated entities in respect of any aircraft, other than the Aircraft.

9. The claim set forth above shall be automatically allowed upon the occurrence of the "Lease Commencement Date" under the Amended Aircraft Lease, and no further action shall be required of the Lessor (or any affiliate thereof) or the Debtors to effectuate the allowance of such claim. Such claim is freely transferable and the Lessor may take commercially reasonable actions in furtherance of any potential transfer of such claim without further order of this Court. Any chapter 11 plan filed by the Debtors shall afford such claims treatment that is no worse than the treatment given to the non-priority unsecured claims of any other aircraft or engine lessor whose claims run solely against the Debtor Lessee. Further, upon entry of this Order and

without any further action by the Debtors or the Lessor, Epiq Corporate Restructuring, LLC is authorized to update the claims register to reflect the terms of this Order, including, among other things, (a) allowing the Lessor's new claim (on behalf of itself and all of its affiliates) in the amount of the Claims Settlement and (b) expunging all other claims belonging to the Lessor or any of its affiliates in the Chapter 11 Cases in respect of the Aircraft if such claims have not yet been withdrawn, including, without limitation, the claim scheduled as number 561038480 and claim numbers 530 and 531.

10. The Debtors are authorized to take, or refrain from taking, any action necessary or appropriate to implement and effectuate the terms of, and the relief granted in, this Order without seeking further order of the Court.

11. Notwithstanding any subsequent appointment of any trustee(s) under any chapter of the Bankruptcy Code, this Order shall be binding in all respects upon, and shall inure to the benefit of, the Debtors, their estates, their creditors, their respective affiliates, successors, and assigns, and any affected third parties, including, but not limited to, the Lessor and all other persons asserting interests in the relevant aircraft.

12. While the above referenced Chapter 11 Cases are pending, this Court shall retain exclusive jurisdiction over any and all matters arising from or related to the implementation, interpretation, and enforcement of this Order and the Amended Aircraft Lease.

Dated: August 12, 2021
New York, New York

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